Thomas Havey & Co.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N. W., Suite 432, Washington, D.C. 20008
(202) 966-6602
Members of American Institute of Certified Public Accountants

William P. Roche
Partner

May 11, 1981

Mr. John A. Hoyt, President
The Humane Society of the United States
2100 L Street, N. W.
Washington, D. C. 20037

Dear John:

We are transmitting herewith Form 990-T - Exempt Organization Business Income Tax Return - for the calendar year 1980. Payment of the tax liability, in the amount of $58.00 must be made to an authorized commercial bank depositary or Federal Reserve Bank and must be accompanied by a completed Form 503. The tax may be paid in full, or in two installments, 50% on or before May 15, 1981 and 50% on or before August 15, 1981. This return must be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, Pa 19255, on or before May 15, 1981.

We are also transmitting herewith Form 990 - Return of Organization Exempt from Income Tax - for the calendar year 1980. This return should be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, Pa. 19255, on or before May 15, 1981.

If you have any questions, please call.

Sincerely yours,

Bill

William P. Roche

WPR:jp

Enclosures

HUMANEWATCH.ORG

Form **990-T**
Department of the Treasury
Internal Revenue Service

Exempt Organization Business Income Tax Return

(Under Section 511 of the Internal Revenue Code)

For calendar year 1980 or fiscal year beginning _____, 1980, and ending _____, 19

1980

Name of organization: The Humane Society of the United States

A Employer identification number (employees' trust see instruction for Block A): 53 | 0225390

Address (number and street): 2100 L Street, N.W.

B Enter unrelated business activity codes from page 8 of instructions: 6511

City or town, State, and ZIP code: Washington, D.C. 20037

C Check box if address changed . . . . . ▶ ☐

D Exempt under section . . . . . ▶ 501 (C)(3)

E Check applicable box . . . ▶ ☒ Corporation ☐ Trust

F Group exemption number (see instructions for Block F) ▶

Complete page 1, Schedule K on page 2, and sign the return if the unrelated trade or business gross income is $10,000 or less. Complete all applicable parts of the form (except lines 1 through 5) if unrelated trade or business gross income is over $10,000.

Unrelated Business Taxable Income Computation—When Unrelated Trade or Business Gross Income is $10,000 or Less

1	Unrelated trade or business gross income. (State sources _____)	1	
2	Minus deductions	2	
3	Unrelated business taxable income before specific deduction	3	
4	Minus specific deduction (see instructions for line 32)	4	
5	Unrelated business taxable income	5	343

Tax Computation

Organizations Taxable as Corporations (See Instructions for Tax Computation) N/A

6 (a) Are you a member of a controlled group? ☐ Yes ☐ No

(b) If "Yes," see instructions and enter your share of the $25,000 amount in each taxable income bracket:
(i) $_____ (ii) $_____ (iii) $_____ (iv) $_____

7 Income tax on amount on line 5 above, or line 33, page 2, whichever applies. Check here ▶ ☐ if alternative tax from Schedule D (Form 1120) is used — 7: 58

Trusts Taxable at Trust Rates (See Instructions for Tax Computation) Section 401(a) trust, check here ▶ ☐ N/A

8 Enter the tax from the tax rate schedule in instructions on amount on line 5 above, or line 33 on page 2, whichever applies — 8:

Total Income Tax

9 (a)	Foreign tax credit (corporations attach Form 1118, trusts attach Form 1116)	9(a)	-	
(b)	Investment credit (attach Form 3468)	9(b)	-	
(c)	Work Incentive (WIN) credit (attach Form 4874)	9(c)	-	
(d)	Other credits (see instructions)	9(d)	-	
10	Total (add lines 9(a) through (d))			10: -
11	Subtract line 10 from line 7 or line 8			11: 58
12	Increase in tax from refiguring an earlier year investment credit (attach Form 4255)			12:
13	Minimum tax on tax preference items (see instructions for line 13)			13:
14	Alternative minimum tax (see instructions for line 14)			14:
15	Total tax (add lines 11 through 14)			15: 58
16 (a)	Credits and payments: Tax deposited with Form 7004	16(a)	-	
(b)	Tax deposited with Form 7005 (attach copy)	16(b)	-	
(c)	Foreign organizations—Tax paid or withheld at the source (see instructions)	16(c)	-	
(d)	Credit from regulated investment companies (attach Form 2439)	16(d)	-	
(e)	Federal tax on special fuels and oils (attach Form 4136)	16(e)	-	
(f)	Other payments and credits (see instructions)	16(f)	-	
(g)	Total credits and payments (add lines 16(a) through 16(f))			16(g): -
17	TAX DUE (Subtract line 16(g) from line 15). See instructions for depositary method of payment ▶			17: 58
18	If line 16(g) is more than line 15, enter OVERPAYMENT ▶			18:

Statements Regarding Certain Activities

	Yes	No
1 At any time during the tax year, did you have an interest in or a signature or other authority over a bank account, securities account, or other financial account in a foreign country (see instructions)?		X
2 Were you the grantor of or transferor to a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Forms 3520, 3520-A or 926.		X

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer _____ Date _____ ▶ Title _____

Paid Preparer's Use Only

Preparer's signature and date ▶ Melvin R Havey 5-15-81

Check if self-employed ▶ ☐

Preparer's social security no. 227 | 50 | 4167

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co., 4301 Conn. Ave., N.W., Wash., D.C.

E.I. No. ▶ 36-2131790

ZIP code ▶ 20008

Unrelated Business Taxable Income Computation

Unrelated Trade or Business Income			
1 Gross receipts or gross sales ....., minus returns and allowances..... Balance ▶	1		
2 Minus: Cost of goods sold (Schedule A) and operations (attach schedule)	2		
3 Gross profit	3		
4 (a) Capital gain net income (attach separate Schedule D)	4(a)		
(b) Net gain or (loss) from Part II, Form 4797 (attached)	4(b)		
(c) Capital loss deduction for trusts	4(c)		
5 Income or (loss) from partnerships (attach statement)	5		
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E, line 2)	7	1,343	
8 Investment income of a section 501(c)(7) or (9) organization (Schedule F)	8		
9 Interest, annuities, royalties, and rents from controlled organizations (Schedule G)	9		
10 Exploited exempt activity income (Schedule H)	10		
11 Advertising income (Schedule I, Part III, Column A)	11		
12 Other income (see instructions for line 12—attach schedule)	12		
13 TOTAL unrelated trade or business income (add lines 3 through 12)	13	1,343	
Deductions Not Taken Elsewhere (Except for contributions, deductions must be directly connected with the unrelated business income)			
14 Compensation of officers, directors and trustees (Schedule J)	14		
15 Salaries and wages ....., minus WIN credit ..... Balance ▶	15		
16 Repairs (see instructions)	16		
17 Bad debts (see instructions)	17		
18 Interest (attach schedule)	18		
19 Taxes	19		
20 Contributions (see instructions for line 20)	20		
21 Depreciation (attach Form 4562)	21		
22 Amortization (attach schedule)	22		
23 Depletion	23		
24 (a) Contributions to deferred compensation plans (see instructions for line 24(a))	24(a)		
(b) Employee benefit programs (see instructions for line 24(b))	24(b)		
25 Other deductions (attach schedule)	25		
26 TOTAL deductions (add lines 14 through 25)	26		
27 Unrelated business taxable income before allowable advertising loss (subtract line 26 from line 13)	27	1,343	
28 Minus: Advertising loss (Schedule I, Part III, Column B)	28		
29 Unrelated business taxable income before net operating loss deduction (subtract line 28 from line 27)	29		
30 Minus: Net operating loss deduction (see instructions for line 30)	30	-	
31 Unrelated business taxable income before specific deduction (subtract line 30 from line 29)	31	1,343	
32 Minus: Specific deduction (see instructions for line 32)	32	1,000	
33 Unrelated business taxable income (subtract line 32 from line 31)	33	343	

Schedule A—COST OF GOODS SOLD (See Instructions for Line 2 above)

Method of inventory valuation (specify) ▶

1 Inventory at beginning of year		
2 Merchandise bought for manufacture or sale		
3 Salaries and wages		
4 Other costs (attach schedule)		
5 TOTAL		
6 Minus inventory at end of year		
7 Cost of goods sold (enter here and on line 2, above)		

Schedule K—RECORD OF FEDERAL TAX DEPOSIT FORMS 503

(List deposits in order of date made—See Instruction for line 17, page 1)

Date of deposit	Amount

The books are in care of ▶ Assistant Treasurer Telephone number ▶ (202) 452-1100

Schedule C—RENT INCOME FROM REAL PROPERTY AND PERSONAL PROPERTY LEASED WITH REAL PROPERTY (See Instructions for line 6 of page 2)

1. Description of property	2. Rent received or accrued	3. Percentage of rent for personal property
		%
		%
		%
		%
		%

4. Complete for any item if the entry in column 3 is more than 50%, or if the rent is based on profit or income		5. Complete for any item if the entry in column 3 is more than 10% but not more than 50%		
(a) Deductions directly connected (Attach schedule)	(b) Income includible (Column 2 minus column 4(a))	(a) Gross income reportable (Column 2 × column 3)	(b) Deductions directly connected with personal property (Attach schedule)	(c) Income includible (Column 5(a) minus column 5(b))

Add columns 4(b) and 5(c) and enter total here and on line 6, page 2 . . . . . .

Schedule E—UNRELATED DEBT-FINANCED INCOME. (See Instructions for line 7 of page 2)

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
		(a) Straight line depreciation (Attach schedule)	(b) Other deductions (Attach schedule)
1 Office Space - 2100 L Street, N.W.			
Washington, D.C.	21,243		
Schedule "2"		3,319	
Schedule "1"			12,328

4. Amount of average acquisition indebtedness on or allocable to debt-financed property (Attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (Attach schedule)	6. Percentage which column 4 is of column 5	7. Gross income reportable (Column 2 × column 6)	8. Allocable deductions (Total of columns 3(a) and 3(b) × column 6)	9. Net income or (loss) includible (Column 7 minus column 8)
18,330	77,594	24 %	5,098	3,755	1,343
		%			
		%			
		%			

2 Total (enter here and on line 7, page 2)	1,343
3 Total dividends-received deductions included in column 8	

Schedule F—INVESTMENT INCOME OF A SECTION 501(c)(7) OR (9) ORGANIZATION (See Instructions for Line 8 of Page 2)

(a) Description	(b) Amount	(c) Deductions directly connected (Attach schedule)	(d) Net investment income (Column (b) minus column (c))	(e) Set-asides (Attach schedule)	(f) Balance of investment income (Column (d) minus column (e))

Total (enter here and on line 8, page 2) . . . . . .

Schedule G—INCOME (ANNUITIES, INTEREST, RENTS AND ROYALTIES) FROM CONTROLLED ORGANIZATIONS (See Instructions for Line 9 of Page 2)

1. Name and address of controlled organization(s)	2. Gross income from controlled organization(s)	3. Deductions of controlling organization directly connected with column 2 income (Attach schedule)	4. Exempt controlled organizations		
			(a) Unrelated business taxable income	(b) Taxable income computed as though not exempt under section 501(a) or the amount in column (a), whichever is more	(c) Percentage which column (a) is of column (b)
					%
					%
					%

5. Nonexempt controlled organizations			6. Gross income reportable (Column 2 × column 4(c) or column 5(c))	7. Allowable deductions (Column 3 × column 4(c) or column 5(c))	8. Net income includible (Column 6 minus column 7)
(a) Excess taxable income	(b) Taxable income or amount in column (a), whichever is more	(c) Percentage which column (a) is of column (b)			
		%			
		%			
		%			

Total (enter here and on line 9, page 2) . . . . . .

Schedule H—EXPLOITED EXEMPT ACTIVITY INCOME, OTHER THAN ADVERTISING INCOME
(See Instructions for Line 10 of Page 2)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income from unrelated trade or business (Column 2 minus column 3)	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (Column 6 minus column 5 but not more than column 4)	8. Net income includible (Column 4 minus column 7)
Total (enter here and on line 10, page 2)							

Schedule I—ADVERTISING INCOME AND ADVERTISING LOSS (See Instructions for Line 11 of Page 2)

Part I—Income from periodicals reported on consolidated basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or loss (col. 2 minus col. 3). If loss, enter in col. B, Part III. Do not complete cols. 5, 6 and 7. If gain, complete cols. 5, 6 and 7.	5. Circulation income	6. Readership costs	7. If col. 5 exceeds col. 6, enter in col. A, Part III, the gain shown in col. 4. If col. 6 exceeds col. 5, subtract col. 6 plus col. 3 from col. 5 plus col. 2. Enter gain in col. A, Part III.
Totals						

Part II—Income from periodicals reported on a separate basis

Part III—Column A—Advertising Income

(a) Enter "consolidated periodical" or names of non-consolidated periodicals	(b) Enter total amount from column 4 or 7, Part I and amounts listed in cols. 4 and 7, Part II
Enter total here and on line 11, page 2	

Part III—Column B—Advertising Loss

(a) Enter "consolidated periodical" or names of non-consolidated periodicals	(b) Enter total amount from column 4, Part I and amounts listed in column 4, Part II
Enter total here and on line 28, page 2	

Schedule J—COMPENSATION OF OFFICERS, DIRECTORS AND TRUSTEES

1. Name	2. Title	3. Time devoted to business	4. Total compensation
Total compensation of officers (enter total here and on line 14, page 2)			

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THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990-T
1980

#53-0225390

Schedule "1"

Other Deductions		
Real Estate Tax		$30,383
Interest Expense		9,483
Insurance Expense		3,510
Electricity		20,037
Property Management		14,605
Gas		5,278
Elevator		2,022
Supplies		2,285
Water		1,109
Exterminating		120
Repairs & Maintenance		7,144
		95,976
	% of Rental Occupancy in 1980	x16.7%
		16,028
	% of Year Bldg. Was Rented	66%
		10,578
Salaries		1,750
Total		$12,328

Schedule "2"

Depreciation		
Depreciation Expense for 1980 Computed on the Straight Line Basis		$30,113
	% of Rental Occupancy in 1980	x16.7%
		5,029
	% of Year Bldg. Was Rented	66%
		$ 3,319

Schedule "3"

Form 990-T - Schedule E		
Average Acquisition Indebtedness to % of Rent		
Acquisition Indebtedness at 1/1/80		$185,091
Acquisition Indebtedness at 12/31/80		147,510
		332,601
		÷2
		166,300
	% of Rental Occupancy in 1980	x16.7%
		27,772
	% of Year Bldg. Was Rented	66%
		$ 18,330

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990-T #53-0225390
1980

Schedule "4"

Average Adjusted Basis	
Building @ Cost 12/31/80	$ 880,477
Accumulated Depreciation	(176,484)
	703,993
% of Rental Occupancy in 1980	X16.7%
	117,567
% of Year Bldg. was Rented	66%
	$ 77,594

Form **990**
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), 501(e) or (f) of the Internal Revenue Code

1980

For the calendar year 1980, or fiscal year beginning , 1980, and ending , 19

Use IRS label. Otherwise, please print or type.

Name of organization: The Humane Society of the United States

Address (number and street): 2100 L Street, N. W.

City or town, State, and ZIP code: Washington, D. C. 20037

A Employer identification number (see instructions): 53 0225390

B If exemption application is pending, check here . . . . . ▶

C If address changed check here . . . ▶

D Check applicable box—Exempt under section ▶ [X] 501(c) (3) (insert number), [ ] 501(e) OR [ ] 501(f).

E Is this a group return (see instruction I) filed for affiliates? . . [ ] Yes [X] No
Is this a separate return filed by a group affiliate? . . . . . [ ] Yes [X] No

If "Yes" to either, give four-digit group exemption number (GEN) ▶ N/A

[ ] Check here if gross receipts are normally not more than $10,000 and do not complete the rest of this return (see instruction B(1)).

[X] Check here if gross receipts are normally more than $10,000 and line 12 is $25,000 or less. Complete Parts I, II, IV, and VI and only the indicated items in Parts III and V (see instruction H). If line 12 is more than $25,000, complete the entire return.

All section 501(c)(3) organizations must also complete Schedule A (Form 990) and attach it to this return.

Part I Analysis of Revenue, Expenses, and Fund Balances

		(A) Total	These columns are optional—see instructions (B) Restricted/ Nonexpendable	(C) Unrestricted/ Expendable
Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	(a) Directly from the public 1,758,240			
	(b) Through professional fundraisers			
	(c) As allotments from fundraising organizations .			
	(d) As government grants			
	(e) Other Trust Fund Income. 83,170			
	(f) Total (add lines 1(a) through 1(e)) (attach schedule—see instructions) .	1,841,410		
	2 Membership dues and assessments	478,177		
	3 Interest	446,636		
	4 Dividends	56,498		
	5 (a) Gross rents			
	(b) Minus: Rental expenses			
	(c) Net rental income (loss)			
	6 Royalties			
	7 (a) Gross amount received from sale of assets other than inventory 1,218,689			
	(b) Minus: Cost or other basis and sales expenses . 1,210,116			
	(c) Net gain (loss) (attach schedule) . Schedule "1". . .	8,573		
	8 Special fundraising events and activities (itemize):			

Type of event	Receipts	Expenses

	(a) Total receipts			
	(b) Total expenses			
	(c) Net income (line 8(a) minus line 8(b))			
	9 (a) Gross sales minus returns and allowances . .			
	(b) Minus: Cost of goods sold (attach schedule) .			
	(c) Gross profit (loss)			
	10 Program service revenue (from Part II, line (f))			
	11 Other revenue (from Part II, line (g))	131,960		
	12 Total revenue (add lines 1(f), 2, 3, 4, 5(c), 6, 7(c), 8(c), 9(c), 10, and 11) . . .	2,963,254		
Expenses	13 Fundraising (from line 40(B))	176,666		
	14 Program services (from line 40(C))	2,559,849		
	15 Management and general (from line 40(D))	423,125		
	16 Total expenses (from line 40(A))	3,159,640		
Fund Balances	17 Excess (deficit) for the year (subtract line 16 from line 12) . . .	(196,386)		
	18 Fund balances or net worth at beginning of year (from line 65(A)) . .	6,791,069		
	19 Other changes in fund balances or net worth (attach explanation) . .			
	20 Fund balances or net worth at end of year (add lines 17, 18, and 19) .	6,594,683		

Part II Program Service Revenue and Other Revenue (State Nature)

	Program service revenue	Other revenue
(a) Rent on office building		21,243
(b) Sale of literature and other		110,717
(c)		
(d)		
(e)		
(f) Total program service revenue (Enter here and on line 10)		
(g) Total other revenue (Enter here and on line 11)		131,960

Part III Allocation of Expenses by Function If line 12, Part I is $25,000 or less, you should complete only the line items for columns (A) and (B), Part III. If line 12 is more than $25,000, complete columns (A), (B), (C), and (D).

Do not include amounts reported on line 5(b), 7(b), 8(b), or 9(b) of Part I.	(A) Total	(B) Fundraising	(C) Program services	(D) Management and general
21 Contributions, gifts, grants, and similar amounts awarded (attach schedule) Sch "2"	107,373		107,373	
22 Benefits paid to or for members				
23 Compensation of officers, directors, and trustees	250,800	22,500	165,800	62,500
24 Other salaries and wages	1,110,914	20,250	1,012,564	78,100
25 Pension plan contributions	103,467	3,104	90,016	10,347
26 Other employee benefits	82,449	2,473	71,731	8,245
27 Payroll taxes	85,027	2,550	73,974	8,503
28 Fees for fundraising				
29 Other professional services	27,969		13,214	14,755
30 Interest	12,110	363	10,536	1,211
31 Occupancy	89,344	2,680	77,729	8,935
32 Rental and maintenance of equipment	9,573	287	8,329	957
33 Printing and postage	536,956	61,044	430,606	45,306
34 Telephone	59,406	3,458	50,180	5,768
35 Supplies	56,791	1,703	49,408	5,680
36 Travel	223,762	13,426	193,358	16,978
37 Other expenses (itemize): Schedule "3"	327,936	40,555	139,117	148,264
38 Total expenses before depreciation (add lines 21 through 37)	3,083,877	174,393	2,493,935	415,549
39 Depreciation, depletion, etc.	75,763	2,273	65,914	7,576
40 Total (add lines 38 and 39). Enter here and on lines 13 through 16	3,159,640	176,666	2,559,849	423,125

Part IV List of Officers, Directors, and Trustees (See Instructions)

(A) Name and address	(B) Title and time spent on position	(C) Compensation	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
Schedule "4"	Various	250,800	30,242	4,000

Part V Balance Sheet If line 12, Part I is $25,000 or less, you should complete only lines 53 and 60 and, if you do not use fund accounting, line 64. If line 12 is more than $25,000, complete the entire balance sheet.

Assets	(A) Beginning of tax year	(B) End of tax year
41 Cash:		
(a) Savings and interest-bearing accounts	1,487,507	1,522,038
(b) Other	127,306	109,624
42 Accounts receivable:		
(a) Beginning receivables ▶ 26,454 minus allowance for doubtful accounts ▶ -	26,454	
(b) Ending receivables ▶ 31,930 minus allowance for doubtful accounts ▶ -		31,930
43 Notes receivable:		
(a) Beginning receivables ▶ 241,541 minus allowance for doubtful accounts ▶ -	241,541	
(b) Ending receivables ▶ 287,778 minus allowance for doubtful accounts ▶ Sch"5"		287,778
(c) Loans to officers, directors, and trustees (attach schedule) Schedule "6"	18,863	18,068
44 Inventories		
45 Government obligations:		
(a) U.S. and instrumentalities Schedule "7"	834,777	725,365
(b) State and its subdivisions		
46 Investments in corporate bonds, etc. (attach schedule) Schedule "8"	1,253,740	1,203,408
47 Investments in corporate stocks (attach schedule) Schedule "9"	786,642	483,136
48 Mortgage loans (number of loans ▶)		
49 Other investments (attach schedule) Schedule "10"	772,944	817,105
50 Depreciable (depletable) assets (attach schedule):		
(a) Beginning assets ▶ 1,254,494 minus accumulated depreciation ▶ 285,162	969,332	
(b) Ending assets ▶ 1,466,598 minus accumulated depreciation ▶ 344,408		1,122,190
51 Land	422,375	422,375
52 Other assets (attach schedule) Schedule "11"	96,445	95,788
53 Total assets	7,037,926	6,838,805
Liabilities		
54 Accounts payable	30,543	64,679
55 Contributions, gifts, grants, etc., payable		
56 Bonds and notes payable (attach schedule) Schedule "12"	31,223	28,333
57 Mortgages payable	185,091	147,510
58 Loans from officers, directors, and trustees (attach schedule)		
59 Other liabilities (attach schedule) Deferred Income		3,600
60 Total liabilities	246,857	244,122
Fund Balances and Net Worth		

Complete this section of the balance sheet based on the accounting method you normally use. Please check either "Fund Accounting" or "All Others," and give the information requested under the box you checked.

Fund Accounting	All Others		
Check here ▶ ☒	Check here ▶ ☐		
61 Current funds:			
(a) Unrestricted		2,946,297	2,886,111
(b) Restricted		1,286,181	1,036,215
62 Land, buildings, and equipment	Capital stock or trust principal		
63 Endowment and similar funds	Paid-in or capital surplus	6,273	6,394
64 Other	Retained earnings or accumulated income	2,552,318	2,666,963
65 Total fund balances	Total net worth	6,791,069	6,594,683
66 Total liabilities and fund balances or net worth		7,037,926	6,838,805

Part VI Statements About Activities

		Yes	No
67	Describe each significant program service activity and indicate the total expenses paid or incurred in connection with each: (Expenses)		
	(a) Humane Education, Membership and Program Services — 1,981,462		
	(b) Cruelty Investigation and Litigation — 490,214		
	(c) Distribution to Organizations & Scholarships — 88,173		
	(d)		
68	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		X
69	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		X
70	(a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	X	
	(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	X	
	(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
71	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		X
72	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)?	X	
	If "Yes," enter the name of organization ▶ See Schedule "3" and check whether it is ☑ exempt OR ☐ nonexempt.		
73	(a) Enter any political expenditures, direct or indirect, as described in the instructions — None		
	(b) Did you file Form 1120-POL, U.S. Income Tax Return of Certain Political Organizations, for this year?		X
74	Did your organization receive donated services or the use of facilities or equipment at no charge or at substantially less than fair rental value?		X
	If "Yes," you may, if you choose, indicate the value of these items here. Do not include this amount elsewhere on this return ▶		
	The following statements should be completed ONLY for the organizations indicated. N/A		
75	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in an attempt to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))?		
	If "Yes," enter the total amount spent for this purpose		
76	*Section 501(c)(7) organizations.*—Enter amount of:		
	(a) Initiation fees and capital contributions included on line 12		
	(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
	(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion?		
77	*Section 501(c)(12) organizations.*—Enter amount of:		
	(a) Gross income received from members or shareholders		
	(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
78	*Public interest law firms.*—Attach information described in instructions.		
79	The books are in care of ▶ Assistant Treasurer Telephone No. ▶ (202)452-1100 Located at ▶ 2100 L Street, N. W., Washington, D. C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer — Date — ▶ Title

Paid Preparer's Use Only

Preparer's signature and date ▶ Thomas Havey & Co. by Melvin R Haus 227-50-4167 5-15-81

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790, 4301 Conn. Ave., N. W., Wash. D. C.

Check if self-employed ▶ ☐

ZIP code ▶ 20008

☆U.S. GOVERNMENT PRINTING OFFICE: 1980-313-050 E.I. 43-0787287

Form **4562**
Department of the Treasury
Internal Revenue Service

Depreciation

▶ See instructions on back.
▶ Attach this form to your return.

1980

Name(s) as shown on return: The Humane Society of the United States

Identifying number: 53-0225390

For grouping assets, see instructions for line 3.

a. Description of property	b. Date acquired	c. Cost or other basis	d. Depreciation allowed or allowable in earlier years	e. Method of figuring depreciation	f. Life or rate	g. Depreciation for this year
1 Total additional first-year depreciation. See instructions for limitation. ⟶						
2 Class Life Asset Depreciation Range (CLADR) System depreciation from Form 4832 . .						
3 Other depreciation:						
Buildings	Various	1,139,549	166,374	S.L.	Var.	35,533
Furniture and fixtures . . .	Various	257,224	86,021	S.L.	Var.	23,317
Transportation equipment . .	Various	69,825	32,749	S.L.	Var.	16,913
Machinery and other equipment .						
Other (Specify)						
4 a Totals (add amounts in columns c and g) .		1,466,598				75,763
b Total current year acquisitions (included in line 4a, column c)		244,963				

Individual and partnership filers enter the totals from line 4a on the corresponding lines of their regular depreciation schedule. Other filers should attach Form 4562 to their return and enter line 4a, column g, on the depreciation expense line in the "Deductions" section of their return.

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

SCHEDULE "1"

Part 1, Line 7

Sale of assets other than inventory	(A)	(B)	(C)
Fixed assets	$ 15,220	$ 16,341	$(1,121)
Marketable securities	1,203,469	1,193,775	9,694
Total	$1,218,689	$1,210,116	$ 8,573

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

SCHEDULE "2"

Part III, Line 21 - Gifts to Other Organizations

Citizens Committee Environmental Decade, Wash. D. C.	$ 500
Environmental Defense Fund, Washington, D. C.	1,000
International Society for Protection of Animals, London, Eng.	5,000
SPCA of Cairo, Egypt	1,000
World Federation for Protection of Animals, Zurich, Switzerland	5,000
Monitor, Inc. Washington, D. C.	1,200
University of Pennsylvania School of Veterinary Medicine	5,000
National Association for the Advancement of Humane Education, Washington, D. C.	500
Boca Raton Humane Society, Boca Raton, Florida	100
Animal KIND, Inc., Kansas City, Mo.	1,000
Capital Area Humane Society, Columbus, Ohio	500
American Fondouck Maintenance Committee, Boston, Massachusetts	2,500
Animal Crusaders, Inc., Everett, Washington	2,500
Animal Protective League, Milwaukee, Wisconsin	2,500
Association for the Prevention of Cruelty in Public Spectacles, Barcelona, Spain	2,500
Association for the Protection of Furbearing Animals, Vancouver, Canada	2,500
Association Uruguaya De Protection A Los Animales, Montevideo, Uruguay	2,500
Brooke Hospital for Animals, London, England	2,500
Bund Gegen Den Missbrauch Det Tiere E.V., Munich, Germany	2,500
Defenders of Wildlife, Washington, D. C.	2,500
Dublin Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,500
Eastern Slope Animal Welfare League, Conway, New Hampshire	2,500
Ferne Animal Sanctuary, London, England	2,500
Humane Society of Lackawanna County, Scranton, Pennsylvania	2,500
Humane Society of Rochester in Monroe County, Fairport, New York	2,500
Irish Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,500
Missouri Anti-Vivisection Society, St. Louis, Missouri	2,500
National Anti-Vivisection, London, England	2,500
National Equine Defense League, Carlisle, England	2,500
National Humane Education Society, Sterling, Virginia	2,500
Nilgiri Animal Welfare Society, Tamilnadu, South India	2,500
Nordic Society Against Painful Experiments on Animals, Stockholm, Sweden	2,500
Peoples Dispensary for Sick Animals, Surrey, England	2,500
Performing and Captive Animals' Defense League, London, England	2,500
RSPCA-for Intl. Animal Welfare Symposium, Horsham, Sussex, England	6,000
Scottish Society for the Prevention of Vivisection, Edinburgh, Scotland	2,500

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

(Continued)

Part III, Line 21 - Gifts to Other Organizations

Society for Animal Rights (National Catholic Society for Animal Welfare), Clarks Summit, Pennsylvania	$ 2,500
Society for the Protection of Animals in North Africa, London, England	2,500
Somerset County Humane Society, Inc., Somerville, New Jersey	2,000
South African Federation for the Prevention of Cruelty to Animals, Kimberley, South Africa	2,500
Tierschutzverein Fur Berlin Und Umgebung Corp., Berlin, West Germany	2,500
Wayside Waifs, Kansas City, Missouri	2,500
World Federation for the Protection of Animals, Zurich, Switzerland	6,073
	$107,373

SCHEDULE "3"

Part III, Line 37 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and contracted services	$ 51,049	$ -	$ 51,049	$ -
Data processing	9,578	4,511	4,545	522
Insurance and bonds	36,323	1,090	31,601	3,632
Taxes - other	34,858	1,046	30,326	3,486
Rental lists	33,907	33,907	-	-
Films and public service announcements	16,526	-	16,526	-
Library	4,950	-	4,950	-
Other	5,023	1	20	5,002
Payments to annuitants	74,429 ✓	-	-	74,429
Scholarships	100	-	100	-
Distribution of trust fund's share of December 31, 1979 market value of consolidated trust fund assets	61,193	-	-	61,193
	$327,936	$ 40,555	$139,117	$148,264

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

SCHEDULE "4"

Part IV

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Exp. Acct. and Other Allowances
John A. Hoyt	2100 L Street, N.W. Wash.D.C.	President	Full	$ 68,000	$ 6,709	$ 4,000
Murdaugh S. Madden		Vice-Pres.	"	51,800	8,560	N/A
Patrick B. Parkes		Vice-Pres.	"	34,000	4,696	
Paul G. Irwin		Treasurer	"	45,000	3,300	
Moneta P. Morgan		Asst.Treas.	"	28,500	4,291	
R. Marcia Glaser		Asst.Secy.	"	23,500	2,686	
				$250,800	$ 30,242	$ 4,000

See attached list of directors who served part-time without compensation.

THE HUMANE SOCIETY OF THE UNITED STATES
BOARD OF DIRECTORS

Coleman Burke
Burke & Burke
529 Fifth Avenue
New York, NY 10017
212/661-6600

Mrs. Rosemary Benning
P.O. Box 201
Pebble Beach, CA 93953
408/624-0747

Samuel A. Bowman
Tucker, Anthony & R.L. Day, Inc.
120 Broadway, 32nd Floor
New York, NY 10005
212/766-2744

Mrs. Tess Cammack
200 Poinciana Lane
Harbor Bluffs
Largo, FL 33540
813/581-7543

Jack Conlon
641 South Atlantic Avenue
Cocoa Beach, FL 32931
305/783-3948

Donald S. Dawson
723 Washington Building
1435 G Street, N.W.
Washington, D.C. 20005
202/393-6900

Dr. John Doyle
52 Hill Road
Louisville, KY 40204
502/459-4312

Mrs. Oliver Evans
3045 P Street, N.W.
Washington, D.C. 20007
202/338-8037

Mrs. Anna Fesmire
1400 West Cornwallis Drive
Greensboro, NC 27408
919/288-6607

Hal Gardiner
56 West 4th South
P.O. Box 30
Salt Lake City, UT 84110
801/364-5600

Mrs. Amanda Gilbert
5105 Exeter Boulevard
Phoenix, AZ 85018
602/959-3064

Robert W. Gilmore
39 West 11th Street
New York, NY 10011
212/675-1042

Dr. Amy Freeman Lee
127 Canterbury Hill
San Antonio, TX 78209
512/826-1747

Mrs. Pat Lynch
98 Clarendon Avenue
San Francisco, CA 94114
415/566-6616

Dr. Robert R. Marshak
University of Pennsylvania
School of Veterinary Medicine
3800 Spruce Street
Philadelphia, PA 19104
215/243-8841

John W. Mettler III
Seminole Asset Management, Inc.
4 West 58th Street
New York, NY 10019
212/752-1855

Mrs. Inga G. Prime
P.O. Box 1165
Vail, CO 81657
303/476-3125

O. J. Ramsey
Ramsey, Scott, Morrison & Keddy
1446 Ethan Way, Suite 201
Sacramento, CA 95825
916/920-8800

Everett Smith, Jr.
Quaker Ridge
Greenwich, CT 06830
203/661-0004

Robert F. Welborn
1100 United Bank Center
Denver, CO 80290
303/861-8013

K. William Wiseman
P.O. Box 357
Greens Farms, CT 06436
203/259-4363

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

SCHEDULE "5"

Part V, Line 43 (b) - Notes Receivable

Note receivable - Goode Note, interest rate 9%	$ 36,300
Note receivable - London 5 Partnership, interest rate 10%	59,151
Note receivable - Pallister Note, interest rate 10%	145,000
Note receivable - Bochek Note, interest rate 12%	47,327
	$287,778

SCHEDULE "6"

Part V, Line 43 (c) - Notes Receivable

Note receivable - Glaser Note, interest rate 8%	$ 18,068
	$ 18,068

SCHEDULE "7"

December 31, 1980

Part V, Line 45 (a) - Government Obligations - U. S. and Instrumentalities	Face	Book Value
U. S. Treasury Notes 12.625%, 10/31/81	$215,000	$212,619
U. S. Treasury Notes 12.625%, 10/31/81	90,000	89,204
Federal Farm Credit Banks 9%, 1/23/84	50,000	49,977
Federal National Mortgage Assn. 9.20%, 4/10/86	125,000	124,942
Federal Land Bank 7.35%, 10/20/83	100,000	100,000
Federal National Mortgage Assn. 8.85%, 7/10/81	100,000	100,000
Trust for short-term U. S. government securities	29,742	29,742
GNMA 9% 12/15/04	19,530	18,881
		$725,365

THE HUMANE SOCIETY OF THE UNITED STATES
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1980

#53-0225390

SCHEDULE "8"

December 31, 1980

Part V, Line 46 - Investments in Corporate Bonds, Etc.

	Face	Book Value
Missouri Pacific R.R. 7.75% 10/1/85	$100,000	$ 100,561
Southern California Edison 7.25% 7/1/84	100,000	99,320
G.D. Searle & Co. 8% 6/15/81	100,000	99,959
South Carolina Electric & Gas 8.45% 6/1/81	100,000	100,000
Iowa Power & Light Co., 2000	15,000	15,000
Southern California Edison 9% 1981	10,000	10,086
Long Island Lighting Co. 9.25% 1982	7,000	7,100
RCA Corp. 9.25% 1990	50,000	52,478
American Express Credit Corp. 8.5% 12/15/85	70,000	69,683
Atchinson Topeka & Santa Fe R.R. - Equipment Series #2 8.5% 4/1/82	100,000	100,000
Chase Manhattan Bank Cap. Notes 8.25% 5/15/86	100,000	100,000
Diamond States Telephone Co., 8.5% 4/1/82	50,000	49,977
Ford Motor Credit Corp. 8.5% 5/1/88	100,000	99,593
General Electric Credit Corp. 9.125% 5/15/84	100,000	99,845
General Electric Credit Corp. 8.6% 4/1/85	100,000	100,000
Union Pacific Corp. Notes 8.6% 5/1/83	100,000	99,806
		$1,203,408

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

SCHEDULE "9"

Part V, Line 47 - Investments in Corporate Stocks	December 31, 1980 Shares	Value
American Electric & Power Co.	3,520	$ 57,985
American Telephone & Telegraph	77	4,457
Bankamerica Corp.	118	2,655
Bankers Trust - N.Y. Corp.	111	4,231
General Motors	109	6,466
Mesabi Trust	252	3,717
J. P. Morgan	400	20,000
Pardee & Curtin Lumber	238	13,090
Southern Natural Resources	300	8,128
Standard Oil of Ohio	200	4,175
Toledo Edison Co.	50	1,306
F. W. Woolworth	150	2,887
Eastman Kodak	12	716
American General Insurance Co.	26	949
Arundel Corp.	402	3,518
Baltimore Gas & Electric Co.	100	2,338
Exxon Corp.	42	2,410
First Maryland Bancorp.	32	624
General Public Utilities Corp.	36	337
Maryland National Corp.	151	2,416
Noxell Corp.	60	1,305
Sterling Drug	112	1,960
Pacific Lighting Corp.	33	734
U. S. Fidelity & Guaranty Co.	40	1,525
Wellington Fund	1,087	9,913
Con. Edison of N. Y. PFD $5.00	60	3,277
Insco Lines	136	10,830
IBM	30	25,090
Money Market Management Inc.	15,600	15,600
Affiliated Fund	6,016	48,247
South Carolina Gas & Electric	2,500	42,337
Ohio Edison Co.	2,000	39,480
Exxon Corp.	200	14,005
General Electric	300	16,880
Arizona Public Service	850	16,788
Halliburton Co.	200	7,466
Minnesota Mining and Manufacturing Co.	100	6,302
Schulumberger Limited	225	8,953
Standard Oil of Indiana	400	10,050
Texas Gas Transmission Corp.	600	14,235
T.R.W. Inc.	300	12,459
United Technologies	200	9,874
Roadway Express, Inc.	30	735
Sabine	34	1,124
Coca-Cola Company	100	3,300
Sierra Pacific Power	1,009	14,000
Sierra Pacific Power, PFD.	100	4,262
		$483,136

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1980

#53-0225390

SCHEDULE "10"

Part V, Line 49 - Other Investments	Book Value
Undivided Interest in Consolidated Trust Funds	$817,105

SCHEDULE "11"

Part V, Line 52 - Other Assets

Prepaid expenses	$ 39,135
Accrued interest and dividends receivable	54,605
Share of income from consolidated trust fund assets	2,048
	$ 95,788

SCHEDULE "12"

Part V, Line 56 - Bonds and Notes Payable

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 28,333

SCHEDULE "13"

Part VI, Line 72

Common governing body with (1) The National Humane Education Center and (2) The National Association for the Advancement of Humane Education.
2100 L Street, N. W.
Washington, D. C. 20037

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
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SCHEDULE "14"

Schedule A - Part IV, Line 22 (b)

Jeffery Trust Fund	$ 350,000.00
Robert Packwood Estate	1,198,073.84
Madeline Thery Estate	391,630.37
George Whittell Estate	2,120,459.86
Alice Morgan Wright Estate	574,844.09
	4,635,008.16
$257,572 X 5	(1,287,860.00)
	$ 3,347,148.16

SCHEDULE "15"

Schedule A,
Part VI, Line 3 - Lobbying Expenditures

	Direct Lobbying	Grass Roots Lobbying
Prof./exec. and support staff	$ 9,756	$ 1,605
Related disbursements	3,095	451
Publications - direct costs	2,722	192
Special projects - direct costs	12,900	8,841
Indirect costs	11,052	1,934
Stationery - (est.)	1,600	1,600
	$41,125	$14,623

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation) Supplementary Information

► Attach to Form 990.

1980

Name: The Humane Society of the United States

Employer identification number: 53 0225390

Part I Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Name and address of employees paid more than $30,000	Title and time devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Michael W. Fox, 2100 L Street, N. W. Washington, D. C.	Director of ISAP 100%	$37,000	$3,636	N/A
Total number of other employees paid over $30,000 ►	None			

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
None		
Total number of others receiving over $30,000 for professional services ► None		

Part III Statements About Activities

	Yes	No
1 During the year have you attempted to influence national, State or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	X	
If "Yes," enter the total of the expenses paid or incurred in connection with the legislative activities $ ..... Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2 During the year have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner or principal beneficiary:		
(a) Sale, exchange, or leasing of property?		X
(b) Lending of money or other extension of credit?		X
(c) Furnishing of goods, services, or facilities?		X
(d) Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See Form 990 Part. IV	X	
(e) Transfer of any part of your income or assets?		X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3 Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your exempt programs qualify to receive payments. (See specific instructions.)		
4 Do you make grants for scholarships, fellowships, student loans, etc.?		X

Part IV Reason for Non-Private Foundation Status (See instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

1 ☐ A church. Section 170(b)(1)(A)(i).
2 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)
3 ☐ A hospital. Section 170(b)(1)(A)(iii).
4 ☐ A governmental unit. Section 170(b)(1)(A)(v).
5 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name and address of hospital ▶ .....
6 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)
7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)
8 ☐ An organization that normally receives: (a) no more than ⅓ of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than ⅓ of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions. Section 509(a)(2). (Use cash receipts and disbursements method of accounting; also complete Support Schedule.)
9 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 1 through 8 above or (2) sections 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). Section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 9.)

(a) Name of supported organizations	(b) Box number from above

(c) Relationship of supported organizations to your organization:
(1) Check here ▶ ☐ if the supported organizations appoint a majority of your governing board.
(2) Check here ▶ ☐ if a majority of your governing board belong to governing boards of the supported organizations.
(3) Check here ▶ ☐ if (1) or (2) above does not apply. (See Regulations 1.509(a)–4.)

(d) If applicable, enter the number of supported organizations exempt under:
(1) Section 501(c)(4) . . . . .
(2) Section 501(c)(5) . . . . .
(3) Section 501(c)(6) . . . . .

(e) Check here ▶ ☐ if your organization's main function is to provide funds to the supported organizations.

10 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 6, 7, or 8 above)

Calendar year (or fiscal year beginning in) ▶	(a) 1979	(b) 1978	(c) 1977	(d) 1976	(e) Total
11 Gifts, grants, and contributions received. (Do not include unusual grants. See line 24 below.)	2,501,595	3,457,634	3,290,951	1,340,277	10,590,457
12 Membership fees received	410,524	318,040	288,589	227,224	1,244,377
13 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's exempt purpose	65,833	46,072	38,036	41,306	191,247
14 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	434,204	323,379	189,273	96,950	1,043,806
15 Net income from unrelated business activities not included in line 14					

Part IV Support Schedule (continued) (Complete only if you checked box 6, 7, or 8 on page 2)

Calendar year (or fiscal year beginning in) ▶	(a) 1979	(b) 1978	(c) 1977	(d) 1976	(e) Total
16 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
17 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
18 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
19 Total of lines 11 through 18	3,412,156	4,145,125	3,806,849	1,705,757	13,069,887
20 Line 19 minus line 13	3,346,323	4,099,053	3,768,813	1,664,451	12,878,640
21 Enter 1% of line 19	34,122	41,451	38,068	17,058	

22 Organizations described in box 6 or 7, page 2:

(a) Enter 2% of amount in column (e), line 20 257,572

(b) Attach a list showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1976 through 1979 exceeded the amount shown in 22(a). Enter the sum of all excess amounts here . Schedule "14" 3,347,148

23 Organizations described in box 8, page 2:

(a) Attach a list, for amounts shown on lines 11, 12, and 13, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:

(1979)..... (1978)..... (1977)..... (1976).....

(b) Attach a list showing, for 1976 through 1979, the name and amount included in line 13 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 21 for the year or $5,000. Include organizations described in boxes 1 through 7 as well as individuals. Enter the sum of these excess amounts for each year:

(1979) (1978) (1977) (1976)

24 For an organization described in boxes 6, 7, or 8, page 2, that received any unusual grants during 1976 through 1979, attach a list for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 11 above. (See specific instructions.)

Part V Private School Questionnaire
To Be Completed ONLY by Schools that Checked Box 2 in Part IV N/A

	Yes	No
1 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?		
2 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
3 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
4 Do you maintain the following:		
(a) Records indicating the racial composition of the student body, faculty, and administrative staff?		
(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? (See instructions.)		
(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
(d) Copies of all material used by you or on your behalf to solicit contributions?		
If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)		

Part V **Private School Questionnaire**
To Be Completed ONLY by Schools that Checked Box 2 in Part IV (Continued)

	Yes	No
5 Do you discriminate by race in any way with respect to:		
(a) Students' rights or privileges?		
(b) Admissions policies?		
(c) Employment of faculty or administrative staff?		
(d) Scholarships or other financial assistance (see instructions)?		
(e) Educational policies?		
(f) Use of facilities?		
(g) Athletic programs?		
(h) Other extra-curricular activities?		
If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.)		
6 (a) Do you receive any financial aid or assistance from a governmental agency?		
(b) Has your right to such aid ever been revoked or suspended?		
If you answered "Yes," to either 6(a) or (b), please explain. (If you need more space, attach a separate statement.)		
7 Do you certify that you have complied with the applicable requirements of section 4.01 through 4.05 of Rev. Proc. 75–50, 1975–2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation (see instructions for Part V)		

Part VI **Lobbying Expenditures By Public Charities (See instructions)** (To be completed ONLY by an eligible organization that filed Form 5768.)

Check here ▶ (a) ☐ If the organization belongs to an affiliated group (see instructions).
Check here ▶ (b) ☐ If you checked (a) and "limited control" provisions apply (see instructions).

Limits on Lobbying Expenses	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
1 Total (grassroots) lobbying expenses to influence public opinion		14,623
2 Total lobbying expenses to influence legislative body		41,125
3 Total lobbying expenses (add lines 1 and 2) . . Schedule "15"		55,748
4 Other exempt purpose expenses (see Part VI instructions)		3,042,699
5 Total exempt purpose expenses (add lines 3 and 4) (see instructions)		3,098,447
6 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 5 is— / The lobbying nontaxable amount is—		
Not over $500,000 / 20% of the amount on line 5		
Over $500,000 but not over $1,000,000 / $100,000 plus 15% of the excess over $500,000		304,922
Over $1,000,000 but not over $1,500,000 / $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 / $225,000 plus 5% of the excess over $1,500,000		
7 Grassroots nontaxable amount (enter 25% of line 6)		76,230
(Complete lines 8 and 9. File Form 4720 if either line 1 exceeds line 7 or line 3 exceeds line 6.)		
8 Excess of line 1 over line 7		-0-
9 Excess of line 3 over line 6		-0-

4-Year Averaging Period Under Section 501(h). (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 10–15 for details.)

(Line references below are to column (b) of Part VI, Schedule A (Form 990) for the respective tax year)	Lobbying Expenses During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 1980	(b) 1979	(c) 1978	(d) 1977	(e) Total
10 Lobbying nontaxable amount (line 6)	304,922	289,651	258,000	235,786	1,088,359
11 Lobbying ceiling amount (150% of line 10)					1,632,538
12 Total lobbying expenses (line 3)	55,748	44,873	25,373	23,549	149,543
13 Grassroots nontaxable amount (line 7)	76,230	72,413	64,500	58,947	272,090
14 Grassroots ceiling amount (150% of line 13)					408,135
15 Grassroots lobbying expenses (line 1)	14,623	8,375	3,558	10,276	36,832

*U.S. GOVERNMENT PRINTING OFFICE: 1981—704-986

313-052-1

Thomas Havey & Co.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N. W., Suite 432, Washington, D.C. 20008
(202) 966-6602
Members of American Institute of Certified Public Accountants

William P. Roche
Partner

June 24, 1982

Mr. John A Hoyt, President
The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear John:

We are transmitting herewith Form 990 - Return of Organization Exempt from Income Tax - for the calendar year 1981. This return should be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, PA 19255, on or before July 15, 1982.

If you have any questions, please call.

Sincerely yours,

Bill

William P. Roche

WPR:dds

Enclosures

Form **990** Department of the Treasury Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), of the Internal Revenue Code or section 4947(a)(1) trust

OMB No. 1545-0047

1981

For the calendar year 1981, or fiscal year beginning 1981, and ending 19

Use IRS label. Otherwise, please print or type.

Name of organization: The Humane Society of the United States

Address (number and street): 2100 L Street N.W.

City or town, State, and ZIP code: Washington, D.C. 20037

A Employer identification number (see Instruction L): 53 | 0225390

B State registration number (see Instruction D)

C If address changed, check here . . ▶

D Check applicable box—Exempt under section ▶ [X] 501(c) (3) (insert number), OR ▶ [ ] section 4947(a)(1) trust

E Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) ▶

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ [ ] (see instruction C 10).

G Is this a group return (see instruction J) filed for affiliates? . . [ ] Yes [X] No
Is this a separate return filed by a group affiliate? . . . . . [ ] Yes [X] No

If "Yes" to either, give four-digit group exemption number (GEN) ▶ N/A

Note: *You may be able to use a copy of this return to satisfy State reporting requirements. See instruction D.*

[ ] Check here if gross receipts are normally not more than $10,000. Do not complete the rest of this return (see instruction B11).

[ ] Check here if gross receipts are normally more than $10,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13–15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

All section 501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990).

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

		(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	(a) Direct public support 2,718,282		2,359,166	359,116
	(b) Indirect public support			
	(c) Government grants			
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)	2,718,282	2,359,166	359,116
	2 Program service revenue (from Part IV, line (f))	113,703	77,770	35,933
	3 Membership dues and assessments	573,157	573,157	
	4 Interest on savings and temporary cash investments	474,449	212,113	262,336
	5 Dividends and interest from securities	67,821	29,418	38,403
	6 (a) Gross rents			
	(b) Minus: Rental expenses			
	(c) Net rental income (loss)			
	7 Other investment income (Describe ▶ Trust Fund Income)	88,188	88,188	
	8 (a) Gross amount from sale of assets other than inventory . Securities 1,839,182; Other 170			
	(b) Minus: Cost or other basis and sales expenses . Securities 1,856,306; Other 4,130			
	(c) Gain (loss) (attach schedule) Sch. D Securities (17,124); Other (3,960)	(21,084)	(1,597)	(19,487)
	9 Special fundraising events and activities (attach schedule—see instructions):			
	(a) Gross revenue (not including $ of contributions reported on line 1(a)) . . .			
	(b) Minus: Direct expenses			
	(c) Net income (line 9(a) minus line 9(b))			
	10 (a) Gross sales minus returns and allowances . .			
	(b) Minus: Cost of goods sold (attach schedule) .			
	(c) Gross profit (loss)			
	11 Other revenue (from Part IV, line (g))			
	12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11) . . .	4,014,516	3,338,215	676,301
Expenses	13 Program services (from line 44(B))	2,708,117	2,248,470	459,647
	14 Management and general (from line 44(C))	409,135	308,008	101,127
	15 Fundraising (from line 44(D))	226,755	226,755	
	16 Payments to affiliates (attach schedule—see instructions) Interfund Transfers	--	(170,423)	170,423
	17 Total expenses (add lines 13, 14, 15, and 16)	3,344,007	2,612,810	731,197
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	670,509	725,405	(54,896)
	19 Fund balances or net worth at beginning of year (from line 74(A)) . .	6,594,683	2,886,111	3,708,572
	20 Other changes in fund balances or net worth (attach explanation) . .			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20) .	7,265,192	3,611,516	3,653,676

Part II Statement of Functional Expenses If line 12, Part I, is $25,000 or less, you should complete only column (A). If line 12 is more than $25,000, complete columns (A), (B), (C), and (D).

Expenses	Do not include amounts reported on line 6(b), 8(b), 9(b), 10(b), or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
	22 Grants and allocations (attach Sch. "2" schedule)	136,194	136,194		
	23 Specific assistance to individuals				
	24 Benefits paid to or for members				
	25 Compensation of officers, directors, etc.	313,000	216,750	69,500	26,750
	26 Other salaries and wages	1,240,101	1,108,815	91,983	39,303
	27 Pension plan contributions	92,048	79,161	9,205	3,682
	28 Other employee benefits	72,135	62,034	7,214	2,887
	29 Payroll taxes	103,544	89,047	10,355	4,142
	30 Professional fundraising fees				
	31 Accounting fees	17,115		17,115	
	32 Legal fees	22,617	22,617		
	33 Supplies	50,269	43,230	5,027	2,012
	34 Telephone	68,256	51,808	6,024	10,424
	35 Postage and shipping	121,958	92,671	10,630	18,657
	36 Occupancy	82,002	70,521	8,200	3,281
	37 Equipment rental and maintenance	18,835	16,198	1,883	754
	38 Printing and publications	445,896	358,953	37,965	48,978
	39 Travel	132,518	105,770	12,299	14,449
	40 Conferences, conventions and meetings	53,674	49,772	2,787	1,115
	41 Interest	9,518	8,185	952	381
	42 Depreciation, depletion, etc. (attach schedule)	85,549	73,572	8,555	3,422
	43 Other expenses (itemize): (a)				
	(b) Schedule "3"	278,778	122,819	109,441	46,518
	(c)				
	(d)				
	(e)				
	(f)				
	44 Total functional expenses (add lines 22 through 43)	3,344,007	2,708,117	409,135	226,755

Part III Statement of Program Service Activities

Describe each significant program service activity and indicate the total expenses attributable to each. Include relevant statistical information, such as the number of clients, patients, students, or members served. Also indicate the amount of grants and allocations that are included in the total expenses reported for that program.

		Expenses
(a)	Humane Education, Membership & Program Services (Grants and allocations $)	2,124,814
(b)	Cruelty Investigation and Litigation (Grants and allocations $)	583,303
(c)	(Grants and allocations $)	
(d)	(Grants and allocations $)	
(e)	Other program service activities (attach schedule) (Grants and allocations $)	
(f)	Total (add lines (a) through (e)) (should equal line 44(B))	2,708,117

Part IV Program Service Revenue and Other Revenue (State Nature)	Program service revenue	Other revenue
(a) Fees from government agencies		
(b)		
(c) Sale of literature and other	113,703	
(d)		
(e)		
(f) Total program service revenue (Enter here and on line 2)	113,703	
(g) Total other revenue (Enter here and on line 11)		

Part V Balance Sheets If line 12, Part I, and line 59 are $25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than $25,000, complete the entire balance sheet. See instructions.

Note: Columns (C) and (D) are optional. Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.	(A) Beginning of year	End of year (B) Total	(C) Unrestricted/ Expendable	(D) Restricted/ Nonexpendable
Assets				
45 Cash—non-interest bearing	109,624	205,595	55,437	150,158
46 Savings and temporary cash investments	1,522,038	1,313,870	931,203	382,667
47 Accounts receivable ▶ 21,142 minus allowance for doubtful accounts ▶ -0-	33,978	21,142	19,094	2,048
48 Pledges receivable ▶ minus allowance for doubtful accounts ▶				
49 Grants receivable				
50 Receivables due from officers, directors, trustees and key employees (attach schedule) Sch. "5"	18,068	17,207		17,207
51 Other notes and loans receivable ▶ 355,020 minus allowance for doubtful accounts ▶ -0-	287,778	355,020	82,640	272,380
52 Inventories for sale or use				
53 Prepaid expenses and deferred charges	39,135	39,755	39,755	
54 Investments—securities (attach schedule) Schedule "6"	2,411,909	3,003,975	641,103	2,362,872
55 Investments—land, buildings and equipment: basis ▶ minus accumulated depreciation ▶ (attach schedule)				
56 Investments—other (attach schedule) Schedule "8"	817,105	818,482		818,482
57 Land, buildings and equipment: basis ▶ 2,027,699 Sch. "9" minus accumulated depreciation ▶ 412,448 (attach schedule)	1,544,565	1,615,251	1,615,251	
58 Other assets: Accrued Interest & Dividends Receivable	54,605	46,006	7,741	38,265
59 Total assets (add lines 45 through 58)	6,838,805	7,436,303	3,392,224	4,044,079
Liabilities				
60 Accounts payable and accrued expenses	64,679	30,939	19,477	11,462
61 ~~Grants payable~~ Interfund accounts			(378,941)	378,941
62 Support and revenue designated for future periods (attach sched.)				
63 Loans from officers, directors, trustees and key employees (attach schedule)				
64 Mortgages and other notes payable (attach schedule) Schedule 10	175,843	132,897	132,897	
65 Other liabilities: Deferred income	3,600	7,275	7,275	
66 Total liabilities (add lines 60 through 65)	244,122	171,111	(219,292)	390,403
Fund Balances or Net Worth Organizations that use fund accounting, check here ▶ [X] and complete lines 67 through 70 and lines 74 and 75.				
67 Current funds	3,922,326	4,261,554	3,611,516	650,038
68 Land, buildings and equipment fund				
69 Endowment fund	6,394	6,161		6,161
70 Other funds (Describe ▶ Annuity & Trust)	2,665,963	2,997,477		2,997,477
Organizations that do not use fund accounting, check here ▶ [ ] and complete lines 71 through 75.				
71 Capital stock or trust principal				
72 Paid-in or capital surplus				
73 Retained earnings or accumulated income				
74 Total fund balances or net worth (see instructions)	6,594,683	7,265,192	3,611,516	3,653,676
75 Total liabilities and fund balances/net worth (see instructions)	6,838,805	7,436,303	3,392,224	4,044,079

Part VI List of Officers, Directors, and Trustees (See Instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
SCHEDULE "4"				

Part VII Other Information

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities. N/A		X
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes. N/A		X
78	(a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		X
	(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year? N/A		
	(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T. N/A.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions. N/A		X
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization ▶ See Schedule "7" and check whether it is [X] exempt OR [ ] nonexempt.	X	
81	(a) Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ None		
	(b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		X
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ N/A		X
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempt to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
	(a) Initiation fees and capital contributions included on line 12		
	(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
	(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
	(a) Gross income received from members or shareholders		
	(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in instructions.		
87	List the States with which a copy of this return is filed ▶ New York, New Jersey, Conn, Illinois		
88	The books are in care of ▶ Assistant Treasurer Telephone No. ▶ (202) 452-1100 Located at ▶ 2100 L Street, N.W., Washington, D.C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer Date ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ Thomas Havey & Co Date 5-28-82 Check if self-employed ▶ [ ]

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790, 4301 Conn Ave., NW, Wash, DC ZIP code ▶ 20008

U.S. GOVERNMENT PRINTING OFFICE: 1981—O-343-046 58-040-

Form 2758
(Rev. October 1981)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time to File

U.S. Partnership, Fiduciary, and Certain Exempt Organization Returns.
(File a separate application for each return)

Expires 8-31-84

Please type or print.

File two copies by the due date for filing the return. (See instructions 5 and 7.)

Name: THE HUMANE SOCIETY OF THE UNITED STATES

Number and street: 2100 L STREET, N.W.

City or town, State, and ZIP code: WASHINGTON, D.C. 20037

Employer identification number: 53-0225390

(See back for filing instructions. Small business corporations filing Form 1120S, political or exempt organizations filing Form 1120-POL, or corporate exempt organizations filing Form 990-T, use Form 7004)

1 An extension of time until JULY 15, 1982 is requested in which to file (check one):

- ☐ Form 1065
- ☐ Form 1041 (estate)
- ☐ Form 1041 (trust)
- ☐ Form 1041-A
- ☐ Form 3520-A
- ☐ Form 4720
- ☐ Form 5227
- ☒ Form 990
- ☐ Form 990-T (401(a) trust)
- ☐ Form 990-PF
- ☐ Form 990-T (other than 401(a) trust)
- ☐ Form 990-BL
- ☐ Form 6069

Check here ▶ ☐, if organization does not have an office or place of business in the U.S.

2 For calendar year 19 81, or other tax year beginning _____ and ending _____

3 Has an extension of time to file been previously granted for this tax year? ☐ Yes ☒ No

4 State in detail why you need the extension. DUE TO PERSONNEL CHANGES IN TAXPAYER'S OFFICE, FINANCIAL RECORDS FOR THE YEAR HAVE NOT BEEN PUT TOGETHER IN A MANNER THAT WOULD ALLOW THE FILING OF A COMPLETE AND ACCURATE RETURN.

5 If this form is for Form 1041, 4720, 5227, 6069, 990-BL, 990-PF, or 990-T, enter the total tax estimated to be due on the return . . . . . $ _____

(a) If an estate, enter at least 1/4 of the above amount and pay with this form . . . . . $ _____

(b) All others, enter the above entire amount and pay with this form . . . . . $ _____

Caution: *Interest will be charged on any tax due on returns filed on forms listed on line 5 above.*

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; that I am authorized to prepare this form; and that I am:

- ☐ A partner filing Form 1065 or 6069.
- ☐ A fiduciary, trustee, or an officer representing the fiduciary or trustee filing Form 1041, 1041-A, 4720, or 5227.
- ☐ A fiduciary, trustee, or an officer representing the fiduciary or trustee of an exempt trust filing Form 990, 990-PF, 990-T, or 990-BL.
- ☐ A principal officer of a corporate organization filing Form 4720, 990, 990-PF, or 6069.
- ☐ A member in good standing of the bar of the highest court of (specify jurisdiction) _____
- ☐ A foundation manager, trustee, or disqualified person filing Form 4720 or 990-BL for my own liability.
- ☒ A certified public accountant duly qualified to practice in (specify jurisdiction) VIRGINIA
- ☐ A person enrolled to practice before the Internal Revenue Service.
- ☐ An authorized agent holding a power of attorney. (You need not send in the power of attorney unless requested.)
- ☐ A grantor or transferor filing Form 3520-A.
- ☐ An individual filing Form 6069.

MAY 17 1982

Signature ▶ Mary P. Fitzgerald Date ▶ May 13, 1982

IRS will show below whether or not the application is approved and will return the copy.

Notice to Applicant—To Be Completed by IRS

- ☒ We have approved the application. (Please attach this form to the return.)
- ☐ We have NOT approved the application. (Please attach this form to the return.)

However, because of your reasons stated above, we have granted a 10-day grace period from the date shown below or due date of the return, whichever is later. This 10-day grace period is considered to be a valid extension of time for purposes of elections otherwise required to be made on timely filed returns.

- ☐ We have NOT approved the application.

After considering the reasons stated above, we cannot grant your request for an extension of time to file. (We are not granting the 10-day grace period.)

- ☐ We cannot consider the application because it was filed after the due date of the return.
- ☐ Other _____

Norman E. Harrell
Director

6/10/82
Date

By: _____

For Paperwork Reduction Act Notice, see back of form.

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation), 501(e), 501(f) or Section 4947(a)(1) Trust

Supplementary Information ► Attach to Form 990.

OMB No. 1545-0047

1981

Name: The Humane Society of the United States

Employer identification number: 53 | 0225390

Part I Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Name and address of employees paid more than $30,000	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Michael W. Fox, 2100 L Street N.W., Washington, D.C.	Director of ISAP 100%	$42,000	$3,518	N/A

Total number of other employees paid over $30,000 . ► NONE

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
NONE		

Total number of others receiving over $30,000 for professional services . . . . . ► NONE

Part III Statements About Activities

	Yes	No
1 During the year have you attempted to influence national, State or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	X	
If "Yes," enter the total of the expenses paid or incurred in connection with the legislative activities $		
Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2 During the year have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner or principal beneficiary:		
(a) Sale, exchange, or leasing of property?		X
(b) Lending of money or other extension of credit?		X
(c) Furnishing of goods, services, or facilities?		X
(d) Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See Form 990, Part VI	X	
(e) Transfer of any part of your income or assets?		X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3 Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments. (See specific instructions.)		
4 Do you make grants for scholarships, fellowships, student loans, etc.?		X
5 During the year did you receive any qualified conservation contribution whose value was more than $5,000?		X
If "Yes," attach a schedule as described in the instructions.		

Part IV Reason for Non-Private Foundation Status (See instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

6 ☐ 1 A church. Section 170(b)(1)(A)(i).

7 ☐ 2 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)

8 ☐ 3 A hospital. Section 170(b)(1)(A)(iii).

9 ☐ 4 A governmental unit. Section 170(b)(1)(A)(v).

10 ☐ 5 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name and address of hospital ▶ .....

11 ☐ 6 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)

12 ☒ 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)

13 ☐ 8 An organization that normally receives: (a) no more than ⅓ of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than ⅓ of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc. functions—subject to certain exceptions. See section 509(a)(2). (Use cash receipts and disbursements method of accounting; also complete Support Schedule.)

14 ☐ 9 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 6 through 13 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 14.)

(a) Name of supported organizations	(b) Box number from above

(c) Relationship of supported organizations to your organization:

(1) Check here ▶ ☐ if the supported organizations appoint a majority of your governing board.

(2) Check here ▶ ☐ if a majority of your governing board belong to governing boards of the supported organizations.

(3) Check here ▶ ☐ if (1) or (2) above does not apply. (See Regulations 1.509(a)–4.)

(d) If applicable, enter the number of supported organizations exempt under:

(1) Section 501(c)(4) . . . . . ____

(2) Section 501(c)(5) . . . . . ____

(3) Section 501(c)(6) . . . . . ____

(e) Check here ▶ ☐ if your organization's main function is to provide funds to the supported organizations.

15 ☐ 0 An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 11, 12, or 13 above)

Calendar year (or fiscal year beginning in) ▶	(a) 1980	(b) 1979	(c) 1978	(d) 1977	(e) Total
16 Gifts, grants, and contributions received. (Do not include unusual grants. See line 29 below.)	1,841,410	2,501,595	3,457,634	3,290,951	11,091,590
17 Membership fees received	478,177	410,524	318,040	288,589	1,495,330
18 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc. purpose	110,717	65,833	46,072	38,036	260,658
19 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	524,377	434,204	323,379	189,273	1,471,233
20 Net income from unrelated business activities not included in line 19					

(Continued on page 3)

Part IV Support Schedule (continued) (Complete only if you checked box 11, 12, or 13 on page 2)

Calendar year (or fiscal year beginning in) ▶	(a) 1980	(b) 1979	(c) 1978	(d) 1977	(e) Total
21 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
22 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
23 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
24 Total of lines 16 through 23	2,954,681	3,412,156	4,145,125	3,806,849	14,318,811
25 Line 24 minus line 18	2,843,964	3,346,323	4,099,053	3,768,813	14,058,153
26 Enter 1% of line 24	29,547	34,122	41,451	38,068	

27 Organizations described in box 11 or 12, page 2:
(a) Enter 2% of amount in column (e), line 25 281,163
(b) Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1977 through 1980 exceeded the amount shown in 27(a). Enter the sum of all excess amounts here . . Schedule "11" 2,889,953

28 Organizations described in box 13, page 2:
(a) Attach a list, for amounts shown on lines 16, 17, and 18, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:

(1980)..... (1979)..... (1978)..... (1977).....

(b) Attach a list showing, for 1977 through 1980, the name and amount included in line 18 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 26 for the year or $5,000. Include organizations described in boxes 6 through 12 as well as individuals. Enter the sum of these excess amounts for each year:

(1980) (1979) (1978) (1977)

29 For an organization described in boxes 11, 12, or 13, page 2, that received any unusual grants during 1977 through 1980, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 16 above. (See specific instructions.)

Part V Private School Questionnaire
To Be Completed ONLY by Schools that Checked Box 7 in Part IV N/A

	Yes	No
30 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?		
31 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
32 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
33 Do you maintain the following:		
(a) Records indicating the racial composition of the student body, faculty, and administrative staff?		
(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? (See instructions.)		
(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
(d) Copies of all material used by you or on your behalf to solicit contributions?		
If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)		

Part V **Private School Questionnaire**
To Be Completed ONLY by Schools that Checked Box 7 in Part IV (Continued) N/A

	Yes	No
34 Do you discriminate by race in any way with respect to:		
(a) Students' rights or privileges?		
(b) Admissions policies?		
(c) Employment of faculty or administrative staff?		
(d) Scholarships or other financial assistance (see instructions)?		
(e) Educational policies?		
(f) Use of facilities?		
(g) Athletic programs?		
(h) Other extra-curricular activities?		
If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.)		
35 (a) Do you receive any financial aid or assistance from a governmental agency?		
(b) Has your right to such aid ever been revoked or suspended?		
If you answered "Yes," to either 35(a) or (b), please explain using an attached separate statement.		
36 Do you certify that you have complied with the applicable requirements of section 4.01 through 4.05 of Rev. Proc. 75–50, 1975–2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation (see instructions for Part V)		

Part VI **Lobbying Expenditures By Public Charities (See instructions)** (To be completed ONLY by an eligible organization that filed Form 5768.)

Check here ▶ (a) ☐ If the organization belongs to an affiliated group (see instructions).
Check here ▶ (b) ☐ If you checked (a) and "limited control" provisions apply (see instructions).

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
Limits on Lobbying Expenses		
37 Total (grassroots) lobbying expenses to influence public opinion		29,501
38 Total lobbying expenses to influence legislative body		66,202
39 Total lobbying expenses (add lines 37 and 38) . . . Schedule "12"		95,703
40 Other exempt purpose expenses (see Part VI instructions)		3,248,304
41 Total exempt purpose expenses (add lines 39 and 40) (see instructions)		3,344,007
42 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 41 is— / The lobbying nontaxable amount is—		
Not over $500,000 — 20% of the amount on line 41		317,200
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000		
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 — $225,000 plus 5% of the excess over $1,500,000		
43 Grassroots nontaxable amount (enter 25% of line 42)		79,300
(Complete lines 44 and 45. File Form 4720 if either line 37 exceeds line 43 or line 39 exceeds line 42.)		
44 Excess of line 37 over line 43		-0-
45 Excess of line 39 over line 42		-0-

4-Year Averaging Period Under Section 501(h). (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 46–51 for details.)

(Line references below are to column (b) of Part VI, Schedule A (Form 990) for the respective tax year)	Lobbying Expenses During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 1981	(b) 1980	(c) 1979	(d) 1978	(e) Total
46 Lobbying nontaxable amount (line 6, Sch. A (Form 990) (1978–80), line 42 (1981))	317,200	304,922	289,651	258,000	1,169,773
47 Lobbying ceiling amount (150% of line 46(e))					
48 Total lobbying expenses (line 3, Sch. A (Form 990) (1978–80), line 39 (1981))	95,703	55,748	44,873	25,373	221,697
49 Grassroots nontaxable amount (line 7, Sch. A (Form 990) (1978–80), line 43 (1981))	79,300	78,230	72,413	64,500	294,443
50 Grassroots ceiling amount (150% of line 49(e))					
51 Grassroots lobbying expenses (line 1, Sch. A (Form 990) (1978–80), line 37 (1981))	29,501	14,623	8,375	3,558	56,057

★ U.S. GOVERNMENT PRINTING OFFICE: 1981—O-343-048 58-040-1110

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "1"

Part 1, Line 8

Sale of assets other than inventory	(A)	(B)	(C)
Fixed assets	$ 170	$ 4,130	$(3,960)
Marketable securities	1,839,182	1,856,306	(17,124)
Total	$1,839,352	$1,860,436	$(21,084)

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "2"

Part II, Line 22 - Gifts to Other Organizations

Anti Cruelty Society, Chicago, Illinois	$ 500
SPCA of Cairo, Egypt	1,000
Monitor, Inc. Washington, D. C.	1,000
National Association for the Advancement of Humane Education, Washington, D. C.	9,400
WNAC Dog Show, Washington, D.C.	100
Walden Humane Society, Walden, N.Y.	1,000
American Fondouck Maintenance Committee, Boston, Massachusetts	5,694
Animal Crusaders, Inc., Everett, Washington	3,000
Animal Protective League, Milwaukee, Wisconsin	3,000
Association for the Prevention of Cruelty in Public Spectacles, Barcelona, Spain	3,000
Association for the Protection of Furbearing Animals, Vancouver, Canada	3,000
Association Uruguaya De Protection A Los Animales, Montevideo, Uruguay	3,000
Brooke Hospital for Animals, London, England	3,000
Bund Gegen Den Missbrauch Det Tiere E.V., Munich, Germany	3,000
Defenders of Wildlife, Washington, D. C.	3,000
Dublin Society for the Prevention of Cruelty to Animals, Dublin, Ireland	3,000
Eastern Slope Animal Welfare League, Conway, New Hampshire	3,000
Ferne Animal Sanctuary, London, England	3,000
Humane Society of Lackawanna County, Scranton, Pennsylvania	3,000
Humane Society of Rochester in Monroe County, Fairport, New York	3,000
Irish Society for the Prevention of Cruelty to Animals, Dublin, Ireland	3,000
Missouri Anti-Vivisection Society, St. Louis, Missouri	3,000
National Anti-Vivisection, London, England	3,000
National Equine Defense League, Carlisle, England	3,000
National Humane Education Society, Sterling, Virginia	4,000
Nilgiri Animal Welfare Society, Tamilnadu, South India	3,000
Nordic Society Against Painful Experiments on Animals, Stockholm, Sweden	3,000
Peoples Dispensary for Sick Animals, Surrey, England	3,000
Performing and Captive Animals' Defense League, London, England	3,000
RSPCA-for Intl. Animal Welfare Symposium, Horsham, Sussex, England	1,000
Scottish Society for the Prevention of Vivisection, Edinburgh, Scotland	3,000
Lehigh County Humane Society, Allentown, Pennsylvania	2,500
Morristown-Hamblin Humane Society, Morristown, Tennessee	2,500
Columbia Green Humane Society, Hudson, NY	3,000

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

(Continued)
Part II, Line 22 - Gifts to Other Organizations

Society for Animal Rights (National Catholic Society for Animal Welfare), Clarks Summit, Pennsylvania	$ 3,500
Society for the Protection of Animals in North Africa, London, England	3,000
Somerset County Humane Society, Inc., Somerville, New Jersey	3,000
South African Federation for the Prevention of Cruelty to Animals, Kimberley, South Africa	3,000
Tierschutzverein Fur Berlin Und Umgebung Corp., Berlin, West Germany	3,000
Wayside Waifs, Kansas City, Missouri	3,000
World Society for the Protection of Animals, Zurich, Switzerland	20,000
	$136,194

SCHEDULE "3"

Part II, Line 43 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and contracted services	$ 38,595	$ 38,595	$ -	$ -
Data processing	10,333	4,535	527	5,271
Insurance and bonds	36,562	31,443	3,656	1,463
Taxes - other	40,924	35,194	4,092	1,638
Rental lists	38,129	-	-	38,129
Films and public service announcements	6,508	6,508	-	-
Library	6,208	6,208	-	-
Other	15,392	336	15,039	17
Payments to annuitants	85,627	-	85,627	-
Scholarships	500	-	500	-
	$278,778	$122,819	$109,441	$ 46,518

THE HUMANE SOCIETY OF THE UNITED STATES
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#53-0225390

SCHEDULE "4"

Part VI

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Expense Account and Other Allowances
John A. Hoyt	2100 L Street, N.W. Wash.D.C.	President	Full	$ 75,000	$ 6,334	$ 4,000
Murdaugh S. Madden	"	Vice-Pres.	"	54,500	8,050	N/A
Patrick B. Parkes	"	Vice-Pres.	"	38,500	4,636	N/A
Patricia A. Forkan	"	Vice-Pres.	"	35,500	1,930	N/A
Paul G. Irwin	"	Treasurer	"	53,500	3,498	N/A
Moneta P. Morgan	"	Asst.Treas.	"	32,000	4,133	N/A
R. Marcia Glaser	"	Asst.Secy.	"	24,000	2,463	N/A
				$313,000	$ 31,044	$ 4,000

See attached list of directors who served part-time without compensation.

Schedule "4"
(Continued)

THE HUMANE SOCIETY OF THE UNITED STATES
BOARD OF DIRECTORS

Coleman Burke, Esq.
Burke and Burke
529 Fifth Avenue
New York, NY 10017
212/661-6600

Mrs. Rosemary Benning
P.O. Box 201
Pebble Beach, CA 93953
408/624-0747

• Miss Amanda Blake
5046 East Bloomfield
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602/953-9511

Samuel A. Bowman
Tucker, Anthony & R.L. Day, Inc.
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• Dr. Carol Browning
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801/479-3754

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1435 G Street, N.W.
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52 Hill Road
Louisville, KY 40204
502/459-4312

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Washington, D.C. 20007
202/338-8037

Mrs. Anna Fesmire
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Greensboro, NC 27408
919/288-6607

Hal Gardiner
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801/364-5600

• Robert W. Gilmore
218 East 18th Street
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212/475-1137

• Mrs. Gisela H. Karlan
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Towaco, NJ 07082
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Dr. Amy Freeman Lee
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415/566-6616

Dr. Robert R. Marshak
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School of Veterinary Medicine
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Philadelphia, PA 19104
215/243-8841

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212/752-1855

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K. William Wiseman
P.O. Box 357
Greens Farms, CT 06436
203/259-4363

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "5"

Part V, Line 50

Note receivable - Glaser Note, interest rate 8%	$ 17,207

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "6"

Investments in Corporate Stocks	December 31, 1981 Shares	Value
American Electric & Power Co.	3,520	$ 57,985
American Telephone & Telegraph	167	9,328
Bankamerica Corp.	118	2,655
Bankers Trust - N.Y. Corp.	222	4,231
General Motors	129	7,505
Mesabi Trust	252	3,717
J. P. Morgan	400	20,000
Pardee & Curtin Lumber	238	13,090
Southern Natural Resources	600	8,128
Standard Oil of Ohio	5,184	335,158
Toledo Edison Co.	50	1,306
F. W. Woolworth	150	2,887
Eastman Kodak	35	2,349
American General Insurance Co.	26	949
Arundel Corp.	402	3,518
Baltimore Gas & Electric Co.	100	2,338
Exxon Corp.	164	5,130
First Maryland Bancorp.	32	624
General Public Utilities Corp.	36	337
Maryland National Corp.	151	2,416
Noxell Corp.	60	1,305
Sterling Drug	112	1,960
Pacific Lighting Corp.	33	734
U. S. Fidelity & Guaranty Co.	40	1,525
Wellington Fund	1,087	9,913
Con. Edison of N. Y. PFD $5.00	60	3,277
Insco Lines	136	10,830
IBM	361	25,090
Money Market Management Inc.	123,300	123,300
Affiliated Fund	6,016	48,247
South Carolina Gas & Electric	2,500	42,337
Ohio Edison Co.	2,000	39,480
Exxon Corp.	400	14,005
General Electric	300	16,880
Arizona Public Service	850	16,788
Halliburton Co.	200	7,466
Schulumberger Limited	337	8,926
Standard Oil of Indiana	400	10,050
Texas Gas Transmission Corp.	1,000	30,388
T.R.W. Inc.	300	12,459
United Technologies	200	9,874
Roadway Express, Inc.	30	735
Sabine	34	1,124
Coca-Cola Company	100	3,300
Sierra Pacific Power	1,009	14,000
Sierra Pacific Power, PFD.	100	4,262
Pennzoil Co.	100	5,013

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "6"
(Continued)

	December 31, 1981 Shares	Value
Investment in Corporate Stocks (Continued)		
Atlantic Richfield Co.	300	$ 19,920
Cincinnati Milacron, Inc.	600	19,729
General Mills, Inc.	100	2,723
Thomas Betts Corporation	5	286
Aetna Life & Casualty	50	1,756
Enserch Corporation	150	4,225
J.C. Penney, Inc.	20	615
P.P.G. Industries	74	3,690
Schlumberger, Ltd.	338	22,197
Sears Roebuck	160	2,985
Standard Oil of Indiana	60	3,373
Texaco, Inc.	70	2,546
ATT	32	1,872
CSX Corporation	100	5,662
Marathon	160	13,560
Total investment in common stocks		$1,052,058

	December 31, 1981 Face	Book Value
Investments in Corporate Bonds, Etc.		
Missouri Pacific R.R. 7.75% 10/1/85	$100,000	$ 100,450
Southern California Edison 7.25% 7/1/84	100,000	99,507
Iowa Power & Light Co., 2000	15,000	15,000
Long Island Lighting Co. 9.25% 1982	7,000	7,046
RCA Corp. 9.25% 1990	50,000	52,215
American Express Credit Corp. 8.5% 12/15/85	70,000	69,716
Atchinson Topeka & Santa Fe R.R. - Equipment Series #2 8.5% 4/1/82	100,000	100,000
Chase Manhattan Bank Cap. Notes 8.25% 5/15/86	100,000	100,000
Ford Motor Credit Corp. 8.5% 5/1/88	100,000	99,649
General Electric Credit Corp. 9.125% 5/15/84	100,000	99,891
General Electric Credit Corp. 8.6% 4/1/85	100,000	100,000
Union Pacific Corp. Notes 8.6% 5/1/83	100,000	99,889
Total investment in corporate bonds, etc.		$ 943,363

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "6"
(Continued)

	December 31, 1981 Face	Book Value
Government Obligations - U. S. and Instrumentalities		
Federal Farm Credit Banks 9%, 1/23/84	50,000	$ 49,983
Federal National Mortgage Assn. 9.20%, 4/10/86	125,000	124,954
Federal Land Bank 7.35%, 10/20/83	100,000	100,000
Trust for short-term U. S. government securities	420,893	420,893
GNMA 9% 12/15/04	19,530	18,881
U.S. Treasury Notes 10.50%, 12/31/83	90,000	86,905
U.S. Treasury Notes 10.50%, 12/83	215,000	206,938
Total government obligations		$1,008,554
Total investments - securities		$3,003,975

SCHEDULE "7"

Part VII, Line 80

Common government body with (1) The National Humane Education Center and (2) The National Association for the Advancement of Humane Education.
2100 L Street, N.W.
Washington, D.C. 20037

SCHEDULE "8"

Part V, Line 56

	Book Value
Undivided interest in trust funds	$ 818,482

SCHEDULE "9"

Part V, Line 57

	Date Acquired	Cost	Prior years	Mtd.	Life	Depreciation this Year
Land	Various	$ 422,375	$ -	-	-	$ -
Buildings & improvements	Various	1,223,095	201,906	S/L	Var	43,877
Furniture & fixtures	Various	322,556	104,307	S/L	Var	25,641
Transportation equipment	Various	59,673	20,686	S/L	Var	16,031
		$2,027,699	$326,899			$ 85,549

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1981

#53-0225390

SCHEDULE "10"

Part V, Line 64

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 25,187
Mortgage note payable - Headquarters	107,710
	$132,897

SCHEDULE "11"

Schedule A - Part IV, Line 27 (b)

Jeffery Trust Fund	$ 357,500
Robert Packwood Estate	1,061,801
George Whittell Estate	2,120,460
Alice Morgan Wright Estate	474,844
	4,014,605
$281,163 X 4	(1,124,652)
	$ 2,889,953

SCHEDULE "12"

Schedule A,
Part VI, Line 39 - Lobbying Expenditures

	Direct Lobbying	Grass Roots Lobbying
Prof./exec. and support staff	$24,335	$ 3,109
Related disbursements	2,145	362
Publications - direct costs	10,164	20,797
Special projects - direct costs	2,972	354
Indirect costs	24,886	3,179
Stationery - (est.)	1,700	1,700
	$66,202	$29,501

Form **990** — Department of the Treasury, Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), of the Internal Revenue Code or section 4947(a)(1) trust

OMB No. 1545-0047

1982

For the calendar year 1982, or fiscal year beginning , 1982, and ending , 19

Use IRS label. Otherwise, please print or type.

Name of organization: The Humane Society of the United States

Address (number and street): 2100 L Street, N.W.

City or town, State, and ZIP code: Washington, D.C. 20037

A Employer identification number (see instruction L): 53 | 0225390

B State registration number (see instruction D):

C If address changed, check here . . ▶ ☐

D Check applicable box—Exempt under section ▶ ☒ 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? . . ☐ Yes ☒ No
Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶ N/A

Note: *You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.*

☐ Check here if gross receipts are normally not more than $25,000. (See instruction B11) You are not required to complete and file this return with IRS but may have to file it with one or more States.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13–15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

		(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	(a) Direct public support 4,311,133		3,075,093	1,236,040
	(b) Indirect public support			
	(c) Government grants			
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)	4,311,133	3,075,093	1,236,040
	2 Program service revenue (from Part IV, line (f))	169,594	169,594	
	3 Membership dues and assessments	721,570	721,570	
	4 Interest ~~on savings and temporary cash investments~~	591,996	229,672	362,324
	5 Dividends ~~and rents~~ from securities	134,061	94,008	40,053
	6 (a) Gross rents			
	(b) Minus: Rental expenses			
	(c) Net rental income (loss)	-	-	-
	7 Other investment income (Describe ▶ Trust fund income)	219,477	219,477	
	8 (a) Gross amount from sale of assets other than inventory — Securities 174,258; Other 18,555			
	(b) Minus: Cost or other basis and sales expenses — Securities 167,710; Other 18,534			
	(c) Gain (loss) (attach schedule) — Securities 6,548; Other 21 (Sch. "1")	6,569	688	5,881
	9 Special fundraising events and activities (attach schedule—see instructions):			
	(a) Gross revenue (not including $ of contributions reported on line 1(a))			
	(b) Minus: Direct expenses			
	(c) Net income (line 9(a) minus line 9(b))			
	10 (a) Gross sales minus returns and allowances			
	(b) Minus: Cost of goods sold (attach schedule)			
	(c) Gross profit (loss)			
	11 Other revenue (from Part IV, line (g))			
	12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11)	6,154,400	4,510,102	1,644,298
Expenses	13 Program services (from line 44(B)) (See instructions)	3,069,125	2,830,560	238,565
	14 Management and general (from line 44(C)) (See instructions)	598,856	425,495	173,361
	15 Fundraising (from line 44(D)) (See instructions)	164,513	164,513	
	16 ~~Payments to affiliates (attach schedule—see instructions)~~ Interfund transfers	-	(167,983)	167,983
	17 Total expenses (add lines 16 and 44(A))	3,832,494	3,252,585	579,909
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	2,321,906	1,257,517	1,064,389
	19 Fund balances or net worth at beginning of year (from line 74(A))	7,265,192	3,611,516	3,653,676
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)	9,587,098	4,869,033	4,718,065

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions)

Do not include amounts reported on line 6(b), 8(b), 9(b), 10(b), or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) Schedule "2"	122,085	122,085		
23 Specific assistance to individuals				
24 Benefits paid to or for members				
25 Compensation of officers, directors, etc.	387,500	283,250	73,500	30,750
26 Other salaries and wages	1,280,243	1,096,968	143,258	40,017
27 Pension plan contributions	89,077	73,934	11,580	3,563
28 Other employee benefits	85,882	71,282	11,164	3,436
29 Payroll taxes	123,674	102,650	16,078	4,946
30 Professional fundraising fees	-			-
31 Accounting fees	18,360	-	18,360	-
32 Legal fees	19,162	19,162	-	-
33 Supplies	58,431	48,497	7,597	2,337
34 Telephone	70,054	58,145	9,107	2,802
35 Postage and shipping	146,753	126,442	15,532	4,779
36 Occupancy	99,528	82,631	12,939	3,958
37 Equipment rental and maintenance	14,040	11,653	1,825	562
38 Printing and publications	470,642	394,940	57,890	17,812
39 Travel	108,645	90,176	14,124	4,345
40 Conferences, conventions and meetings	108,701	104,235	3,415	1,051
41 Interest	9,465	7,856	1,230	379
42 Depreciation, depletion, etc. (attach schedule)	93,103	77,275	12,104	3,724
43 Other expenses (itemize): (a)				
(b) Schedule "3"	527,149	297,944	189,153	40,052
(c)				
(d)				
(e)				
(f)				
44 Total functional expenses (add lines 22 through 43)	3,832,494	3,069,125	598,856	164,513

Expenses

Part III Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
(a) Humane education, membership and program services		
	(Grants and allocations $ 122,085)	2,337,806
(b) Cruelty investigation and litigation.		
	(Grants and allocations $)	731,319
(c)		
	(Grants and allocations $)	
(d)		
	(Grants and allocations $)	
(e) Other program service activities (attach schedule)	(Grants and allocations $)	
(f) Total (add lines (a) through (e)) (should equal line 44(B))		3,069,125

Part IV Program Service Revenue and Other Revenue (State Nature)

	Program service revenue	Other revenue
(a) Fees from government agencies		
(b)		
(c) Sale of literature and other	169,594	
(d)		
(e)		
(f) Total program service revenue (Enter here and on line 2)	169,594	
(g) Total other revenue (Enter here and on line 11)		

Part V Balance Sheets

If line 12, Part I, and line 59 are $25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than $25,000, complete the entire balance sheet. See instructions.

Note: Columns (C) and (D) are optional. *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*

	(A) Beginning of year	End of year (B) Total	(C) Unrestricted/ Expendable	(D) Restricted/ Nonexpendable
Assets				
45 Cash—non-interest bearing	205,595	248,957	131,501	117,456
46 Savings and temporary cash investments	1,313,870	1,209,275	597,179	612,096
47 Accounts receivable ▶ 79,912 minus allowance for doubtful accounts ▶ -	21,142	79,912	77,864	2,048
48 Pledges receivable ▶ minus allowance for doubtful accounts ▶	-	-	-	-
49 Grants receivable	-	-	-	-
50 Receivables due from officers, directors, trustees and key employees (attach schedule) See Schedule "5"	17,207	16,274		16,274
51 Other notes and loans receivable ▶ 285,508 minus allowance for doubtful accounts ▶	355,020	285,508	81,553	203,955
52 Inventories for sale or use	-	-	-	-
53 Prepaid expenses and deferred charges	39,755	38,259	38,259	-
54 Investments—securities (attach schedule) Schedule "6"	3,003,975	5,390,001	2,121,488	3,268,513
55 Investments—land, buildings and equipment: basis ▶ minus accumulated depreciation ▶ (attach schedule)				
56 Investments—other (attach schedule) Schedule "8"	818,482	919,507		919,507
57 Land, buildings and equipment: basis ▶ 2,102,818 Sch. "9" minus accumulated depreciation ▶ 484,216 (attach schedule)	1,615,251	1,618,602	1,618,602	-
58 Other assets: Accrued interest & dividends receivable	46,006	74,952	4,740	70,212
59 Total assets (add lines 45 through 58)	7,436,303	9,881,247	4,671,186	5,210,061
Liabilities				
60 Accounts payable and accrued expenses	30,939	102,733	29,871	72,862
61 ~~Grants payable~~ Interfund accounts			(419,134)	419,134
62 Support and revenue designated for future periods (attach sched.)				
63 Loans from officers, directors, trustees and key employees (attach schedule)				
64 Mortgages and other notes payable (attach schedule) Sch. "10"	132,897	187,324	187,324	
65 Other liabilities: Deferred income	7,275	4,092	4,092	
66 Total liabilities (add lines 60 through 65)	171,111	294,149	(197,847)	491,996
Fund Balances or Net Worth				
Organizations that use fund accounting, check here ▶ ☒ and complete lines 67 through 70 and lines 74 and 75.				
67 Current funds	4,261,554	5,312,415	4,869,033	443,382
68 Land, buildings and equipment fund				
69 Endowment fund	6,161	6,390		6,390
70 Other funds (Describe ▶ Annuity & Trust)	2,997,477	4,268,293		4,268,293
Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71 Capital stock or trust principal				
72 Paid-in or capital surplus				
73 Retained earnings or accumulated income				
74 Total fund balances or net worth (see instructions)	7,265,192	9,587,098	4,869,033	4,718,065
75 Total liabilities and fund balances/net worth (see instructions)	7,436,303	9,881,247	4,671,186	5,210,061

Part VI List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See Instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
See Schedule "4"				

Part VII Other Information

	Yes	No
76 Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities. N/A		X
77 Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes. N/A		X
78 (a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		X
(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	N/A	
(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions. N/A		X
80 Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization ▶ See Schedule "7" and check whether it is [X] exempt OR [ ] nonexempt.	X	
81 (a) Enter amount of political expenditures, direct or indirect, as described in the instructions. None		
(b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		X
82 Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ N/A		X
83 *Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84 *Section 501(c)(7) organizations.*—Enter amount of:		
(a) Initiation fees and capital contributions included on line 12		
(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85 *Section 501(c)(12) organizations.*—Enter amount of:		
(a) Gross income received from members or shareholders		
(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86 *Public interest law firms.*—Attach information described in instructions.		
87 List the States with which a copy of this return is filed ▶ NY, NJ, CT, IL, MN, MI		
88 The books are in care of ▶ Assistant Treasurer Telephone No. ▶ (202) 452-1100 Located at ▶ 2100 L Street, N.W., Washington, D.C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer Date ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ William V. Vonkeese Date 5/13/83 Check if self-employed ▶ [ ]

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790 4301 Conn. Ave., N.W., Wash., D.C. ZIP code ▶ 20008

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation), 501(e), 501(f) or Section 4947(a)(1) Trust

Supplementary Information ► Attach to Form 990.

OMB No. 1545-0047

1982

Name: The Humane Society of the United States

Employer identification number: 53 | 0225390

Part I Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Name and address of employees paid more than $30,000	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Michael W. Fox, 2100 L Street, N.W., Washington, D.C.	Dir. of ISAP 100%	43,000	3,692	N/A
Andrew Rowan, 2100 L Street, N.W. Washington, D.C.	ISAP Scientist 100%	31,500	1,741	N/A
Total number of other employees paid over $30,000 ►	-0-			

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
None		
Total number of others receiving over $30,000 for professional services ►	None	

Part III Statements About Activities

	Yes	No
1 During the year have you attempted to influence national, State or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	X	
If "Yes," enter the total of the expenses paid or incurred in connection with the legislative activities $ ..... Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2 During the year have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner or principal beneficiary:		
(a) Sale, exchange, or leasing of property?		X
(b) Lending of money or other extension of credit?		X
(c) Furnishing of goods, services, or facilities?		X
(d) Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See Form 990, Part VI	X	
(e) Transfer of any part of your income or assets?		X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3 Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments. (See specific instructions.)		
4 Do you make grants for scholarships, fellowships, student loans, etc.?		X
5 During the year did you receive any qualified contributions for conservation purposes (see instructions, page 1) whose value is more than $5,000? If "Yes," attach a schedule showing the information required in the instructions.		X

Part IV Reason for Non-Private Foundation Status (See instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

6 ☐ 1 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

7 ☐ 2 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)

8 ☐ 3 A hospital. Section 170(b)(1)(A)(iii).

9 ☐ 4 A Federal, State or local government or governmental unit. Section 170(b)(1)(A)(v).

10 ☐ 5 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name and address of hospital ▶ .....

11 ☐ 6 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)

12 ☒ 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)

13 ☐ 8 An organization that normally receives: (a) no more than ⅓ of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than ⅓ of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc. functions—subject to certain exceptions. See section 509(a)(2). (Use cash receipts and disbursements method of accounting; also complete Support Schedule.)

14 ☐ 9 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 6 through 13 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 14.)

(a) Name of supported organizations	(b) Box number from above

(c) Relationship of supported organizations to your organization:

(1) Check here ▶ ☐ if the supported organizations acting together appoint a majority of your governing board.

(2) Check here ▶ ☐ if a majority of your governing board belong to governing boards of the supported organizations.

(3) Check here ▶ ☐ if (1) or (2) above does not apply. (See Regulations 1.509(a)-4.)

(d) If applicable, enter the number of supported organizations exempt under:

(1) Section 501(c)(4) . . . . . ____

(2) Section 501(c)(5) . . . . . ____

(3) Section 501(c)(6) . . . . . ____

(e) Check here ▶ ☐ if your organization's sole or primary purpose is to provide funds to the supported organizations.

15 ☐ 0 An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 11, 12, or 13 above)

Calendar year (or fiscal year beginning in) ▶	(a) 1981	(b) 1980	(c) 1979	(d) 1978	(e) Total
16 Gifts, grants, and contributions received. (Do not include unusual grants. See line 29 below.) . . .	2,718,282	1,841,410	2,501,595	3,457,634	10,518,921
17 Membership fees received	573,157	478,177	410,524	318,040	1,779,898
18 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc. purpose	113,703	110,717	65,833	46,072	336,325
19 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	630,458	524,377	434,204	323,379	1,912,418
20 Net income from unrelated business activities not included in line 19 . .	-	-			

(Continued on page 3)

Part IV Support Schedule (continued) (Complete only if you checked box 11, 12, or 13 on page 2)

Calendar year (or fiscal year beginning in) ▶	(a) 1981	(b) 1980	(c) 1979	(d) 1978	(e) Total
21 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
22 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
23 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
24 Total of lines 16 through 23	4,035,600	2,954,681	3,412,156	4,145,125	14,547,562
25 Line 24 minus line 18	3,921,897	2,843,964	3,346,323	4,099,053	14,211,237
26 Enter 1% of line 24	40,356	29,547	34,122	41,451	

27 Organizations described in box 11 or 12, page 2:

(a) Enter 2% of amount in column (e), line 25 284,225

(b) Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1978 through 1981 exceeded the amount shown in 27(a). Enter the sum of all excess amounts here . . Schedule "11". 1,222,822

28 Organizations described in box 13, page 2:

(a) Attach a list, for amounts shown on lines 16, 17, and 18, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:

(1981)..... (1980)..... (1979)..... (1978).....

(b) Attach a list showing, for 1978 through 1981, the name and amount included in line 18 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 26 for the year or $5,000. Include organizations described in boxes 6 through 12 as well as individuals. Enter the sum of these excess amounts for each year:

(1981) (1980) (1979) (1978)

29 For an organization described in boxes 11, 12, or 13, page 2, that received any unusual grants during 1978 through 1981, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 16 above. (See specific instructions.)

Part V Private School Questionnaire To Be Completed ONLY by Schools that Checked Box 7 in Part IV N/A

	Yes	No
30 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?		
31 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
32 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
33 Do you maintain the following:		
(a) Records indicating the racial composition of the student body, faculty, and administrative staff?		
(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
(d) Copies of all material used by you or on your behalf to solicit contributions?		
If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)		

Part V **Private School Questionnaire (Continued)**
To Be Completed ONLY by Schools that Checked Box 7 in Part IV N/A

	Yes	No
34 Do you discriminate by race in any way with respect to:		
(a) Students' rights or privileges?		
(b) Admissions policies?		
(c) Employment of faculty or administrative staff?		
(d) Scholarships or other financial assistance (see instructions)?		
(e) Educational policies?		
(f) Use of facilities?		
(g) Athletic programs?		
(h) Other extra-curricular activities?		
If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.)		
35 (a) Do you receive any financial aid or assistance from a governmental agency?		
(b) Has your right to such aid ever been revoked or suspended?		
If you answered "Yes," to either 35(a) or (b), please explain using an attached separate statement.		
36 Do you certify that you have complied with the applicable requirements of section 4.01 through 4.05 of Rev. Proc. 75–50, 1975–2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation (see instructions for Part V)		

Part VI **Lobbying Expenditures By Public Charities (See instructions)** (To be completed ONLY by an eligible organization that filed Form 5768.)

Check here ▶ (a) ☐ If the organization belongs to an affiliated group (see instructions).
Check here ▶ (b) ☐ If you checked (a) and "limited control" provisions apply (see instructions).

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
Limits on Lobbying Expenses		
37 Total (grassroots) lobbying expenses to influence public opinion		47,905
38 Total lobbying expenses to influence a legislative body		163,710
39 Total lobbying expenses (add lines 37 and 38) Schedule "12"		211,615
40 Other exempt purpose expenses (see Part VI instructions)		3,620,879
41 Total exempt purpose expenses (add lines 39 and 40) (see instructions)		3,832,494
42 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 41 is— / The lobbying nontaxable amount is—		
Not over $500,000 — 20% of the amount on line 41		
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000		341,625
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 — $225,000 plus 5% of the excess over $1,500,000		
43 Grassroots nontaxable amount (enter 25% of line 42)		85,406
(Complete lines 44 and 45. File Form 4720 if either line 37 exceeds line 43 or line 39 exceeds line 42.)		
44 Excess of line 37 over line 43		-0-
45 Excess of line 39 over line 42		-0-

4-Year Averaging Period Under Section 501(h). (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 46–51 for details.)

(Line references below are to column (b) of Part VI, Schedule A (Form 990) for the respective tax year)	Lobbying Expenses During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 1982	(b) 1981	(c) 1980	(d) 1979	(e) Total
46 Lobbying nontaxable amount (line 6, Sch. A (Form 990) (1979–80), line 42 (1981–82))	341,625	317,200	304,922	289,651	1,253,398
47 Lobbying ceiling amount (150% of line 46(e))					1,880,097
48 Total lobbying expenses (line 3, Sch. A (Form 990) (1979–80), line 39 (1981–82))	211,615	95,703	55,748	44,873	407,939
49 Grassroots nontaxable amount (line 7, Sch. A (Form 990) (1979–80), line 43 (1981–82))	85,406	79,300	78,230	72,413	315,349
50 Grassroots ceiling amount (150% of line 49(e))					
51 Grassroots lobbying expenses (line 1, Sch. A (Form 990) (1979–80), line 37 (1981–82))	47,905	29,501	14,623	8,375	100,404

THE HUMANE SOCIETY OF THE UNITED STATES
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#53-0225390

SCHEDULE "1"

Part 1, Line 8

Sale of assets other than inventory	(A)	(B)	(C)
Fixed assets	$ 18,555	$ 18,534	$ 21
Marketable securities	174,258	167,710	6,548
Total	$192,813	$186,244	$ 6,569

THE HUMANE SOCIETY OF THE UNITED STATES
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SCHEDULE "2"

Part II, Line 22 - Gifts to Other Organizations

Monitor, Inc. Washington, D. C.	$ 4,000
National Association for the Advancement of Humane Education, Washington, D. C.	2,500
American Fondouck Maintenance Committee, Boston, Massachusetts	6,635
Animal Crusaders, Inc., Everett, Washington	2,500
Animal Protective League, Milwaukee, Wisconsin	2,500
Association for the Prevention of Cruelty in Public Spectacles, Barcelona, Spain	2,500
Association for the Protection of Furbearing Animals, Vancouver, Canada	2,500
Association Uruguaya De Protection A Los Animales, Montevideo, Uruguay	2,500
Brooke Hospital for Animals, London, England	2,500
Bund Gegen Den Missbrauch Det Tiere E.V., Munich, Germany	2,500
Defenders of Wildlife, Washington, D. C.	4,000
Dublin Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,500
Eastern Slope Animal Welfare League, Conway, New Hampshire	2,500
Ferne Animal Sanctuary, London, England	2,500
Humane Society of Lackawanna County, Scranton, Pennsylvania	5,000
Irish Society for the Prevention of Cruelty to Animals, Dublin, Ireland	4,000
Missouri Anti-Vivisection Society, St. Louis, Missouri	2,500
National Anti-Vivisection, London, England	2,500
National Equine Defense League, Carlisle, England	2,500
National Humane Education Society, Sterling, Virginia	3,000
Nilgiri Animal Welfare Society, Tamilnadu, South India	2,500
Nordic Society Against Painful Experiments on Animals, Stockholm, Sweden	2,500
Peoples Dispensary for Sick Animals, Surrey, England	2,500
Performing and Captive Animals' Defense League, London, England	2,500
Scottish Society for the Prevention of Vivisection, Edinburgh, Scotland	2,500
Lehigh County Humane Society, Allentown, Pennsylvania	2,500
Morristown-Hamblin Humane Society, Morristown, Tennessee	2,500
Columbia Green Humane Society, Hudson, NY	2,500
American Horse Protection Society	500
Marin County Humane Society	1,350
Arkansas Humane Education Service	1,000
Coalition to Abolish the LDSO	1,000
ACIC	100

THE HUMANE SOCIETY OF THE UNITED STATES
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(Continued)
Part II, Line 22 - Gifts to Other Organizations

Society for Animal Rights (National Catholic Society for Animal Welfare), Clarks Summit, Pennsylvania	$ 4,500
Society for the Protection of Animals in North Africa, London, England	2,500
Somerset County Humane Society, Inc., Somerville, New Jersey	2,500
Tierschutzverein Fur Berlin Und Umgebung Corp., Berlin, West Germany	2,500
Wayside Waifs, Kansas City, Missouri	2,500
World Society for the Protection of Animals, Zurich, Switzerland	20,000
Animal Kind	2,000
	$122,085

SCHEDULE "3"

Part II, Line 43 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and other services	$ 53,383	$ 53,383	$ -	$ -
Data processing	28,141	18,320	3,659	6,162
Insurance and bonds	39,495	32,781	5,135	1,579
Taxes - other	51,757	42,959	6,728	2,070
Rental lists	30,241	-	-	30,241
Films and public service announcements	6,250	6,250	-	-
Library	2,928	2,928	-	-
Administrative fees	10,000	-	10,000	-
Payments to annuitants	95,206	-	95,206	-
Cost of educational publications	141,323	141,323	-	-
Bad debt expense	68,425	-	68,425	-
	$527,149	$297,944	$189,153	$ 40,052

THE HUMANE SOCIETY OF THE UNITED STATES
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SCHEDULE "4"

Part VI

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Expense Account and Other Allowances
John A. Hoyt	2100 L Street, N.W. Wash.D.C.	President	Full	$ 79,000.00	$ 6,688.21	$ 4,000.00
Murdaugh S. Madden	"	Vice-Pres.	"	57,500.00	8,700.40	N/A
Patrick B. Parkes	"	Vice-Pres.	"	41,500.00	5,085.12	N/A
Patricia A. Forkan	"	Vice-Pres.	"	40,000.16	2,181.55	N/A
Paul G. Irwin	"	Treasurer	"	61,500.00	4,597.70	N/A
Moneta P. Morgan	"	Asst.Treas.	"	34,000.00	5,100.18	N/A
Marcia Glaser	"	Asst.Secy.	"	27,500.00	2,665.36	N/A
John W. Grandy	"	Vice-Pres.	"	46,500.00	N/A	N/A
				$387,500.16	$ 35,018.52	$ 4,000.00

See attached list of directors who served part-time without compensation.

THE HUMANE SOCIETY OF THE UNITED STATES
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#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Conintued)

Coleman Burke, Esq.
Burke and Burke
529 Fifth Avenue
New York, NY 10017
202/661-6600

Mrs. Joyce Anderson
1800 E. Gundersen Lane
Salt Lake City, UT 84117
801/278-1371

Mrs. Rosemary Benning
P.O. Box 201
Pebble Beach, CA 93953
408/624-0747

Miss Amanda Blake
5046 East Bloomfield
Scottsdale, AZ 85254
602/953-9511

Samuel A. Bowman
Tucker, Anthony & R.L. Day, Inc.
120 Broadway, 33rd Floor
New York, NY 10271
212/766-2744

Dr. Carol Browning
6182 South 2855 East
Ogden, UT 84403
801/479-3754

Jack Conlon
641 South Atlantic Avenue
Cocoa Beach, FL 32931
305/783-3948

Donald S. Dawson, Esq.
723 Washington Building
1435 G. Street, N.W.
Washington, D.C. 20005
202/393-6900

Mrs. Oliver M. Evans
3045 P Street, N.W.
Washington, D.C. 20007
202/338-8037

Robert W. Gilmore
218 East 18th Street
New York, NY 10003
212/475-1137

Mrs. Gisela H. Karlan
3 Afterglow Way
Lake Valhalla, NJ 07045
201/355-3542

Dr. Amy Freeman Lee
127 Canterbury Hill
San Antonio, TX 78209
512/826-1747

The Hon. Jack W. Lydman
2815 Que Street, N.W.
Washington, D.C. 20007
202/965-1310

Mrs. Virgnia (Pat) Lynch
98 Clarendon Avenue
San Francisco, CA 94114
415/566-6616

John W. Mettler, III
Seminole Asset Management, Inc.
4 West 58th Street
New York, NY 10019
212/752-1855 (H) 212/861-3084

Mrs. Inga G. Prime
P.O. Box 1165
Vail, CO 81657
303/476-3125

O. J. Ramsey, Esq.
Ramsey, Scott, Morrison & Keddy
1446 Ethan Way, Suite 201
Sacramento, CA 95825
916/920-8800

Mrs. Marilyn G. Seyler
815 Dickson Parkway
Mansfield, OH 44907
419/746-7559

THE HUMANE SOCIETY OF THE UNITED STATES
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BOARD OF DIRECTORS

SCHEDULE "4"
(Conintued)

Mrs. Anna Fesmire
1400 W. Cornwallis Drive
Greensboro, NC 27408
919/288-6607

Hal Gardiner
56 West 4th South
P.O. Box 30
Salt Lake City, UT 84110
801/364-5600

K. William Wiseman
P.O. Box 357
Greens Farms, CT 06436
203/259-4363

Everett Smith, Jr.
Quaker Ridge
Greenwich, CT 06830
203/661-0004

Robert F. Welborn, Esq.
1100 United Bank Center
Denver, CO 80290
303/861-8013

THE HUMANE SOCIETY OF THE UNITED STATES
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#53-0225390

SCHEDULE "5"

Part V, Line 50

Note receivable - Glaser Note, interest rate 8%	$ 16,274

SCHEDULE "6"

	December 31, 1982	
	Shares	Value
Investments in Corporate Stocks		
Aetna Life & Casulaty	50	$ 1,756
Affiliated Fund	6,016	48,247
American Electric & Power Co.	3,748	61,883
American General Insurance Co.	26	949
American Standard, Inc.	600	16,800
American Telephone & Telegraph	489	27,442
Arizona Public Service	850	16,788
Arundel Corp.	402	3,518
Atlantic Richfield Co.	300	19,920
Baltimore Gas & Electric Co.	100	2,338
Bankamerica Corp.	118	2,655
Bankers Trust-NY Corp.	222	4,231
Burroughs Corp.	800	27,700
Caterpillar Tractor Co.	7,776	387,827
Cincinnati Gas & Electric Co.	480	7,860
Cincinnati Milacron, Inc.	600	19,729
Coca-Cola Company	100	3,300
Commonwealth Edison	33	722
Con. Edison of NY PFD $5.00	60	3,277
Dupont E.I. Denemours	300	10,238

THE HUMANE SOCIETY OF THE UNITED STATES
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SCHEDULE "6"
(Continued)

Investments in Corporate Stocks	December 31, 1982 Shares	Value
Eastman Kodak	512	$ 37,016
Enserch Corporation	150	4,225
Equitable Gas Co.	150	4,294
Exxon Corp.	2,026	61,167
First Maryland Bancorp.	32	624
First Oklahoma Bancorporation, Inc.	59	1,077
Ford Motor Co.	16	343
F.W. Woolworth	150	2,887
General Electric	1,754	106,664
General Foods	80	2,650
General Mills	500	17,265
General Motors	866	37,814
General Public Utilities Corp.	36	337
Halliburton Co.	400	17,988
IBM	361	25,090
Ingersol-Rand Corp.	34	1,419
Insco Lines	136	10,830
Intercapital Liquid Asset Fund	18,085	18,085
Iraquois Brand, Ltd.	1	13
J.C. Penney, Inc.	20	615
J.P. Morgan	400	20,000
Maryland National Corporation	151	2,416
Mesabi Trust	252	3,717
Middle South Utilities, Inc.	653	8,864
Mobil Corp.	30	774
Money Market Management, Inc.	74,500	74,500
Montana Power Co.	100	2,250
Noxell Corp.	60	1,305
Ohio Edison Co.	2,000	39,480
Pacific Lighting Corp.	133	3,260
Pardee & Curtin Lumber	238	13,090
Pennzoil Co.	100	5,013
P.P.G. Industries	74	3,690
Proctor & Gamble, Inc.	2,400	194,400
Public Service Co. of Indiana	600	13,650
Puget Sound Power & Light Co.	800	11,500
Roadway Services, Inc.	30	735
Sabine	34	1,124
Sabine Royalty Trust	34	731
Schlumberger Limited	675	31,122
Sears Roebuck	500	9,402
South Carolina Gas & Electric	2,500	42,337
Sonat	600	8,128
Standard Oil of Indiana	13,932	672,254
Standard Oil of Ohio	200	4,175
Texaco, Inc.	70	2,546
Texas Gas Transmission Corp.	1,000	30,388
Thomas Betts Corporation	5	286

THE HUMANE SOCIETY OF THE UNITED STATES
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SCHEDULE "6"
(Continued)

Investment in Corporate Stocks (Continued)	December 31, 1982 Shares	Value
Toledo Edison Co.	50	$ 1,306
Transamerica Income Share, Inc.	100	1,575
T.R.W., Inc.	300	12,459
Tucson Electric & Power Co.	100	2,200
Union Carbide	1,000	46,750
United Funds, Inc. Bond	100	487
United Technologies	200	9,874
U.S. Fidelity & Guaranty Co.	40	1,525
U.S. Steel Corp.	1,080	26,325
Wellington Fund	1,087	9,913
Total investment in common stocks		$2,331,134

Investments in Corporate Bonds, Etc.	December 31, 1982 Face	Book Value
Missouri Pacific R.R. 7.75% 10/1/85	$100,000	$ 100,340
Southern California Edison 7.25% 7/1/84	100,000	99,695
Iowa Power & Light Co., 2000	15,000	15,000
RCA Corp. 9.25% 1990	50,000	51,952
American Express Credit Corp. 8.5% 12/15/85	70,000	69,771
Atchinson Topeka & Santa Fe R.R. - Equipment Series #2 8.5% 4/1/82	100,000	99,805
Chase Manhattan Bank Cap. Notes 8.25% 5/15/86	100,000	100,000
Ford Motor Credit Corp. 8.5% 5/1/88	100,000	99,704
General Electric Credit Corp. 9.125% 5/15/84	100,000	99,936
General Electric Credit Corp. 8.6% 4/1/85	100,000	100,000
Union Pacific Corp. Notes 8.6% 5/1/83	100,000	99,973
Central Gulf Lines, Inc. 8.05% 10/1/86	14,000	11,147
Dekalb County Ind. Sch. Bldg. 3.375% 7/1/86	5,000	3,791
Hammon Ind. City Storm Sewer 4.5% 12/1/83	40,000	38,863
Indiana State Toll Rd. Comm. 3.5% 1/1/94	21,000	19,205
Indianapolis Park District 3.25% 1/1/83	15,000	15,000
Daytona Power & Light Co. 9.5% 2000	5,000	3,269
General Telephone & Electricity 6.25% 1991	5,000	3,119
Total investment in corporate bonds, etc.		$1,030,570

THE HUMANE SOCIETY OF THE UNITED STATES
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SCHEDULE "6"
(Continued)

December 31, 1982

	Face	Book Value
Government Obligations - U. S. and Instrumentalities		
Federal Farm Credit Banks 9%, 1/23/84	50,000	$ 49,988
Federal National Mortgage Assn. 9.20%, 4/10/86	125,000	124,965
Federal Land Bank 7.35%, 10/20/83	100,000	100,000
Trust for short-term U. S. government securities	38,832	38,832
GNMA 9% 12/15/04	19,530	18,881
U.S. Treasury Notes 10.50%, 12/31/83	90,000	88,464
U.S. Treasury Notes 10.50%, 12/83	215,000	211,279
U.S. Treasury Notes 13.125%, 8/15/85	350,000	349,666
U.S. Treasury Notes 13.875%, 4/30/84	1,000,000	996,744
U.S. Treasury Notes 13.25%, 8/15/84	50,000	49,478
Total government obligations		$2,028,297
Total investments - securities		$5,390,001

SCHEDULE "7"

Part VII, Line 80

Common government body with (1) The National Humane Education Center and (2) The National Association for the Advancement of Humane Education.
2100 L Street, N.W.
Washington, D.C. 20037

SCHEDULE "8"

Part V, Line 56

	Book Value
Undivided interest in trust funds	$ 919,507

SCHEDULE "9"

Part V, Line 57

	Date Acquired	Cost	Prior years	Mtd.	Life	Depreciation this Year
Land	Various	$ 422,375	$ -	-	-	$ -
Buildings & improvements	Various	1,245,163	245,783	S/L	Var	49,157
Furniture & fixtures	Various	385,459	124,767	S/L	Var	31,928
Transportation equipment	Various	49,821	20,564	S/L	Var	12,018
		$2,102,818	$391,114			$ 93,103

THE HUMANE SOCIETY OF THE UNITED STATES
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SCHEDULE "10"

Part V, Line 64

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 21,764
Mortgage note payable - Headquarters	65,560
Due February 7, 1983, secured by certificate of deposit #15296 held at Security National Bank, Washington, D.C., 9.65%	100,000
	$187,324

SCHEDULE "11"

Schedule A - Part IV, Line 27 (b)

Jeffery Trust Fund	$ 370,000
Lawrence Ridinger Estate	511,772
George Whittell Estate	1,003,106
Alice Morgan Wright Estate	474,844
	2,359,722
$284,225 X 4	(1,136,900)
	$ 1,222,822

SCHEDULE "12"

Schedule A,
Part VI, Line 39 - Lobbying Expenditures

	Direct Lobbying	Grass Roots Lobbying
Prof./exec. and support staff	$ 52,285	$ 7,564
Related disbursements	1,136	292
Publications - direct costs	22,505	24,425
Special projects - direct costs	21,974	4,535
Indirect costs	64,010	9,289
Stationery - (est.)	1,800	1,800
	$163,710	$ 47,905

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N.W., Washington, D.C. 20008 • 202-966-6602
Members of the American Institute of Certified Public Accountants

William P. Roche
Partner

May 11, 1984

Mr. John A Hoyt, President
The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037

Dear John:

We are transmitting herewith Form 990 - Return of Organization Exempt from Income Tax - for the calendar year 1983. This return should be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, PA 19255, on or before May 15, 1984.

A copy of Form 990 must also be dated, signed and mailed to District of Columbia, Department of Finance and Revenue, 300 Indiana Ave., N. W., Washington, D. C. 20001, on or before May 15, 1984.

If you have any questions, please call.

Sincerely yours,

Bill

William P. Roche

WPR:dds

Enclosures

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), of the Internal Revenue Code or section 4947(a)(1) trust

OMB No. 1545-0047

1983

For the calendar year 1983, or fiscal year beginning , 1983, and ending , 19

Use IRS label. Otherwise, please print or type.	Name of organization	A Employer identification number (see instruction L)
	The Humane Society of the United States	53: 0225390
	Address (number and street)	B State registration number (see instruction D)
	2100 L Street, N.W.	
	City or town, State, and ZIP code	C If address changed, check here ▶
	Washington, D.C. 20037	

D Check applicable box—Exempt under section ▶ ☒ 501(c)(3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No
Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶ N/A

Note: *You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.*

☐ Check here if gross receipts are normally not more than $25,000. (See instruction B11.) You are not required to complete and file this return with IRS but may have to file it with one or more States.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

PART I.—Statement of Support, Revenue, and Expenses and Changes in Fund Balances

			(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	(a) Direct public support				
	(b) Indirect public support	4,034,933		2,817,315	1,217,618
	(c) Government grants				
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)		4,034,933	2,817,315	1,217,618
	2 Program service revenue (from Part IV, line (f))		147,864	147,864	
	3 Membership dues and assessments		826,386	826,386	
	4 Interest [illegible]		634,636	183,717	450,919
	5 Dividends [illegible]		182,059	132,083	49,976
	6 (a) Gross rents				
	(b) Minus: Rental expenses				
	(c) Net rental income (loss)				
	7 Other investment income (Describe ▶ Trust Fund Income)		95,673	95,673	
	8 (a) Gross amount from sale of assets other than inventory	Securities 1,027,061 / Other 2,805			
	(b) Minus: cost or other basis and sales expenses Sch. "1"	960,357 / 5,999			
	(c) Gain (loss) (attach schedule)	66,704 / (3,194)	63,510	42,588	20,922
	9 Special fundraising events and activities (attach schedule—see instructions):				
	(a) Gross revenue (not including $ of contributions reported on line 1(a))				
	(b) Minus: direct expenses				
	(c) Net income (line 9(a) minus line 9(b))				
	10 (a) Gross sales minus returns and allowances				
	(b) Minus: Cost of goods sold (attach schedule)				
	(c) Gross profit (loss)				
	11 Other revenue (from Part IV, line (g))				
	12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11)		5,985,061	4,245,626	1,739,435
Expenses	13 Program services (from line 44(B)) (see instructions)		3,515,991	3,346,239	169,752
	14 Management and general (from line 44(C)) (see instructions)		550,058	456,055	94,003
	15 Fundraising (from line 44(D)) (see instructions)		99,566	99,566	
	16 [illegible] Interfund		---	(389,261)	389,261
	17 Total expenses (add lines 16 and 44(A)) Transfers		4,165,615	3,512,599	653,016
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)		1,819,446	733,027	1,086,419
	19 Fund balances or net worth at beginning of year (from line 74(A))		9,587,098	4,869,033	4,718,065
	20 Other changes in fund balances or net worth (attach explanation)				
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)		11,406,544	5,602,060	5,804,484

PART II.—Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on line 6(b), 8(b), 9(b), 10(b), or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) Sch "2"	170,251	170,251		
23 Specific assistance to individuals				
24 Benefits paid to or for members				
25 Compensation of officers, directors, etc.	451,000	336,500	81,000	33,500
26 Other salaries and wages	1,312,191	1,148,847	154,344	9,000
27 Pension plan contributions	99,315	84,418	12,911	1,986
28 Other employee benefits	111,600	94,860	14,508	2,232
29 Payroll taxes	131,604	111,864	17,108	2,632
30 Professional fundraising fees				
31 Accounting fees	19,315	--	19,315	--
32 Legal fees	12,793	12,793	--	--
33 Supplies	76,805	65,284	9,985	1,536
34 Telephone	82,243	69,907	10,691	1,645
35 Postage and shipping	156,152	137,318	16,323	2,511
36 Occupancy	114,671	97,470	14,907	2,294
37 Equipment rental and maintenance	12,818	10,896	1,666	256
38 Printing and publications	390,675	334,740	48,477	7,458
39 Travel	160,574	136,488	20,875	3,211
40 Conferences, conventions and meetings	113,274	106,831	5,583	860
41 Interest	14,195	12,066	1,845	284
42 Depreciation, depletion, etc. (attach schedule)	99,149	84,277	12,889	1,983
43 Other expenses (itemize): (a)				
(b) Schedule "3"	636,990	501,181	107,631	28,178
(c)				
(d)				
(e)				
(f)				
44 Total functional expenses (add lines 22 through 43)	4,165,615	3,515,991	550,058	99,566

Expenses

PART III.—Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
(a)	Humane education, membership and program services (Grants and allocations $ 170,251)	2,773,133
(b)	Cruelty investigation and litigation (Grants and allocations $)	742,858
(c)	(Grants and allocations $)	
(d)	(Grants and allocations $)	
(e)	Other program service activities (attach schedule) (Grants and allocations $)	
(f)	Total (add lines (a) through (e)) (should equal line 44(B))	3,515,991

PART IV.—Program Service Revenue and Other Revenue (State Nature)

		Program service revenue	Other revenue
(a)	Fees from government agencies		
(b)			
(c)	Sale of literature and other	147,864	
(d)			
(e)			
(f)	Total program service revenue (enter here and on line 2)	147,864	
(g)	Total other revenue (enter here and on line 11)		

PART V.—Balance Sheets

If line 12, Part I, and line 59 are $25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than $25,000, complete the entire balance sheet. See instructions.

Note: Columns (C) and (D) are optional. *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*

		(A) Beginning of year	End of year (B) Total	End of year (C) Unrestricted/ Expendable	End of year (D) Restricted/ Nonexpendable
	Assets				
45	Cash—non-interest bearing	248,957	515,711	437,647	78,064
46	Savings and temporary cash investments	1,209,275	1,517,565	894,833	622,732
47	Accounts receivable ▶ 408,122 minus allowance for doubtful accounts ▶ ---	79,912	408,122	316,074	92,048
48	Pledges receivable ▶ minus allowance for doubtful accounts ▶	---	---	---	---
49	Grants receivable	---	---	---	---
50	Receivables due from officers, directors, trustees and key employees (attach schedule) See sch. "5"	16,274	15,263	---	15,263
51	Other notes and loans receivable ▶ 284,312 minus allowance for doubtful accounts ▶ ---	285,508	284,312	80,357	203,955
52	Inventories for sale or use	---	---	---	---
53	Prepaid expenses and deferred charges	38,259	37,675	37,675	---
54	Investments—securities (attach schedule) Schedule "6"	5,390,001	6,112,883	1,860,696	4,252,187
55	Investments—land, buildings and equipment: basis ▶ minus accumulated depreciation ▶ (attach schedule)				
56	Investments—other (attach schedule) Schedule "8"	919,507	975,843	---	975,843
57	Land, buildings and equipment: basis ▶ 2,194,282 Sch. "9" minus accumulated depreciation ▶ 562,138 (attach schedule)	1,618,602	1,632,144	1,632,144	---
58	Other assets: Accrued Interest & Dividends receivable	74,952	153,712	19,178	134,534
59	Total assets (add lines 45 through 58)	9,881,247	11,653,230	5,278,604	6,374,626
	Liabilities				
60	Accounts payable and accrued expenses	102,733	107,727	25,185	82,542
61	~~Grants payable~~ Interfund Accounts			(487,600)	487,600
62	Support and revenue designated for future periods (attach schedule)				
63	Loans from officers, directors, trustees and key employees (attach schedule) Schedule "10"				
64	Mortgages and other notes payable (attach schedule)	187,324	138,959	138,959	---
65	Other liabilities: Deferred Income	4,092	---	---	---
66	Total liabilities (add lines 60 through 65)	294,149	246,686	(323,456)	570,142
	Fund Balances or Net Worth				
	Organizations that use fund accounting, check here ▶ ☒ and complete lines 67 through 70 and lines 74 and 75.				
67	Current funds	5,312,415	5,934,171	5,602,060	332,111
68	Land, buildings and equipment fund				
69	Endowment fund	6,390	6,234		6,234
70	Other funds (Describe ▶ Annuity & Trust)	4,268,293	5,466,139		5,466,139
	Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71	Capital stock or trust principal				
72	Paid-in or capital surplus				
73	Retained earnings or accumulated income				
74	Total fund balances or net worth (see instructions)	9,587,098	11,406,544	5,602,060	5,804,484
75	Total liabilities and fund balances/net worth (see instructions)	9,881,247	11,653,230	5,278,604	6,374,626

PART VI.—List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See Instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
See Schedule "4"				

PART VII.—Other Information

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities. N/A		X
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes. N/A		X
78	(a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		X
	(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year? N/A		
	(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the Instructions. N/A		X
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization ▶ See Schedule "7" and check whether it is ☒ exempt OR ☐ nonexempt.	X	
81	(a) Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ None		
	(b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		X
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value?		X
	If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ N/A		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
	(a) Initiation fees and capital contributions included on line 12		
	(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
	(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
	(a) Gross income received from members or shareholders		
	(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in instructions.		
87	List the States with which a copy of this return is filed ▶ New York, New Jersey, Conn., MD, Illinois, DC		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system Minn., Mich.	X	
89	The books are in care of ▶ Assistant Treasurer Telephone No. ▶ (202) 452-1100 Located at ▶ 2100 L Street, N.W., Washington, D.C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ _____ Signature of officer | Date | ▶ _____ Title

Paid Preparer's Use Only

Preparer's signature ▶ William P. Rocks | Date 5/14/84 | Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790, 4301 Conn. Ave., N.W. Washington, DC | ZIP code ▶ 20008

☆ U.S.GPO:1983-0-390-055 ☆ E.I.8430614328

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation), 501(e), 501(f), or Section 4947(a)(1) Trust
Supplementary Information
▶ Attach to Form 990.

OMB No. 1545-0047

1983

Name: The Humane Society of the United States

Employer identification number: 53 :0225390

PART I.—Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Name and address of employees paid more than $30,000	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Frantz L Dantzler 2100 L Street, NW Washington, D.C.	Regional Director 100%	31,000.16	2,464	N/A
Micheal W. Fox 2100 L Street, NW Washington, D.C.	Director of ISAP 100%	49,000.16	4,388	N/A
Total number of other employees paid over $30,000. ▶	-0-			

PART II.—Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
None		
Total number of others receiving over $30,000 for professional services ▶	None	

PART III.—Statements About Activities

		Yes	No
1	During the year have you attempted to influence national, State or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	X	
	If "Yes," enter the total of the expenses paid or incurred in connection with the legislative activities $ _____ Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2	During the year have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner or principal beneficiary:		
	(a) Sale, exchange, or leasing of property?		X
	(b) Lending of money or other extension of credit?		X
	(c) Furnishing of goods, services, or facilities?		X
	(d) Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See form 990 Part VI.	X	
	(e) Transfer of any part of your income or assets?		X
	If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3	Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments. (See specific instructions.)		
4	Do you make grants for scholarships, fellowships, student loans, etc.?		X
5	During the year did you receive any qualified contributions for conservation purposes (see instructions, page 1) whose value is more than $5,000? If "Yes," attach a schedule showing the information required in the instructions.		X

PART IV.—Reason for Non-Private Foundation Status (See Instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

6 ☐ 1 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
7 ☐ 2 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)
8 ☐ 3 A hospital. Section 170(b)(1)(A)(iii).
9 ☐ 4 A Federal, State or local government or governmental unit. Section 170(b)(1)(A)(v).
10 ☐ 5 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name and address of hospital ▶ .....
.....
.....
11 ☐ 6 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)
12 ☒ 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)
13 ☐ 8 An organization that normally receives: (a) no more than 1/3 of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than 1/3 of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions. See section 509(a)(2). (Use cash receipts and disbursements method of accounting; also complete Support Schedule.)
14 ☐ 9 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 6 through 13 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 14.)

(a) Name of supported organizations	(b) Box number from above

(c) Relationship of supported organizations to your organization:
(1) Check here ▶ ☐ if the supported organizations acting together appoint a majority of your governing board.
(2) Check here ▶ ☐ if a majority of your governing board belong to governing boards of the supported organizations.
(3) Check here ▶ ☐ if (1) or (2) above does not apply. (See Regulations 1.509(a)-4.)

(d) If applicable, enter the number of supported organizations exempt under:
(1) Section 501(c)(4) . . . . .
(2) Section 501(c)(5) . . . . .
(3) Section 501(c)(6) . . . . .

(e) Check here ▶ ☐ If your organization's sole or primary purpose is to provide funds to the supported organizations.

15 ☐ 0 An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 11, 12, or 13 above)

Calendar year (or fiscal year beginning in) ▶	(a) 1982	(b) 1981	(c) 1980	(d) 1979	(e) Total
16 Gifts, grants, and contributions received. (Do not include unusual grants. See line 29 below.)	4,311,133	2,718,282	1,841,410	2,501,595	11,372,420
17 Membership fees received	721,570	573,157	478,177	410,524	2,183,428
18 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	169,594	113,703	110,717	65,833	459,847
19 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	945,534	630,458	524,377	434,204	2,534,573
20 Net income from unrelated business activities not included in line 19 . .					

(Continued on page 3)

PART IV.—Support Schedule (continued) (Complete only if you checked box 11, 12, or 13 on page 2)

	Calendar year (or fiscal year beginning in) ▶	(a) 1982	(b) 1981	(c) 1980	(d) 1979	(e) Total
21	Tax revenues levied for your benefit and either paid to you or expended on your behalf					
22	The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
23	Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
24	Total of lines 16 through 23	6,147,831	4,035,600	2,954,681	3,412,156	16,550,268
25	Line 24 minus line 18	5,978,237	3,921,897	2,843,964	3,346,323	16,090,421
26	Enter 1% of line 24	61,478	40,356	29,547	34,122	

27 Organizations described in box 11 or 12, page 2:
- (a) Enter 2% of amount in column (e), line 25 321,808
- (b) Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1979 through 1982 exceeded the amount shown in 27(a). Enter the sum of all excess amounts here . Sch. "11". 2,674,628

28 Organizations described in box 13, page 2: n/a
- (a) Attach a list, for amounts shown on lines 16, 17, and 18, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:

(1982) (1981) (1980) (1979)

- (b) Attach a list showing, for 1979 through 1982, the name and amount included in line 18 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 26 for the year or $5,000. Include organizations described in boxes 6 through 12 as well as individuals. Enter the sum of these excess amounts for each year:

(1982) (1981) (1980) (1979)

29 For an organization described in boxes 11, 12, or 13, page 2, that received any unusual grants during 1979 through 1982, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 16 above. (See specific instructions.) n/a

PART V.—Private School Questionnaire
To Be Completed ONLY by Schools that Checked Box 7 In Part IV n/a

		Yes	No
30	Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?		
31	Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
32	Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
33	Do you maintain the following:		
	(a) Records indicating the racial composition of the student body, faculty, and administrative staff?		
	(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
	(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
	(d) Copies of all material used by you or on your behalf to solicit contributions? If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)		

PART V.—Private School Questionnaire (Continued)
To Be Completed ONLY by Schools that Checked Box 7 in Part IV n/a

	Yes	No
34 Do you discriminate by race in any way with respect to:		
(a) Students' rights or privileges?		
(b) Admissions policies?		
(c) Employment of faculty or administrative staff?		
(d) Scholarships or other financial assistance (see instructions)?		
(e) Educational policies?		
(f) Use of facilities?		
(g) Athletic programs?		
(h) Other extra-curricular activities?		
If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.)		
35 (a) Do you receive any financial aid or assistance from a governmental agency?		
(b) Has your right to such aid ever been revoked or suspended?		
If you answered "Yes," to either 35(a) or (b), please explain using an attached separate statement.		
36 Do you certify that you have complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation (see instructions for Part V)		

PART VI.—Lobbying Expenditures By Public Charities (See Instructions)
(To be completed ONLY by an eligible organization that filed Form 5768.)

Check here ▶ (a) ☐ If the organization belongs to an affiliated group (see instructions).
Check here ▶ (b) ☐ If you checked (a) and "limited control" provisions apply (see instructions).

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
Limits on Lobbying Expenses		
37 Total (grassroots) lobbying expenses to influence public opinion		49,097
38 Total lobbying expenses to influence a legislative body		195,146
39 Total lobbying expenses (add lines 37 and 38) Schedule "12"		244,243
40 Other exempt purpose expenses (see Part VI instructions)		3,821,806
41 Total exempt purpose expenses (add lines 39 and 40) (see instructions)		4,066,049
42 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 41 is— / The lobbying nontaxable amount is—		
Not over $500,000 — 20% of the amount on line 41		
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000		353,302
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 — $225,000 plus 5% of the excess over $1,500,000		
43 Grassroots nontaxable amount (enter 25% of line 42)		88,326
(Complete lines 44 and 45. File Form 4720 if either line 37 exceeds line 43 or line 39 exceeds line 42.)		
44 Excess of line 37 over line 43		-0-
45 Excess of line 39 over line 42		-0-

4-Year Averaging Period Under Section 501(h). (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 46-51 for details.)

(Line references below are to column (b) of Part VI, Schedule A (Form 990) for the respective tax year)	Lobbying Expenses During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 1983	(b) 1982	(c) 1981	(d) 1980	(e) Total
46 Lobbying nontaxable amount (line 6, Schedule A (Form 990) (1980), line 42 (1981-83))	353,302	341,625	317,200	304,922	1,317,049
47 Lobbying ceiling amount (150% of line 46(e))					1,975,574
48 Total lobbying expenses (line 3, Schedule A (Form 990) (1980), line 39 (1981-83))	244,243	211,615	95,703	55,748	607,309
49 Grassroots nontaxable amount (line 7, Schedule A (Form 990) (1980), line 43 (1981-83))	88,326	85,406	79,300	78,230	331,262
50 Grassroots ceiling amount (150% of line 49(e))					496,893
51 Grassroots lobbying expenses (line 1, Schedule A (Form 990) (1980), line 37 (1981-83))	49,097	47,905	29,501	14,623	141,126

☆ U.S.GPO:1983-0-390-057 ☆ E.I.#430814328

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "1"

Part 1, Line 8

Sale of assets other than inventory	Gross Sales Price	Cost or Basis	Gain (Loss)
Fixed assets	$ 2,805	$ 5,999	$(3,194)
Marketable securities	1,027,061	960,357	66,704
Total	$1,029,866	$966,356	$63,510

E HUMANE SOCIETY OF THE UNITED :ATES
FORM 990
1983

#53-0225390

SCHEDULE "2"

Part II, Line 22 - Gifts to Other Organizations

Monitor, Inc. Washington, D. C.	$ 1,500
National Association for the Advancement of Humane Education, Washington, D. C.	23,000
American Fondouck Maintenance Committee, Boston, Massachusetts	3,342
Animal Crusaders, Inc., Everett, Washington	2,500
Animal Protective League, Milwaukee, Wisconsin	2,500
Association for the Prevention of Cruelty in Public Spectacles, Barcelona, Spain	2,500
Association for the Protection of Furbearing Animals, Vancouver, Canada	2,500
Association Uruguaya De Protection A Los Animales, Montevideo, Uruguay	2,500
Brooke Hospital for Animals, London, England	2,500
Bund Gegen Den Missbrauch Det Tiere E.V., Munich, Germany	2,500
Dublin Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,500
Ferne Animal Sanctuary, London, England	2,500
Irish Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,500
Missouri Anti-Vivisection Society, St. Louis, Missouri	2,500
National Equine Defense League, Carlisle, England	2,500
Nilgiri Animal Welfare Society, Tamilnadu, South India	2,500
Nordic Society Against Painful Experiments on Animals, Stockholm, Sweden	2,500
Peoples Dispensary for Sick Animals, Surrey, England	2,500
Performing and Captive Animals' Defense League, London, England	2,500
Scottish Society for the Prevention of Anti-Vivisection, Edinburgh, Scotland	2,500
Lehigh County Humane Society, Allentown, Pennsylvania	2,500
Morristown-Hamblin Humane Society, Morristown, Tennessee	2,500
Columbia Green Humane Society, Hudson, NY	2,500
Marin County Humane Society, Navato, California	1,350
SMOOSA-Save Maine's Official State Animals, Bangor, Maine	500
Trans-species Unlimited, State College, Pennsylvania	500
Helenic Animal Welfare, Athens, Greece	500
Plainfield (New Jersey) Area Humane Society, Plainfield, New Jersey	2,500
South African Federation of SPCA's and Affiliated Societies, Republic of South Africa	2,500
Animal Rights Network, Wesport, Connecticut	3,500
Council for Livestock Protection, New York, New York	2,500

(Continued)
Part II, Line 22 - Gifts to Other Organizations

Fund for Replacement of Animals in Medical Experiments (Frame), London, England	$ 2,500
Kentucky Humane Society, Louisville, Kentucky	2,000
Northwest Wildlife Defense, Portland, Oregon	1,000
Mobilization for Animals, Columbus, Ohio	16,000
Attorney's for Animal Rights, Boston, Massachusetts	2,000
Society for Animal Rights (National Catholic Society for Animal Welfare), Clarks Summit, Pennsylvania	2,500
Society for the Protection of Animals in North Africa, London, England	2,500
Tierschutzverein Fur Berlin Und Umgebung Corp., Berlin, West Germany	2,500
World Society for the Protection of Animals, London, England	47,500
Miscellaneous	59
	$170,251

SCHEDULE "3"

Part II, Line 43 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and other services	$ 64,576	$ 64,576	$ -	$ -
Data processing	21,357	18,154	2,776	427
Insurance and bonds	33,538	28,507	4,360	671
Taxes - other	49,940	42,449	6,492	999
Rental lists	26,081	-	-	26,081
Films and public service announcements	40,409	40,409	-	-
Library	2,895	2,895	-	-
Administrative fees	10,000	-	10,000	-
Payments to annuitants	83,603	-	83,603	-
Cost of educational publications	304,191	304,191	-	-
Scholarships	400	-	400	-
	$636,990	$501,181	$107,631	$ 28,178

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "4"

Part VI

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Expense Account and Other Allowances
John A. Hoyt	2100 L Street, N.W. Wash.D.C.	President	Full	$ 89,000.16	$ 7,965.56	$ 4,000.00
Murdaugh S. Madden	"	Vice-Pres.	"	60,000.16	9,219.62	N/A
Patrick B. Parkes	"	Vice-Pres.	"	44,500.00	5,835.91	N/A
Patricia A. Forkan	"	Vice-Pres.	"	44,000.00	2,659.49	N/A
Phyllis Wright	"		"	29,500.00	3,883.46	N/A
Paul G. Irwin	"	Treasurer	"	67,000.00	5,417.44	N/A
Moneta P. Morgan	"	Asst.Treas.	"	36,500.08	5,343.32	N/A
Marcia Glaser	"	Asst.Secy.	"	29,500.00	3,142.57	N/A
John W. Grandy	"	Vice-Pres.	"	51,000.00	2,740.52	N/A
				$451,000.40	$ 46,207.89	$ 4,000.00

See attached list of directors who served part-time without compensation.

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

Coleman Burke, Esq.
Burke and Burke
529 Fifth Avenue
New York, NY 10017
202/661-6600

Mrs. Rosemary Benning
P.O. Box 201
Pebble Beach, CA 93953
408/624-0747

Miss Amanda Blake
5046 East Bloomfield
Scottsdale, AZ 85254
602/953-9511

Samuel A. Bowman
Tucker, Anthony & R.L.Day,Inc.
120 Broadway, 33rd Floor
New York, NY 10271
212/618-7658

Dr. Carol Browning
6182 South 2855 East
Ogden, UT 84403
801/479-3754

Jack Conlon
641 South Atlantic Avenue
Cocoa Beach, FL 32931
305/783-3948

Donald S. Dawson, Esq.
723 Washington Building
1435 G Street, N. W.
Washington, D. C. 20005
202/393-6900

Mrs. Oliver M. Evans
3045 P Street, N. W.
Washington, D. C. 20007
202/338-8037

Mrs. Anna Fesmire
1400 West Cornwallis Drive
Greensboro, NC 27408
919/288-6607

Miss Regina Bauer Frankenberg
31 East 72nd Street, Apt. 9B
New York, NY 10021
212/288-4126

Hal Gardiner
P. O. Box 30
Salt Lake City, UT 84110
801/364-5600

Robert W. Gilmore
218 East 18th Street
New York, NY 10003
212/465-1137

Mrs. Gisela H. Karlan
P. O. Box 154
Montville, NJ 07045
201/335-3542

Mrs. Amy Freeman Lee
127 Canterbury Hill
San Antonio, TX 78209
512/826-1747

Jack W. Lydman
2815 Que Street, N. W.
Washington, D. C. 20007
202/965-1310

Mrs. Virginia (Pat) Lynch
98 Clarendon
San Francisco, CA 94114
415/566-6616

Mrs. Cherie Mason
Sunset, ME 04683
207/348-6971

John W. Mettler, III
Seminole Asset Management, Inc.
950 Third Avenue
New York, NY 10022
212/752-1855

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

Mrs. Inga G. Prime
P. O. Box 1165
Vail, CO 81657
303/476-3125

O.J. Ramsey, Esq.
Ramsey, Scott, Morrison & Keddy
1446 Ethan Way, Suite 201
Sacramento, CA 95825
916/920-8800

Mrs. Marilyn G. Seyler
815 Dickson Parkway
Mansfield, OH 44907
419/756-7559

Everett Smith, Jr.
Quaker Ridge
Greenwich, CT 06830
203/661-0004

Robert F. Welborn, Esq.
1100 United Bank Center
Denver, CO 80290
303/861-8013

K. William Wiseman
P. O. Box 357
Greens Farms, CT 06436
203/259-4363

SCHEDULE "5"

Part V, Line 50

Note receivable - Glaser Note, interest rate 8%	$ 15,263

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "6"

Investments in Corporate Stocks	December 31, 1983 Shares	Value
Aetna Life & Casulaty	50	$ 1,756
Affiliated Fund	7,806	54,139
American Electric & Power Co.	3,553	58,543
American Standard, Inc.	600	16,800
Arizona Pulbic Service	850	16,788
Atlantic Richfield Co.	600	33,664
Boeing Company	300	10,838
Burroughs Corporation	800	27,700
Caterpillar Tractor Co.	7,776	387,827
Chesapeake Oil & Gas	-	1
Cincinnati Gas & Electric Co.	480	7,860
Citicorp	9	662
Coca-Cola Company	160	5,228
Core States Financial Corporation	550	18,803
Dupont E.I. Denemours	514	19,266
Eastman Kodak	521	38,067
Exxon Corporation	3,829	121,309
General Electric	4,135	129,864
General Mills	500	17,265
General Motors	1,317	63,216
Halliburton Co.	400	17,988
IBM	481	34,405
Insco Lines	136	10,830
Iraquois Brand, Ltd.	1	13
Mobil Corporation	800	7,575
Occidental Petroleum Corp. - Pfd.$15.50	290	30,227
Ohio Edison Co.	2,000	39,480
Pardee & Curtin Lumber	238	13,090
Pennzoil Co.	100	5,013
Proctor & Gamble, Inc.	4,860	196,781
Public Service Co. of Indiana	600	13,650
Schlumberger Limited	838	39,056
Sears Roebuck	826	21,312
South Carolina Gas & Electric	2,500	42,337
Sonat	1,500	38,489
Standard Oil of California	426	15,093
Standard Oil of Indiana	15,199	727,875
Standard Oil of Ohio	200	4,175
T.R.W., Inc.	300	12,459
Union Carbide	1,000	46,750
Union Pacific Corporation	90	3,753
United Technologies	200	9,874
U.S. Steel Corporation	1,080	26,325
Wellington Fund	1,087	9,913
Total investment in common stocks		$2,396,059

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "6"
(Continued)

	December 31, 1983 Face	Book Value
Investments in Corporate Bonds, Etc.		
Missouri Pacific R.R. 7.75% 10/1/85	$100,000	$ 100,230
Southern California Edison 7.25% 7/1/84	100,000	99,882
Iowa Power & Light Co., 2000	15,000	15,000
RCA Corp. 9.25% 1990	50,000	51,689
Atchinson Topeka & Santa Fe R.R. - Equipment Series #2 8.5% 4/1/82	100,000	99,909
Chase Manhattan Bank Cap. Notes 8.25% 5/15/86	100,000	100,000
Ford Motor Credit Corp. 8.5% 5/1/88	100,000	99,759
General Electric Credit Corp. 9.125% 5/15/84	100,000	99,981
General Electric Credit Corp. 8.6% 4/1/85	100,000	100,000
Total investment in corporate bonds, etc.		$ 766,450
Government Obligations - U. S. and Instrumentalities		
Federal Farm Credit Banks 9%, 1/23/84	50,000	$ 49,995
Federal National Mortgage Assn. 9.20%, 4/10/86	125,000	124,976
Federal Home Loan Banks, 10.25%, 4/25/86	20,000	20,045
Federal Farm Credit Bank, 10.75%, 10/20/86	150,000	149,050
Trust for short-term U. S. government securities	19,238	19,238
U.S. Treasury Notes 9.25%, 1/31/85	50,000	49,975
U.S. Treasury Notes 11.375%, 8/15/86	1,125,000	1,123,661
U.S. Treasury Notes 13.125%, 8/15/85	350,000	349,793
U.S. Treasury Notes 13.875%, 4/30/84	1,000,000	999,186
U.S. Treasury Notes 13.25%, 8/15/84	50,000	49,799
U.S. Treasury Notes 7.25%, 2/15/84	15,000	14,656
Total government obligations		$2,950,374
Total investments - securities		$6,112,883

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "7"

Part VII, Line 80

Common government body with (1) The National Humane Education Center and (2) The National Association for the Advancement of Humane Education.
2100 L Street, N.W.
Washington, D.C. 20037

SCHEDULE "8"

Part V, Line 56

	Book Value
Undivided interest in trust funds	$ 975,843

SCHEDULE "9"

Part V, Line 57

	Date Acquired	Cost	Prior years	Mtd.	Life	Depreciation this Year
Land	Various	$ 422,375	$ -	-	-	$ -
Buildings & improvements	Various	1,250,514	294,940	S/L	Var	50,528
Furniture & fixtures	Various	459,337	156,608	S/L	Var	39,761
Transportation equipment	Various	62,056	11,441	S/L	Var	8,860
		$2,194,282	$462,989			$ 99,149

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "10"

Part V, Line 64

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 18,038
Mortgage note payable - Headquarters	20,921
Due February 6, 1984, secured by certificate of deposit held at Security National Bank, Washington, D.C., 9.65%	100,000
	$138,959

SCHEDULE "11"

Schedule A - Part IV, Line 27 (b)

Jeffery Trust Fund	$ 362,500
Lawrence Ridinger Estate	536,599
George Whittell Estate	820,217
Sussman Estate	1,200,000
Burford Estate	1,364,352
	4,283,668
$321,808 X 5	(1,609,040)
	$ 2,674,628

SCHEDULE "12"

Schedule A,
Part VI, Line 39 - Lobbying Expenditures

	Direct Lobbying	Grass Roots Lobbying
Prof./exec. and support staff	$ 65,657	$ 7,567
Related disbursements	1,680	606
Publications - direct costs	29,736	25,689
Special projects - direct costs	6,519	3,079
Indirect costs	89,754	10,356
Stationery - (est.)	1,800	1,800
	$195,146	$ 49,097

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N.W., Washington, D.C. 20008 • 202-966-6802
Members of the American Institute of Certified Public Accountants

William P. Roche
Partner

May 14, 1984

Mr. John A. Hoyt, President
The National Humane Education Center
2100 L Street, N.W.
Washington, D.C. 20037

Dear John:

We are transmitting herewith Form 990 - Return of Organization Exempt from Income Tax - for the calendar year 1983. This return should be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, PA 19255, on or before May 15, 1984.

Since the average income for the three year period, including the current year, was less than $25,000, it is not necessary to complete the entire return.

If you have any questions, please call.

Sincerely yours,

Bill

WPR:dds

Enclosure

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), of the Internal Revenue Code or section 4947(a)(1) trust

OMB No. 1545-0047

1983

For the calendar year 1983, or fiscal year beginning , 1983, and ending , 19

Use IRS label. Otherwise, please print or type.	Name of organization	A Employer identification number (see instruction L)
	The National Humane Education Center	54 :6076066
	Address (number and street)	B State registration number (see instruction D)
	2100 L Street, N.W.	N/A
	City or town, State, and ZIP code	C If address changed, check here ▶
	Washington, D.C. 20037	

D Check applicable box—Exempt under section ▶ XX 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☐ Accrual ☐ Other (specify) ▶

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? ☐ Yes ☒ No
Is this a separate return filed by a group affiliate? ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶

Note: *You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.*

☒ Check here if gross receipts are normally not more than $25,000. (See instruction B11.) You are not required to complete and file this return with IRS but may have to file it with one or more States.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

PART I.—Statement of Support, Revenue, and Expenses and Changes in Fund Balances

		(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	(a) Direct public support			
	(b) Indirect public support			
	(c) Government grants			
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)			
	2 Program service revenue (from Part IV, line (f))			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments			
	5 Dividends and interest from securities			
	6 (a) Gross rents			
	(b) Minus: Rental expenses			
	(c) Net rental income (loss)			
	7 Other investment income (Describe ▶ _____)			
	8 (a) Gross amount from sale of assets other than inventory (Securities / Other)			
	(b) Minus: cost or other basis and sales expenses (Securities / Other)			
	(c) Gain (loss) (attach schedule) (Securities / Other)			
	9 Special fundraising events and activities (attach schedule—see instructions):			
	(a) Gross revenue (not including $_____ of contributions reported on line 1(a))			
	(b) Minus: direct expenses			
	(c) Net income (line 9(a) minus line 9(b))			
	10 (a) Gross sales minus returns and allowances			
	(b) Minus: Cost of goods sold (attach schedule)			
	(c) Gross profit (loss)			
	11 Other revenue (from Part IV, line (g))			
	12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11)			
Expenses	13 Program services (from line 44(B)) (see instructions)			
	14 Management and general (from line 44(C)) (see instructions)			
	15 Fundraising (from line 44(D)) (see instructions)			
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44(A))			
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)			
	19 Fund balances or net worth at beginning of year (from line 74(A))			
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)			

Form 990 (1983)

PART II.—Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Expenses	*Do not include amounts reported on line 6(b), 8(b), 9(b), 10(b), or 16 of Part I.*	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
	22 Grants and allocations (attach schedule)				
	23 Specific assistance to individuals				
	24 Benefits paid to or for members				
	25 Compensation of officers, directors, etc.				
	26 Other salaries and wages				
	27 Pension plan contributions				
	28 Other employee benefits				
	29 Payroll taxes				
	30 Professional fundraising fees				
	31 Accounting fees				
	32 Legal fees				
	33 Supplies				
	34 Telephone				
	35 Postage and shipping				
	36 Occupancy				
	37 Equipment rental and maintenance				
	38 Printing and publications				
	39 Travel				
	40 Conferences, conventions and meetings				
	41 Interest				
	42 Depreciation, depletion, etc. (attach schedule)				
	43 Other expenses (itemize): (a)				
	(b)				
	(c)				
	(d)				
	(e)				
	(f)				
	44 Total functional expenses (add lines 22 through 43)				

PART III.—Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
(a)		
(b)	(Grants and allocations $)	
(c)	(Grants and allocations $)	
(d)	(Grants and allocations $)	
(e) Other program service activities (attach schedule)	(Grants and allocations $)	
(f) Total (add lines (a) through (e)) (should equal line 44(B))	(Grants and allocations $)	

PART IV.—Program Service Revenue and Other Revenue (State Nature)

		Program service revenue
(a)	Fees from government agencies	
(b)		
(c)		
(d)		
(e)		
(f)	Total program service revenue (enter here and on line 2)	
(g)	Total other revenue (enter here and on line 11)	

PART V.—Balance Sheets

If line 12, Part I, and line 59 are $25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than $25,000, complete the entire balance sheet. See instructions.

Note: **Columns (C) and (D) are optional.** *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*

		(A) Beginning of year	End of year (B) Total	End of year (C) Unrestricted/ Expendable	End of year (D) Restricted/ Nonexpendable
	Assets				
45	Cash—non-interest bearing				
46	Savings and temporary cash investments				
47	Accounts receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
48	Pledges receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
49	Grants receivable				
50	Receivables due from officers, directors, trustees and key employees (attach schedule)				
51	Other notes and loans receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
52	Inventories for sale or use				
53	Prepaid expenses and deferred charges				
54	Investments—securities (attach schedule)				
55	Investments—land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
56	Investments—other (attach schedule)				
57	Land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
58	Other assets: _____				
59	Total assets (add lines 45 through 58)				
	Liabilities				
60	Accounts payable and accrued expenses				
61	Grants payable				
62	Support and revenue designated for future periods (attach schedule)				
63	Loans from officers, directors, trustees and key employees (attach schedule)				
64	Mortgages and other notes payable (attach schedule)				
65	Other liabilities: _____				
66	Total liabilities (add lines 60 through 65)				
	Fund Balances or Net Worth				
	Organizations that use fund accounting, check here ▶ ☐ and complete lines 67 through 70 and lines 74 and 75.				
67	Current funds				
68	Land, buildings and equipment fund				
69	Endowment fund				
70	Other funds (Describe ▶ _____)				
	Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71	Capital stock or trust principal				
72	Paid-in or capital surplus				
73	Retained earnings or accumulated income				
74	Total fund balances or net worth (see instructions)				
75	Total liabilities and fund balances/net worth (see instructions)				

PART VI.—List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See Instructions)

(A) Name and address.	(B) Title and average hours per week devoted to position	(C) Compensation (If any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances

PART VII.—Other Information

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		
78	(a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		
	(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?		
	(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization ▶ _____ and check whether it is ☐ exempt OR ☐ nonexempt.		
81	(a) Enter amount of political expenditures, direct or indirect, as described in the instructions		
	(b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
	(a) Initiation fees and capital contributions included on line 12		
	(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
	(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
	(a) Gross income received from members or shareholders		
	(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in instructions.		
87	List the States with which a copy of this return is filed ▶ _____		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?		
89	The books are in care of ▶ _____ Telephone No. ▶ _____ Located at ▶		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ _____ Signature of officer | Date | ▶ _____ Title

Paid Preparer's Use Only

Preparer's signature ▶ William P. Roche | Date 5/14/84 | Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790
4301 Conn. Ave., N.W., Wash., D.C. ZIP code ▶ 20008

☆U.S.GPO:1983-0-390-055 ☆E.I.#430814328

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N.W., Washington, D.C. 20008 • 202-966-6602
Members of the American Institute of Certified Public Accountants

William P. Roche
Partner

April 22, 1985

Mr. John A. Hoyt, President
The National Humane Education Center
2100 - L Street, N. W.
Washington, D. C. 20037

Dear John:

We are transmitting herewith Form 990 - Return of Organization Exempt from Income Tax - for the calendar year 1984. This return should be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, PA 19255, on or before May 15, 1985.

Since the average income for the three year period, including the current year, was less than $25,000, it is not necessary to complete the entire return.

If you have any questions, please call.

Sincerely yours,

Bill

WPR:lmp

Enclosures

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N.W., Washington, D.C. 20008 • 202-966-6602
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William P. Roche
Partner

April 22, 1985

Mr. John A. Hoyt, President
The National Humane Education Center
2100 - L Street, N. W.
Washington, D. C. 20037

Dear John:

We are transmitting herewith Form 990 - Return of Organization Exempt from Income Tax - for the calendar year 1984. This return should be signed by an officer, dated and filed with the Internal Revenue Service Center, Philadelphia, PA 19255, on or before May 15, 1985.

Since the average income for the three year period, including the current year, was less than $25,000, it is not necessary to complete the entire return.

If you have any questions, please call.

Sincerely yours,

Bill

WPR:lmp

Enclosures

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), of the Internal Revenue Code or section 4947(a)(1) trust

Note: You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.

OMB No. 1545-0047

1984

For the calendar year 1984, or fiscal year beginning , 1984, and ending , 19

Use IRS label. Otherwise, please print or type.	Name of organization	A Employer identification number (see instruction L)
	The National Humane Education Center	54 : 6076066
	Address (number and street)	B State registration number (see instruction D)
	2100 L Street, N.W.	N/A
	City or town, State, and ZIP code	C If address changed, check here ▶
	Washington, D.C. 20037	

D Check applicable box—Exempt under section ▶ ☒ 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust ☐ Check here if application exemption is pending

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No
Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶

☒ Check here if your gross receipts are normally not more than $25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some States may require a completed return.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

	(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue			
1 Contributions, gifts, grants, and similar amounts received:			
(a) Direct public support			
(b) Indirect public support			
(c) Government grants			
(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)			
2 Program service revenue (from Part IV, line (f))			
3 Membership dues and assessments			
4 Interest on savings and temporary cash investments			
5 Dividends and interest from securities			
6 (a) Gross rents			
(b) Minus: Rental expenses			
(c) Net rental income (loss)			
7 Other investment income (Describe ▶)			
8 (a) Gross amount from sale of assets other than inventory (Securities / Other)			
(b) Minus: cost or other basis and sales expenses (Securities / Other)			
(c) Gain (loss) (attach schedule) (Securities / Other)			
9 Special fundraising events and activities (attach schedule—see instructions):			
(a) Gross revenue (not including $ of contributions reported on line 1(a))			
(b) Minus: direct expenses			
(c) Net income (line 9(a) minus line 9(b))			
10 (a) Gross sales minus returns and allowances			
(b) Minus: Cost of goods sold (attach schedule)			
(c) Gross profit (loss)			
11 Other revenue (from Part IV, line (g))			
12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11).			
Expenses			
13 Program services (from line 44(B)) (see instructions)			
14 Management and general (from line 44(C)) (see instructions)			
15 Fundraising (from line 44(D)) (see instructions)			
16 Payments to affiliates (attach schedule—see instructions)			
17 Total expenses (add lines 16 and 44(A))			
Fund Balances			
18 Excess (deficit) for the year (subtract line 17 from line 12)			
19 Fund balances or net worth at beginning of year (from line 74(A))			
20 Other changes in fund balances or net worth (attach explanation)			
21 Fund balances or net worth at end of year (add lines 18, 19, and 20)			

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on lines 6(b), 8(b), 9(b), 10(b), or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses				
22 Grants and allocations (attach schedule)				
23 Specific assistance to individuals				
24 Benefits paid to or for members				
25 Compensation of officers, directors, etc.				
26 Other salaries and wages				
27 Pension plan contributions				
28 Other employee benefits				
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees				
33 Supplies				
34 Telephone				
35 Postage and shipping				
36 Occupancy				
37 Equipment rental and maintenance				
38 Printing and publications				
39 Travel				
40 Conferences, conventions and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)				
43 Other expenses (itemize): (a)				
(b)				
(c)				
(d)				
(e)				
(f)				
44 Total functional expenses (add lines 22 through 43)				

Part III Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

	Expenses (Optional for some organizations—see instructions)
(a) ..... (Grants and allocations $)	
(b) ..... (Grants and allocations $)	
(c) ..... (Grants and allocations $)	
(d) ..... (Grants and allocations $)	
(e) Other program service activities (attach schedule) (Grants and allocations $)	
(f) Total (add lines (a) through (e)) (should equal line 44(B))	

Part IV Program Service Revenue and Other Revenue (State Nature)	Program service revenue	Other revenue
(a) Fees from government agencies		
(b)		
(c)		
(d)		
(e)		
(f) Total program service revenue (enter here and on line 2)		
(g) Total other revenue (enter here and on line 11)		

Part V Balance Sheets If line 12, Part I, and line 59 are $25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than $25,000, complete the entire balance sheet. See instructions.

Note: **Columns (C) and (D) are optional.** *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*

		(A) Beginning of year	End of year (B) Total	End of year (C) Unrestricted/ Expendable	End of year (D) Restricted/ Nonexpendable
	Assets				
45	Cash—non-interest bearing				
46	Savings and temporary cash investments				
47	Accounts receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
48	Pledges receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
49	Grants receivable				
50	Receivables due from officers, directors, trustees and key employees (attach schedule)				
51	Other notes and loans receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
52	Inventories for sale or use				
53	Prepaid expenses and deferred charges				
54	Investments—securities (attach schedule)				
55	Investments—land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
56	Investments—other (attach schedule)				
57	Land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
58	Other assets ▶ _____				
59	Total assets (add lines 45 through 58)				
	Liabilities				
60	Accounts payable and accrued expenses				
61	Grants payable				
62	Support and revenue designated for future periods (attach schedule)				
63	Loans from officers, directors, trustees and key employees (attach schedule)				
64	Mortgages and other notes payable (attach schedule)				
65	Other liabilities ▶ _____				
66	Total liabilities (add lines 60 through 65)				
	Fund Balances or Net Worth				
	Organizations that use fund accounting, check here ▶ ☐ and complete lines 67 through 70 and lines 74 and 75.				
67	a. Current unrestricted fund				
	b. Current restricted fund				
68	Land, buildings and equipment fund				
69	Endowment fund				
70	Other funds (Describe ▶ _____)				
	Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71	Capital stock or trust principal				
72	Paid-in or capital surplus				
73	Retained earnings or accumulated income				
74	Total fund balances or net worth (see instructions)				
75	Total liabilities and fund balances/net worth (see instructions)				

Part VI **List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See instructions)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances

Part VII **Other Information**

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		
78	(a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		
	(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?		
	(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of organization ▶ ..... and check whether it is ☐ exempt OR ☐ nonexempt.		
81	(a) Enter amount of political expenditures, direct or indirect, as described in the instructions		
	(b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
	(a) Initiation fees and capital contributions included on line 12		
	(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
	(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
	(a) Gross income received from members or shareholders		
	(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in instructions.		
87	List the States with which a copy of this return is filed ▶		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?		
89	The books are in care of ▶ ..... Telephone No. ▶ ..... Located at ▶		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer ____ Date ____ ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ William P. Roche Date 4/24/85 Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790
43 Conn. Ave., NW, Wash., DC ZIP code ▶ 20008

☆ U.S.GPO:1984-0-423-062 ☆ E.I.#430614328

AMENDED

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation), of the Internal Revenue Code or section 4947(a)(1) trust

Note: You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.

OMB No. 1545-0047

1984

For the calendar year 1984, or fiscal year beginning , 1984, and ending , 19

Use IRS label. Otherwise, please print or type.	Name of organization	A Employer identification number (see instruction L)
	The Humane Society of the United States	53 : 0225390
	Address (number and street)	B State registration number (see instruction D)
	2100 L Street, N.W.	
	City or town, State, and ZIP code	C If address changed, check here ▶
	Washington, D.C. 20037	

D Check applicable box—Exempt under section ▶ ☒ 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust ☐ Check here if application exemption is pending

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No
Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶ N/A

☐ Check here if your gross receipts are normally not more than $25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some States may require a completed return.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

			(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	(a) Direct public support				
	(b) Indirect public support			3,073,894	312,603
	(c) Government grants	3,386,497			
	(d) Total (add lines 1(a) through 1(c)) (attach schedule—see instructions)		3,386,497	3,073,894	312,603
	2 Program service revenue (from Part IV, line (f))		166,925	166,925	
	3 Membership dues and assessments		1,325,450	1,325,450	
	4 Interest on savings and temporary cash investments		747,875	223,576	524,299
	5 Dividends and interest from securities		164,911	110,270	54,641
	6 (a) Gross rents				
	(b) Minus: Rental expenses				
	(c) Net rental income (loss)				
	7 Other investment income (Describe ▶)				
	8 (a) Gross amount from sale of assets other than inventory	Securities 434,514 / Other 610			
	(b) Minus: cost or other basis and sales expenses Sch. "1"	396,834 / 1,823			
	(c) Gain (loss) (attach schedule)	37,680 / (1,213)	36,467	37,441	(974)
	9 Special fundraising events and activities (attach schedule—see instructions):				
	(a) Gross revenue (not including $ of contributions reported on line 1(a))				
	(b) Minus: direct expenses				
	(c) Net income (line 9(a) minus line 9(b))				
	10 (a) Gross sales minus returns and allowances				
	(b) Minus: Cost of goods sold (attach schedule)				
	(c) Gross profit (loss)				
	11 Other revenue (from Part IV, line (g))				
	12 Total revenue (add lines 1(d), 2, 3, 4, 5, 6(c), 7, 8(c), 9(c), 10(c), and 11)		5,828,125	4,937,556	890,569
Expenses	13 Program services (from line 44(B)) (see instructions)		4,441,546	4,262,204	179,342
	14 Management and general (from line 44(C)) (see instructions)		638,554	529,901	108,653
	15 Fundraising (from line 44(D)) (see instructions)		74,088	74,088	
	16 Payments to affiliates (attach schedule—see instructions) Interfund transfers			(430,667)	430,667
	17 Total expenses (add lines 16 and 44(A))		5,154,188	4,435,526	718,662
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)		673,937	502,030	171,907
	19 Fund balances or net worth at beginning of year (from line 74(A))		11,406,544	5,602,060	5,804,484
	20 Other changes in fund balances or net worth (attach explanation)				
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)		12,080,481	6,104,090	5,976,391

Part II Statement of Functional Expenses

All organizations must complete column (A). Colun. (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on lines 6(b), 8(b), 9(b), 10(b), or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) Sch. "2"	196,942	196,942		
23 Specific assistance to individuals				
24 Benefits paid to or for members				
25 Compensation of officers, directors, etc.	465,500	334,500	97,500	33,500
26 Other salaries and wages	1,429,459	1,257,266	167,794	4,399
27 Pension plan contributions	79,258	66,577	11,096	1,585
28 Other employee benefits	123,649	103,901	17,279	2,469
29 Payroll taxes	145,759	122,438	20,406	2,915
30 Professional fundraising fees				
31 Accounting fees	20,690	-	20,690	-
32 Legal fees	21,807	21,807	-	-
33 Supplies	73,186	61,476	10,247	1,463
34 Telephone	99,264	83,382	13,897	1,985
35 Postage and shipping	167,590	145,309	19,496	2,785
36 Occupancy	122,795	103,148	17,191	2,456
37 Equipment rental and maintenance	16,779	14,094	2,349	336
38 Printing and publications	490,370	412,588	68,059	9,723
39 Travel	158,248	132,928	22,155	3,165
40 Conferences, conventions and meetings	102,985	94,719	7,233	1,033
41 Interest	17,313	14,543	2,424	346
42 Depreciation, depletion, etc. (attach schedule)	106,663	89,597	14,933	2,133
43 Other expenses (itemize): (a)		(		
(b) Schedule "3"	1,315,931	1,186,331	125,805	3,795
(c)				
(d)				
(e)				
(f)				
44 Total functional expenses (add lines 22 through 43)	5,154,188	4,441,546	638,554	74,088

Expenses

Part III Statement of Program Services Rendered

List each program service title on lines (a) through (d); for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
(a)	Humane education, membership and program services (Grants and allocations $ 196,942)	3,721,987
(b)	Cruelty investigation and litigation (Grants and allocations $)	719,559
(c)	(Grants and allocations $)	
(d)	(Grants and allocations $)	
(e)	Other program service activities (attach schedule) (Grants and allocations $)	
(f)	Total (add lines (a) through (e)) (should equal line 44(B))	4,441,546

Part IV Program Service Revenue and Other Revenue (State Nature)

		Program service revenue	Other revenue
(a)	Fees from government agencies		
(b)	Sale of literature and other	166,925	
(c)			
(d)			
(e)			
(f)	Total program service revenue (enter here and on line 2)	166,925	
(g)	Total other revenue (enter here and on line 11)		

Part V Balance Sheets If line 12, Part I, and line 59 are $25,000 or less, you should complete only lines 59, 66, and 74 and, if you do not use fund accounting, line 73. If line 12 or line 59 is more than $25,000, complete the entire balance sheet. See instructions.

Note: Columns (C) and (D) are optional. *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*		(A) Beginning of year	End of year (B) Total	(C) Unrestricted/ Expendable	(D) Restricted/ Nonexpendable
	Assets				
45	Cash—non-interest bearing	515,711	831,239	561,851	269,388
46	Savings and temporary cash investments	1,517,565	1,205,690	627,209	578,481
47	Accounts receivable ▶ 106,474 minus allowance for doubtful accounts ▶ -	408,122	106,474	104,426	2,048
48	Pledges receivable ▶	-	-	-	-
8	minus allowance for doubtful accounts ▶	-	-	-	-
49	Grants receivable				
50	Receivables due from officers, directors, trustees and key employees (attach schedule)	15,263	-	-	-
51	Other notes and loans receivable ▶ 423,461 minus allowance for doubtful accounts ▶ -	284,312	423,461	79,041	344,420
52	Inventories for sale or use	-	-	-	-
53	Prepaid expenses and deferred charges	37,675	27,193	27,193	-
54	Investments—securities (attach schedule) Sch. "6"	6,112,883	7,041,409	2,595,754	4,445,655
55	Investments—land, buildings and equipment: basis ▶ minus accumulated depreciation ▶ (attach schedule)				
56	Investments—other (attach schedule) Sch. "8"	975,843	949,545	-	949,545
57	Land, buildings and equipment: basis ▶ 2,416,982 Sch."9" minus accumulated depreciation ▶ 662,239 (attach schedule)	1,632,144	1,754,743	1,754,743	-
58	Other assets ▶ Accrued interest and dividends receivable	153,712	130,390	9,139	121,251
59	Total assets (add lines 45 through 58)	11,653,230	12,470,144	5,759,356	6,710,788
	Liabilities				
60	Accounts payable and accrued expenses	107,727	335,680	254,413	81,267
61	~~Grants payable~~ Interfund accounts		-	(653,130)	653,130
62	Support and revenue designated for future periods (attach schedule)				
63	Loans from officers, directors, trustees and key employees (attach schedule)				
64	Mortgages and other notes payable (attach schedule) Sch."10"	138,959	13,983	13,983	-
65	Other liabilities ▶ Deferred income	-	40,000	40,000	-
66	Total liabilities (add lines 60 through 65)	246,686	389,663	(344,734)	734,397
	Fund Balances or Net Worth				
	Organizations that use fund accounting, check here ▶ ☒ and complete lines 67 through 70 and lines 74 and 75.				
67	a. Current unrestricted fund	5,934,171	6,104,090	6,104,090	-
	b. Current restricted fund		168,640		168,640
68	Land, buildings and equipment fund				
69	Endowment fund	6,234	6,219	-	6,219
70	Other funds (Describe ▶ Annuity and trust)	5,466,139	5,801,532	-	5,801,532
	Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71	Capital stock or trust principal				
72	Paid-in or capital surplus				
73	Retained earnings or accumulated income				
74	Total fund balances or net worth (see instructions)	11,406,544	12,080,481	6,104,090	5,976,391
75	Total liabilities and fund balances/net worth (see instructions)	11,653,230	12,470,144	5,759,356	6,710,788

Part VI List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
See Schedule "4"				

Part VII Other Information

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities. N/A		X
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes. N/A		X
78	(a) Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		X
	(b) If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	N/A	
	(c) If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		X
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)?	X	
	If "Yes," enter the name of organization ▶ See Schedule "7" and check whether it is ☒ exempt OR ☐ nonexempt.		
81	(a) Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ None		
	(b) Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		X
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value?		X
	If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ N/A		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
	(a) Initiation fees and capital contributions included on line 12		
	(b) Gross receipts, included in line 12, for public use of club facilities (see instructions)		
	(c) Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
	(a) Gross income received from members or shareholders		
	(b) Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in instructions.		
87	List the States with which a copy of this return is filed ▶ NY; NJ; CT; IL; MN; MI		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?		X
89	The books are in care of ▶ Assistant Treasurer Telephone No. ▶ (202) 452-1100 Located at ▶ 2100 L Street, N.W., Washington, D.C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer | Date | ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790, 4301 Conn. Ave., NW, Wash., DC | ZIP code ▶ 20008

★U.S.GPO:1984-0-423-062 ☆E.I.8430814328

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

O[illegible]nization Exempt Under 501[illegible](3)

(Except Priva[illegible] Foundation), 501(e), 501(f), 501(k), or Secti[illegible] 4947(a)(1) Trust

Supplementary Information

▶ Attach to Form 990.

OMB No. 1545-0047

1984

Name: The Humane Society Of The United States

Employer identification number: 53 : 0225390

Part I Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Name and address of employees paid more than $30,000	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Michael W. Fox 2100 - L St., N.W., Wash., D.C.	Director of ISAP 100%	50,000	3,570	n/a
Frantz L. Dantzler 2100 - L St., N.W., Wash., D.C.	Regional Director 100%	31,000	1,970	n/a
Janet M. Huling 2100 - L St., N.W., Wash., D.C.	Public Relations Director, 100%	30,200	--	n/a
Total number of other employees paid over $30,000. ▶	-0-			

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
NONE		
Total number of others receiving over $30,000 for professional services ▶	NONE	

Part III Statements About Activities

	Yes	No
1 During the year have you attempted to influence national, State or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	X	
If "Yes," enter the total expenses paid or incurred in connection with the legislative activities . . . $ _____		
Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2 During the year have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner or principal beneficiary:		
(a) Sale, exchange, or leasing of property?		X
(b) Lending of money or other extension of credit?		X
(c) Furnishing of goods, services, or facilities?		X
(d) Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See Form 990,	X	
(e) Transfer of any part of your income or assets? /Part VI		X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3 Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments. (See specific instructions.)		
4 Do you make grants for scholarships, fellowships, student loans, etc.?		X

Part IV Reason for Non-Private Foundation Status (See instructions for defin...ons)

The organization is not a private foundation because it is (check applicable box; please check only ONE box):

5 ☐ [1] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 ☐ [2] A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)

7 ☐ [3] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 ☐ [4] A Federal, State or local government or governmental unit. Section 170(b)(1)(A)(v).

9 ☐ [5] A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter name, city, and State of hospital ▶ .....

10 ☐ [6] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)

11 ☒ [7] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)

12 ☐ [8] An organization that normally receives: (a) no more than 1/3 of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than 1/3 of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions. See section 509(a)(2). (Also complete Support Schedule.)

13 ☐ [9] An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 5 through 12 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 13.)

(a) Name of supported organizations	(b) Box number from above

14 ☐ [0] An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 10, 11, or 12 above) Use cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 1983	(b) 1982	(c) 1981	(d) 1980	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	4,034,933	4,311,133	2,718,282	1,841,410	12,905,758
16 Membership fees received	826,386	721,570	573,157	478,177	2,599,290
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	147,864	169,594	113,703	110,717	541,878
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	912,368	945,534	630,458	524,377	3,012,737
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
21 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
23 Total of lines 15 through 22	5,921,551	6,147,831	4,035,600	2,954,681	19,059,663
24 Line 23 minus line 17	5,773,687	5,978,237	3,921,897	2,843,964	18,517,785
25 Enter 1% of line 23	59,216	61,478	40,356	29,547	

26 Organizations described in box 10 or 11:

(a) Enter 2% of amount in column (e), line 24 370,356

(b) Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1980 through 1983 exceeded the amount shown in 26(a). Enter the sum of all excess amounts here ..... Sch. "11". 3,204,504

(continued on page 3)

Part IV Support Schedule (continued)(Complete only if you checked box 10, 11, or 12 on page 2)

27 Organizations described in box 12, page 2: n/a

(a) Attach a list, for amounts shown on lines 15, 16, and 17, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:

(1983)..... (1982)..... (1981)..... (1980).....

(b) Attach a list showing, for 1980 through 1983, the name and amount included in line 17 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 25 for the year or $5,000. Include organizations described in boxes 5 through 11 as well as individuals. Enter the sum of these excess amounts for each year:

(1983) (1982) (1981) (1980)

28 For an organization described in boxes 10, 11, or 12, page 2, that received any unusual grants during 1980 through 1983, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15 above. (See specific instructions.)

Part V Private School Questionnaire n/a
To Be Completed ONLY by Schools that Checked Box 6 in Part IV

		Yes	No
29	Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?		
30	Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve?		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32	Do you maintain the following:		
	(a) Records indicating the racial composition of the student body, faculty, and administrative staff?		
	(b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
	(c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
	(d) Copies of all material used by you or on your behalf to solicit contributions?		
	If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)		
33	Do you discriminate by race in any way with respect to:		
	(a) Students' rights or privileges?		
	(b) Admissions policies?		
	(c) Employment of faculty or administrative staff?		
	(d) Scholarships or other financial assistance (see instructions)?		
	(e) Educational policies?		
	(f) Use of facilities?		
	(g) Athletic programs?		
	(h) Other extra-curricular activities?		
	If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.)		
34	**(a)** Do you receive any financial aid or assistance from a governmental agency?		
	(b) Has your right to such aid ever been revoked or suspended?		
	If you answered "Yes," to either 34(a) or (b), please explain using an attached separate statement.		
35	Do you certify that you have complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation (see instructions for Part V)		

Part VI Lobbying Expenditures By Public Charities (See Instructions)
(To be completed ONLY by an eligible organization that filed Form 5768.)

Check here ▶ (a) ☐ If the organization belongs to an affiliated group (see instructions).
Check here ▶ (b) ☐ If you checked (a) and "limited control" provisions apply (see instructions).

Limits on Lobbying Expenses	(a) Affiliated group totals	(b) To be completed for ALL electing organizations.
36 Total (grassroots) lobbying expenses to influence public opinion		98,217
37 Total lobbying expenses to influence a legislative body		247,807
38 Total lobbying expenses (add lines 36 and 37) Sch. "12"		346,024
39 Other exempt purpose expenses (see Part VI instructions)		4,580,749
40 Total exempt purpose expenses (add lines 38 and 39) (see instructions)		4,926,773
41 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 40 is— / The lobbying nontaxable amount is—		
Not over $500,000 — 20% of the amount on line 40		
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000		396,339
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 — $225,000 plus 5% of the excess over $1,500,000		
42 Grassroots nontaxable amount (enter 25% of line 41)		99,085
(Complete lines 43 and 44. File Form 4720 if either line 36 exceeds line 42 or line 38 exceeds line 41.)		
43 Excess of line 36 over line 42		-0-
44 Excess of line 38 over line 41		-0-

4-Year Averaging Period Under Section 501(h).
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45-50 for details.)

	Lobbying Expenses During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 1984	(b) 1983	(c) 1982	(d) 1981	(e) Total
45 Lobbying nontaxable amount (see instructions)	396,339	353,302	341,625	317,200	1,408,446
46 Lobbying ceiling amount (150% of line 45(e))					2,112,669
47 Total lobbying expenses (see instructions)	346,024	244,243	211,615	95,703	897,585
48 Grassroots nontaxable amount (see instructions)	99,085	88,326	85,406	79,300	352,117
49 Grassroots ceiling amount (150% of line 48(e))					528,176
50 Grassroots lobbying expenses (see instructions)	98,217	49,097	47,905	29,501	224,720

☆U.S. Government Printing Office: 1984—433-084 83-0010790

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

SCHEDULE "1"

Part 1, Line 8

Sale of assets other than inventory	Gross Sales Price	Cost or Basis	Gain (Loss)
Fixed assets	$ 610	$ 1,823	$(1,213)
Marketable securities	434,514	396,834	37,680
Total	$ 435,124	$398,657	$ 36,467

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1983

#53-0225390

SCHEDULE "2"

Part II, Line 22 - Gifts to Other Organizations

Monitor, Inc. Washington, D. C.	$ 7,500
National Association for the Advancement of Humane Education, Washington, D. C.	20,000
American Fondouck Maintenance Committee, Boston, Massachusetts	4,842
Animal Crusaders, Inc., Everett, Washington	3,000
Animal Protective League, Milwaukee, Wisconsin	3,000
Association for the Prevention of Cruelty in Public Spectacles, Barcelona, Spain	3,000
Association for the Protection of Furbearing Animals, Vancouver, Canada	3,000
Association Uruguaya De Protection A Los Animales, Montevideo, Uruguay	3,000
Brooke Hospital for Animals, London, England	3,000
Bund Gegen Den Missbrauch Det Tiere E.V., Munich, Germany	3,000
Dublin Society for the Prevention of Cruelty to Animals, Dublin, Ireland	3,000
Ferne Animal Sanctuary, London, England	3,000
Irish Society for the Prevention of Cruelty to Animals, Dublin, Ireland	3,000
Missouri Anti-Vivisection Society, St. Louis, Missouri	3,000
National Equine Defense League, Carlisle, England	3,000
Nilgiri Animal Welfare Society, Tamilnadu, South India	3,000
Nordic Society Against Painful Experiments on Animals, Stockholm, Sweden	3,000
Peoples Dispensary for Sick Animals, Surrey, England	3,000
Performing and Captive Animals' Defense League, London, England	3,000
Scottish Society for the Prevention of Anti-Vivisection, Edinburgh, Scotland	3,000
Lehigh County Humane Society, Allentown, Pennsylvania	3,000
Morristown-Hamblin Humane Society, Morristown, Tennessee	3,000
Helenic Animal Welfare, Athens, Greece	1,000
South African Federation of SPCA's and Affiliated Societies, Republic of South Africa	3,000
Animal Rights Network, Wesport, Connecticut	11,000
Council for Livestock Protection, New York, New York	3,000
Hardy Jones/Julia Whitiy Productions, Sausalito, California	5,000
The Digit Fund, Rwanda, Africa	5,000
St. Huberts Giralda Shelter and Education Center, Madison, New Jersey	6,000
Animal Legal Defense Fund, San Francisco, California	5,000
Actors and Others for Animals, Los Angeles, California	5,000
Performing Animal Welfare Society, Pacifica, California	2,500
Californians for Responsible Research, Mill Valley, California	500
Scientists Center for Animal Welfare, Washington, D.C.	150
American Horse Protection Association, Washington, D.C.	400
Miles Golkstick/Akston Vern Hualen, Oslo Norway	750
Aek II Canadian Animal Rights, Toronto, Ontario, Canada	2,000

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

SCHEDULE "2"
(Continued)

Part II, Line 22 - Gifts to Other Organizations

Fund for Replacement of Animals in Medical Experiments (Frame), London, England	$ 3,000
Mobilization for Animals, Columbus, Ohio	5,000
Society for Animal Rights (National Catholic Society for Animal Welfare), Clarks Summit, Pennsylvania	3,000
Society for the Protection of Animals of North America, London, England	3,000
Tierschutzverein Fur Berlin Und Umgebung Corp., Berlin, West Germany	3,000
World Society for the Protection of Animals, London, England	35,000
Alaska & Wildlife Alliance, Anchorage, Alaska	200
Indiana Federation of Humane Societies, Frankfort, Indiana	100
LD-50 Coalition, New York, New York	5,000
	$196,942

SCHEDULE "3"

Part II, Line 43 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and other services	$ 72,634	$ 72,634	$ -	$ -
Data processing	30,737	25,819	4,303	615
Insurance and bonds	44,798	37,631	6,271	896
Taxes - other	46,989	39,471	6,578	940
Rental lists	1,344	-	-	1,344
Films and public service announcements	28,577	28,577	-	-
Library	3,143	3,143	-	-
Payments to annuitants	94,468	-	94,468	-
Cost of educational publications	304,347	304,347	-	-
Scholarships	200	-	200	-
Test mailings	449,192	449,192	-	-
Pet action line	225,517	225,517	-	-
Administrative fees	13,985	-	13,985	-
	$1,315,931	$1,186,331	$125,805	$ 3,795

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

SCHEDULE "4"

Part VI

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Expense Account and Other Allowances
John A. Hoyt	2100 L Street,N.W., Wash.,D.C.	President	Full	$ 85,000.00	$ 6,506.64	$4,000.00
Murdaugh S. Madden	"	Vice-Pres.	"	61,500.00	2,675.13	N/A
Patrick B. Parkes	"	Vice-Pres.	"	48,000.00	5,385.52	N/A
Patricia A. Forkan	"	Vice-Pres.	"	48,000.00	1,770.04	N/A
Phyllis Wright	"	Vice-Pres.	"	30,000.00	3,163.41	N/A
Paul G. Irwin	"	Treasurer	"	67,000.00	4,070.23	N/A
Moneta P. Morgan	"	Asst.Treas.	"	39,000.00	4,450.87	N/A
Marcia Glaser	"	Asst.Secy.	"	32,000.00	3,121.28	N/A
John W. Grandy	"	Vice-Pres.	"	55,000.00	1,795.54	
				$465,500.00	$ 32,938.66	$4,000.00

See attached list of directors who served part-time without compensation.

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

Coleman Burke, Esq.
Burke and Burke
529 Fifth Avenue
New York, NY 10017
202/661-6600

Mrs. Rosemary Benning
P.O. Box 201
Pebble Beach, CA 93953
408/624-0747

Samuel A. Bowman
Tucker, Anthony & R.L.Day, Inc.
120 Broadway, 33rd Floor
New York, NY 10271
212/618-7658

Dr. Carol Browning
6182 South 2855 East
Ogden, UT 84403
801/479-3754

Jack Conlon
641 South Atlantic Avenue
Cocoa Beach, FL 32931
305/783-3948

Mrs. Oliver M. Evans
3045 P Street, N. W.
Washington, D. C. 20007
202/338-8037

Mrs. Anna Fesmire
1400 West Cornwallis Drive
Greensboro, NC 27408
919/288-6607

Miss Regina Bauer Frankenberg
31 East 72nd Street, Apt. 9B
New York, NY 10021
212/288-4126

Hal Gardiner
P. O. Box 30
Salt Lake City, UT 84110
801/364-5600

Mrs. Gisela H. Karlan
P. O. Box 154
Montville, NJ 07045
201/335-3542

William Kerber
4000 Cathedral Ave., N. W.
Washington, D. C. 20016
202/338-7654

Mrs. Amy Freeman Lee
127 Canterbury Hill
San Antonio, TX 78209
512/826-1747

Jack W. Lydman
2815 Que Street, N. W.
Washington, D. C. 20007
202/965-1310

Mrs. Virginia (Pat) Lynch
98 Clarendon
San Francisco, CA 94114
415/566-6616

Mrs. Cherie Mason
Sunset, ME 04683
207/348-6971

John W. Mettler, III
Seminole Asset Management, Inc.
950 Third Avenue
New York, NY 10022
212/752-1855

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

John G. Mosher
7207 Delfeld Street
Chevy Chase, MD 20815
202/485-2775

O.J. Ramsey, Esq.
Ramsey, Scott, Morrison & Keddy
1446 Ethan Way, Suite 201
Sacramento, CA 95825
916/920-8800

Susan Selby
6512 West 49th Street
Mission, Kansas 66202
913/831-0725

Mrs. Marilyn G. Seyler
815 Dickson Parkway
Mansfield, OH 44907
419/756-7559

Brook Spiedel
2531 Eye St., N. W.
Washington, D. C. 20037
202/965-5646

Everett Smith, Jr.
Quaker Ridge
Greenwich, CT 06830
203/661-0004

Robert F. Welborn, Esq.
1100 United Bank Center
Denver, CO 80290
303/861-8013

K. William Wiseman
P. O. Box 357
Greens Farms, CT 06436
203/259-4363

SCHEDULE "5"

Part I, Line 20

The funds listed below were inadvertently omitted from the 990 as filed, necessitating this amendment.

In prior years, as well as this year, the following funds are reported on the Society's Form 990. The funds are currently maintained by the Humane Society of the U.S., and the Humane Society of the U.S. has provided the appropriate disclosure for chariatable contributions, income and expenses. These funds are reported on the Humane Society's of the U.S. Form 990 for reporting convenience, consistent with the prior returns (as they have the same government body).

	Fund Balance Jan. 1, 1984
Boulder County Humane Society Fund	$ 2,048
Elsa Horne Voss Animal Welfare Foundation	222,137
Alice Morgan Wright-Edith Goode Fund	1,290,364
Sussman Fund	2,325,000
	$3,839,549

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

SCHEDULE "6"

	December 31, 1984 Value
Investments in Corporate Stocks	$2,509,700
Investments in Corporate Bonds	965,831
Investments in Government Obligations	3,565,878
	$7,041,409

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

SCHEDULE "7"

Part VII, Line 80

Common government body with (1) The National Humane Education Center, (2) The National Association for the Advancement of Humane Education, (3) Boulder County Humane Society Fund, (4) Elsa Horne Voss Animal Welfare Foundation, (5) Alice Morgan Wright-Edith Goode Fund, (6) Sussman Fund.

SCHEDULE "8"

Part V, Line 56

	Book Value
Undivided interest in trust funds	$ 949,545

SCHEDULE "9"

Part V, Line 57

	Date Acquired	Cost	Prior years	Mtd.	Life	Depreciation this Year
Land	Various	$ 422,375	$ -	-	-	$ -
Buildings & improvements	Various	1,386,008	345,468	S/L	Var	52,492
Furniture & fixtures	Various	554,928	196,369	S/L	Var	41,189
Transportation equipment	Various	53,671	13,740	S/L	Var	12,982
		$2,416,982	$555,577			$106,663

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1984

#53-0225390

SCHEDULE "10"

Part V, Line 64

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 13,983

SCHEDULE "11"

Schedule A - Part IV, Line 27 (b)

Lawrence Ridinger Estate	$ 564,733
Sussman Estate	2,325,000
Burford Estate	1,425,839
	4,315,572
$370,356 x 3	(1,111,068)
	$3,204,504

SCHEDULE "12"

Schedule A,
Part VI, Line 38 - Lobbying Expenditures

	Direct Lobbying	Grass Roots Lobbying
Prof./exec. and support staff	$ 73,132	$ 7,016
Related disbursements	602	86
Publications - direct costs	34,921	70,590
Special projects - direct costs	6,547	6,186
Indirect costs	130,805	12,539
Stationery - (est.)	1,800	1,800
	$247,807	$ 98,217

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue, N.W., Washington, D.C. 20008 • 202-966-6602
Members of the American Institute of Certified Public Accountants

William V. Voorhees, III
Partner

May 6, 1986

Mr. John A. Hoyt, President
The National Humane Education Center
2100 - L Street, N. W.
Washington, D. C. 20037

Dear John:

Enclosed is Form 990 - Return of Organization Exempt from Income Tax, for the year ended December 31, 1985.

This form should be filed as per the attached instruction sheet. A copy is enclosed for your records.

Since the average income for the three year period, including the current year, was less than $25,000, it is not necessary to complete the entire return.

If you have any questions, or if we can be of further assistance, please do not hesitate to call.

Sincerely,

William V. Voorhees

WVV:lmp

Enclosures

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue N.W. • Washington, D.C. 20008 • 202/966-6602
300 East Lombard Street • Baltimore, Maryland 21202 • 301/837-0313
30 North LaSalle Street • Chicago, Illinois 60602 • 312/368-0500
Members of the American Institute of Certified Public Accountants

TAXPAYER: The National Humane Education Center DATE: May 6, 1986

INSTRUCTIONS FOR FILING

RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX

FOR THE YEAR ENDED

December 31, 1985

To Be Signed And Dated By	(x) An Officer ( ) Trustee ( )
Amount of Tax	NONE
Mail Return To	INTERNAL REVENUE SERVICE CENTER (x) Philadelphia, Pennsylvania 19255 ( ) Holtsville, New York 00501 ( )
Return Must Be Mailed On Or Before	May 15, 1986 Use Certified Mail, if sufficient time to ensure timely delivery is unavailable.
State Filing Requirements	None

A COPY OF THIS RETURN IS ENCLOSED FOR YOUR FILES.

SPECIAL INSTRUCTIONS:
( ) ATTACH A SIGNED COPY OF YOUR FEDERAL EXTENSION OF TIME TO FILE TO THIS RETURN.
( )

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation) of the Internal Revenue Code or section 4947(a)(1) trust

Note: You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.

OMB No. 1545-0047

1985

For the calendar year 1985, or fiscal year beginning , 1985, and ending , 19 .

Use IRS label. Otherwise, please print or type.

Name of organization: The National Humane Education Center

Address (number and street): 2100 - L Street, N. W.

City or town, state, and ZIP code: Washington, D. C. 20037

A Employer identification number (see instruction L): 54 : 6076066

B State registration number (see instruction D): n/a

C If address changed, check here . . . . ▶ ☐

D Check type of organization—Exempt under section ▶ ☒ 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

Check here if application for exemption is pending . . ▶ ☐

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No

Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶

☒ Check here if your gross receipts are normally not more than $25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some States may require a completed return.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

		(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support			
	b Indirect public support			
	c Government grants			
	d Total (add lines 1a through 1c) (attach schedule—see instructions)			
	2 Program service revenue (from Part IV, line f)			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments			
	5 Dividends and interest from securities			
	6a Gross rents			
	b Minus: rental expenses			
	c Net rental income (loss)			
	7 Other investment income (Describe ▶)			
	8a Gross amount from sale of assets other than inventory (Securities / Other)			
	b Minus: cost or other basis and sales expenses			
	c Gain (loss) (attach schedule)			
	9 Special fundraising events and activities (attach schedule—see instructions):			
	a Gross revenue (not including $ of contributions reported on line 1a)			
	b Minus: direct expenses			
	c Net income (line 9a minus line 9b)			
	10a Gross sales minus returns and allowances			
	b Minus: cost of goods sold (attach schedule)			
	c Gross profit (loss)			
	11 Other revenue (from Part IV, line g)			
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11)			
Expenses	13 Program services (from line 44, column (B)) (see instructions)			
	14 Management and general (from line 44, column (C)) (see instructions)			
	15 Fundraising (from line 44, column (D)) (see instructions)			
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44, column (A))			
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)			
	19 Fund balances or net worth at beginning of year (from line 74, column (A))			
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)			

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on lines 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses				
22 Grants and allocations (attach schedule)				
23 Specific assistance to individuals				
24 Benefits paid to or for members				
25 Compensation of officers, directors, etc.				
26 Other salaries and wages				
27 Pension plan contributions				
28 Other employee benefits				
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees				
33 Supplies				
34 Telephone				
35 Postage and shipping				
36 Occupancy				
37 Equipment rental and maintenance				
38 Printing and publications				
39 Travel				
40 Conferences, conventions and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)				
43 Other expenses (itemize): a				
b				
c				
d				
e				
f				
44 Total functional expenses (add lines 22 through 43)				

Part III Statement of Program Services Rendered

List each program service title on lines a through d; for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
a	(Grants and allocations $)	
b	(Grants and allocations $)	
c	(Grants and allocations $)	
d	(Grants and allocations $)	
e	Other program service activities (attach schedule) (Grants and allocations $)	
f	Total (add lines a through e) (should equal line 44, column (B))	

Part IV Program Service Revenue and Other Revenue (State Nature)

		Program service revenue	Other revenue
a	Fees from government agencies		
b			
c			
d			
e			
f	Total program service revenue (enter here and on line 2)		
g	Total other revenue (enter here and on line 11)		

Part V Balance Sheets If line 12 or line 59 is more than $25,000, complete the entire balance sheet. If line 12, Part I, and line 59 are $25,000 or less, you may complete only lines 59, 66, 74 and 75. See instructions.

Note: Columns (C) and (D) are optional. *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*		(A) Beginning of year	End of year (B) Total	(C) Unrestricted/ Expendable	(D) Restricted/ Nonexpendable
	Assets				
45	Cash—non-interest bearing				
46	Savings and temporary cash investments				
47	Accounts receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
48	Pledges receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
49	Grants receivable				
50	Receivables due from officers, directors, trustees, and key employees (attach schedule)				
51	Other notes and loans receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
52	Inventories for sale or use				
53	Prepaid expenses and deferred charges				
54	Investments—securities (attach schedule)				
55	Investments—land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
56	Investments—other (attach schedule)				
57	Land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
58	Other assets ▶ _____				
59	Total assets (add lines 45 through 58)				
	Liabilities				
60	Accounts payable and accrued expenses				
61	Grants payable				
62	Support and revenue designated for future periods (attach schedule)				
63	Loans from officers, directors, trustees and key employees (attach schedule)				
64	Mortgages and other notes payable (attach schedule)				
65	Other liabilities ▶ _____				
66	Total liabilities (add lines 60 through 65)				
	Fund Balances or Net Worth				
	Organizations that use fund accounting, check here ▶ ☐ and complete lines 67 through 70 and lines 74 and 75.				
67	a Current unrestricted fund				
	b Current restricted fund				
68	Land, buildings and equipment fund				
69	Endowment fund				
70	Other funds (Describe ▶ _____)				
	Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71	Capital stock or trust principal				
72	Paid-in or capital surplus				
73	Retained earnings or accumulated income				
74	Total fund balances or net worth (see instructions)				
75	Total liabilities and fund balances/net worth (see instructions)				

Part VI **List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See Instructions)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances

Part VII **Other Information**

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		
b	If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?		
c	If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)? If "Yes," enter the name of the organization ▶ ..... and check whether it is ☐ exempt **OR** ☐ nonexempt.		
81 a	Enter amount of political expenditures, direct or indirect, as described in the instructions . .		
b	Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III . . . ▶		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))? If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
a	Initiation fees and capital contributions included on line 12		
b	Gross receipts, included in line 12, for public use of club facilities (see instructions)		
c	Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
a	Gross income received from members or shareholders		
b	Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in the instructions.		
87	List the States with which a copy of this return is filed ▶		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?		
89	The books are in care of ▶ ..... Telephone No. ▶ ..... Located at ▶		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

▶ Signature of officer | Date | ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co., #36-213179(430 Conn.Ave.,N.W.,Wash.,D.C.

Date | Check if self-employed ▶ ☐

ZIP code 20008

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS
4301 Connecticut Avenue N.W. • Washington, D.C. 20008 • 202/966-6602
300 East Lombard Street • Baltimore, Maryland 21202 • 301/837-0313
30 North LaSalle Street • Chicago, Illinois 60602 • 312/368-0500
Members of the American Institute of Certified Public Accountants

TAXPAYER: The Humane Society of the United States DATE: July 29, 1986

INSTRUCTIONS FOR FILING

RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX

FOR THE YEAR ENDED

December 31, 1985

To Be Signed And Dated By	(X) An Officer ( ) Trustee ( )
Amount of Tax	NONE
Mail Return To	INTERNAL REVENUE SERVICE CENTER (X) Philadelphia, Pennsylvania 19255 ( ) Holtsville, New York 00501 ( )
Return Must Be Mailed On Or Before	September 15, 1986 Use Certified Mail, if sufficient time to ensure timely delivery is unavailable.
State Filing Requirements	Remit a copy of Form 990, signed and dated to: District of Columbia, Department of Finance and Revenue 300 Indiana Avenue, N. W., Washington, D. C. 20001 on or before September 15, 1986.

A COPY OF THIS RETURN IS ENCLOSED FOR YOUR FILES.

SPECIAL INSTRUCTIONS:
( ) ATTACH A SIGNED COPY OF YOUR FEDERAL EXTENSION OF TIME TO FILE TO THIS RETURN.
( )

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c) (except black lung benefit trust or private foundation) of the Internal Revenue Code or section 4947(a)(1) trust

Note: You may be required to use a copy of this return to satisfy State reporting requirements. See instruction D.

OMB No. 1545-0047

1985

For the calendar year 1985, or fiscal year beginning , 1985, and ending , 19

Use IRS label. Otherwise, please print or type.

Name of organization: The Humane Society of the United States

Address (number and street): 2100 - L Street, N. W.

City or town, state, and ZIP code: Washington, D. C. 20037

A Employer identification number (see instruction L): 53 : 0225390

B State registration number (see instruction D)

C If address changed, check here . . . . ▶ ☐

D Check type of organization—Exempt under section ▶ ☒ 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

Check here if application for exemption is pending . . ▶ ☐

F Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

G Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No
Is this a separate return filed by a group affiliate? . . . . ☐ Yes ☒ No

If "Yes" to either, give four-digit group exemption number (GEN) ▶

☐ Check here if your gross receipts are normally not more than $25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some States may require a completed return.

☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See Instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

			(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support 4,782,416		4,765,416	17,000
	b	Indirect public support			
	c	Government grants			
	d	Total (add lines 1a through 1c) (attach schedule—see instructions) .	4,782,416	4,765,416	17,000
	2	Program service revenue (from Part IV, line f)	229,209	229,209	
	3	Membership dues and assessments	2,117,806	2,117,806	
	4	Interest ~~on savings and temporary cash investments~~	720,473	249,617	470,856
	5	Dividends ~~and interest from securities~~	186,523	113,032	73,491
	6a	Gross rents			
	b	Minus: rental expenses			
	c	Net rental income (loss)			
	7	Other investment income (Describe ▶)			
	8a	Gross amount from sale of assets other than inventory . Securities 1,293,744 Other 14,800			
	b	Minus: cost or other basis and sales expenses . Sch. "1" 1,157,128 20,068			
	c	Gain (loss) (attach schedule) 136,616 (5,268)	131,348	144,269	(12,921)
	9	Special fundraising events and activities (attach schedule—see instructions):			
	a	Gross revenue (not including $ _____ of contributions reported on line 1a)			
	b	Minus: direct expenses			
	c	Net income (line 9a minus line 9b)			
	10a	Gross sales minus returns and allowances . .			
	b	Minus: cost of goods sold (attach schedule) . .			
	c	Gross profit (loss)			
	11	Other revenue (from Part IV, line g)			
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11). .	8,167,775	7,619,349	548,426
Expenses	13	Program services (from line 44, column (B)) (see instructions) . .	6,210,756	6,087,549	123,207
	14	Management and general (from line 44, column (C)) (see instructions)	688,800	577,113	111,687
	15	Fundraising (from line 44, column (D)) (see instructions)	233,765	233,765	
	16	Interfund Transfers ~~Payments to affiliates (attach schedule—see instructions)~~	(50,000)	(536,650)	486,650
	17	Total expenses (add lines 16 and 44, column (A))	7,083,321	6,361,777	721,544
Fund Balances	18	Excess (deficit) for the year (subtract line 17 from line 12)	1,084,454	1,257,572	(173,118)
	19	Fund balances or net worth at beginning of year (from line 74, column (A))	12,080,481	6,104,090	5,976,391
	20	Other changes in fund balances or net worth (attach explanation). .			
	21	Fund balances or net worth at end of year (add lines 18, 19, and 20) . .	13,164,935	7,361,662	5,803,273

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most section 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on lines 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) Sch. "2"	182,957	182,957		
23 Specific assistance to individuals				
24 Benefits paid to or for members				
25 Compensation of officers, directors, etc.	450,300	315,350	97,950	37,000
26 Other salaries and wages	1,613,302	1,420,258	185,062	7,982
27 Pension plan contributions	52,887	44,425	7,404	1,058
28 Other employee benefits	134,670	113,137	18,845	2,688
29 Payroll taxes	148,608	124,830	20,805	2,973
30 Professional fundraising fees				
31 Accounting fees	22,595	-	22,595	-
32 Legal fees	4,613	4,613	-	-
33 Supplies	70,298	59,050	9,842	1,406
34 Telephone	105,454	88,581	14,764	2,109
35 Postage and shipping	192,910	168,083	21,724	3,103
36 Occupancy	130,914	109,968	18,328	2,618
37 Equipment rental and maintenance	28,743	24,144	4,024	575
38 Printing and publications	603,491	506,933	84,488	12,070
39 Travel	239,059	210,246	25,211	3,602
40 Conferences, conventions and meetings	45,213	37,979	6,330	904
41 Interest	16,290	13,683	2,281	326
42 Depreciation, depletion, etc. (attach schedule)	105,937	88,987	14,831	2,119
43 Other expenses (itemize): a Sch. "3"	2,985,080	2,697,532	134,316	153,232
b				
c				
d				
e				
f				
44 Total functional expenses (add lines 22 through 43)	7,133,321	6,210,756	688,800	233,765

Part III Statement of Program Services Rendered

List each program service title on lines a through d; for each, identify the service output(s) or product(s) and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
a	Humane Education, membership and program services (Grants and allocations $ 182,957)	3,407,589
b	Cruelty investigation and litigation (Grants and allocations $)	766,433
c	Membership development (Grants and allocations $)	2,036,734
d	(Grants and allocations $)	
e	Other program service activities (attach schedule) (Grants and allocations $)	
f	Total (add lines a through e) (should equal line 44, column (B))	6,210,756

Form **2758**
(Rev. October 1985)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File

U.S. Partnership, Fiduciary, and Certain Exempt Organization Returns

▶ File a separate application for each return.

OMB No. 1545-0148
Expires 08/31/88

Please type or print. File the original and one copy by the due date for filing your return. (See instructions on back.)

Name: The Humane Society of the United States

Number and street: 2100 - L Street, N.W.

City or town, state, and ZIP code: Washington, D.C. 20037

Employer identification number: 53-0225390

(S corporations filing Form 1120S, political or exempt organizations filing Form 1120-POL, corporate exempt organizations filing Form 990-T, or farmers' cooperative associations filing Form 990-C, use Form 7004.)

1 An extension of time until ..... September 15, 1986 ..... is requested in which to file (check only one):

- ☐ Form 1065
- ☐ Form 1041 (estate)
- ☐ Form 1041 (trust)
- ☐ Form 1041-A
- ☐ Form 3520-A
- ☐ Form 4720
- ☐ Form 5227
- ☒ Form 990
- ☐ Form 990-T (401(a) trust)
- ☐ Form 990-PF
- ☐ Form 990-T (other than 401(a) trust)
- ☐ Form 990-BL
- ☐ Form 6069

Check here ▶ ☐, if organization does not have an office or place of business in the United States.

2 For calendar year 19 85, or other tax year beginning ..... and ending .....

3 Has an extension of time to file been previously granted for this tax year? ☒ Yes ☐ No

4 State in detail why you need the extension. Taxpayer's records are still in the process of being reviewed, and until all open items have been resolved, a complete and accurate form 990 cannot be prepared.

5a If this form is for Form 1041, 4720, 5227, 6069, 990-BL, 990-PF, or 990-T, enter the total tax estimated to be due on the return . . . . . $

b If an estate, enter at least 1/4 of the amount on line 5a and pay with this form . . . . . $

c All others, enter the total amount on line 5a and pay with this form . . . . . $

Caution: *Interest will be charged on any tax not paid by the regular due date of the returns filed on forms listed on line 5a above until the tax is paid.*

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature ▶ Craig A Stevens CPA Date ▶ 7-10-86

IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by IRS

☐ We **HAVE** approved your application. (Please attach this form to your return.)

☐ We **HAVE NOT** approved your application. (Please attach this form to your return.)

However, because of your reasons stated above, we have granted a 10-day grace period from the date shown below or due date of your return, whichever is later. This 10-day grace period is considered to be a valid extension of time for purposes of elections otherwise required to be made on timely filed returns.

☐ We **HAVE NOT** approved your application.

After considering your reasons stated above, we cannot grant your request for an extension of time to file. (We are not granting the 10-day grace period.)

☐ We cannot consider your application because it was filed after the due date of your return.

☐ Other .....

Director

By. _____

Date

If the copy of this form is to be returned to an address other than that shown above, please enter the address where the copy should be sent.

Please Type or Print

Name: Thomas Havey & Co.

Number and street: 4301 Conn. Ave., N.W. Suite 432

City or town, state, and ZIP code: Washington, D.C. 20008

Form **2758**
(Rev. October 1985)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File

U.S. Partnership, Fiduciary, and Certain Exempt Organization Returns
▶ File a separate application for each return.

OMB No. 1545-0148
Expires 08/31/88

Please type or print.
File the original and one copy by the due date for filing your return. (See Instructions on back.)

Name
The Humane Society of the United States

Number and street
2100 - L Street, N.W.

City or town, state, and ZIP code
Washington, D.C. 20037

Employer identification number
53-0225390

(S corporations filing Form 1120S, political or exempt organizations filing Form 1120-POL, corporate exempt organizations filing Form 990-T, or farmers' cooperative associations filing Form 990-C, use Form 7004.)

1 An extension of time until July 15, 1986 is requested in which to file (check only one):

- ☐ Form 1065
- ☐ Form 1041 (estate)
- ☐ Form 1041 (trust)
- ☐ Form 1041-A
- ☐ Form 3520-A
- ☐ Form 4720
- ☐ Form 5227
- ☒ Form 990
- ☐ Form 990-T (401(a) trust)
- ☐ Form 990-PF
- ☐ Form 990-T (other than 401(a) trust)
- ☐ Form 990-BL
- ☐ Form 6069

Check here ▶ ☐, if organization does not have an office or place of business in the United States.

2 For calendar year 19 85, or other tax year beginning _____ and ending _____

3 Has an extension of time to file been previously granted for this tax year? . . . . . ☐ Yes ☒ No

4 State in detail why you need the extension. Taxpayer's records are still in the process of being reviewed, and until all discrepancies have been resolved, a complete and accurate Form 990 cannot be prepared.

IRS RECEIVED

5a If this form is for Form 1041, 4720, 5227, 6069, 990-BL, 990-PF, or 990-T, enter the total tax estimated to be due on the return . . . . . $ _____

b If an estate, enter at least 1/4 of the amount on line 5a and pay with this form 0516 . . . . . $ _____

c All others, enter the total amount on line 5a and pay with this form . . . . . $ _____

Caution: *Interest will be charged on any tax not paid by the regular due date of the return filed on forms listed on line 5a above until the tax is paid.*

28 PSC PHILA PA 19

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature ▶ Craig A Stevens Date ▶ 5-13-86

IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by IRS

☒ We **HAVE** approved your application. (Please attach this form to your return.)

☐ We **HAVE NOT** approved your application. (Please attach this form to your return.)

However, because of your reasons stated above, we have granted a 10-day grace period from the date shown below or due date of your return, whichever is later. This 10-day grace period is considered to be a valid extension of time for purposes of elections otherwise required to be made on timely filed returns.

☐ We **HAVE NOT** approved your application.

After considering your reasons stated above, we cannot grant your request for an extension of time to file. (We are not granting the 10-day grace period.)

☐ We cannot consider your application because it was filed after the due date of your return.

☐ Other _____

Joseph T. Thomas
Director

By: _____

Date _____

If the copy of this form is to be returned to an address other than that shown above, please enter the address where the copy should be sent.

Please Type or Print

Name
Thomas Havey & Co.

Number and street
4301 Conn. Ave. N.W. Suite 432

City or town, state, and ZIP code
Washington, D.C. 20008

Part IV Program Service Revenue and Other Revenue (State Nature)	Program service revenue	Other revenue
a Fees from government agencies		
b Sale of Literature and other	229,209	
c		
d		
e		
f Total program service revenue (enter here and on line 2)	229,209	
g Total other revenue (enter here and on line 11)		

Part V Balance Sheets If line 12 or line 59 is more than $25,000, complete the entire balance sheet. If line 12, Part I, and line 59 are $25,000 or less, you may complete only lines 59, 66, 74 and 75. See instructions.

Note: Columns (C) and (D) are optional. *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*	(A) Beginning of year	End of year (B) Total	(C) Unrestricted/ Expendable	(D) Restricted/ Nonexpendable
Assets				
45 Cash—non-interest bearing	831,239	1,541,619	1,370,273	171,346
46 Savings and temporary cash investments	1,205,690	1,797,960	952,266	845,694
47 Accounts receivable ▶ 18,651 minus allowance for doubtful accounts ▶ —	106,474	18,651	16,603	2,048
48 Pledges receivable ▶ minus allowance for doubtful accounts ▶				
49 Grants receivable				
50 Receivables due from officers, directors, trustees, and key employees (attach schedule)				
51 Other notes and loans receivable ▶ minus allowance for doubtful accounts ▶	423,461	434,972	91,635	343,337
52 Inventories for sale or use				
53 Prepaid expenses and deferred charges	27,193	39,741	39,741	
54 Investments—securities (attach schedule) Sch. "6"	7,041,409	7,007,915	2,979,332	4,028,583
55 Investments—land, buildings and equipment: basis ▶ minus accumulated depreciation ▶ (attach schedule)				
56 Investments—other (attach schedule) Sch. "8"	949,545	1,006,001		1,006,001
57 Land, buildings and equipment: basis ▶ 2,520,565 Sch. "9" minus accumulated depreciation ▶ 740,475 (attach schedule)	1,754,743	1,780,090	1,780,090	
58 Other assets ▶ Acc'd interest & dividends recb	130,390	120,691	15,188	105,503
59 Total assets (add lines 45 through 58)	12,470,144	13,747,640	7,245,128	6,502,512
Liabilities				
60 Accounts payable and accrued expenses	335,680	548,139	540,424	7,715
61 ~~Grants payable~~ Interfund accounts	—	—	(691,524)	691,524
62 Support and revenue designated for future periods (attach schedule)				
63 Loans from officers, directors, trustees and key employees (attach schedule)				
64 Mortgages and other notes payable (attach schedule) Sch. "10"	13,983	9,566	9,566	—
65 Other liabilities ▶ Deferred Income	40,000	25,000	25,000	—
66 Total liabilities (add lines 60 through 65)	389,663	582,705	(116,534)	699,239
Fund Balances or Net Worth				
Organizations that use fund accounting, check here ▶ ☒ and complete lines 67 through 70 and lines 74 and 75.				
67 a Current unrestricted fund	6,104,090	7,361,662	7,361,662	—
b Current restricted fund	168,640	22,287	—	22,287
68 Land, buildings and equipment fund				
69 Endowment fund	6,219	6,410	—	6,410
70 Other funds (Describe ▶ Annuity and Trust)	5,801,532	5,774,576	—	5,774,576
Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71 Capital stock or trust principal				
72 Paid-in or capital surplus				
73 Retained earnings or accumulated income				
74 Total fund balances or net worth (see instructions)	12,080,481	13,164,935	7,361,662	5,803,273
75 Total liabilities and fund balances/net worth (see instructions)	12,470,144	13,747,640	7,245,128	6,502,512

Part VI **List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See Instructions)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
Schedule "4"				

Part VII **Other Information**

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		x
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		x
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		x
b	If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	n/a	
c	If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year (see instructions)? If "Yes," attach a statement as described in the instructions.		x
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization (see instructions)?	x	
	If "Yes," enter the name of the organization ▶ Schedule "7" and check whether it is ☒ exempt OR ☐ nonexempt.		
81 a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ none		
b	Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		x
82	Did your organization receive donated services or the use of materials, equipment or facilities at no charge or at substantially less than fair rental value?		x
	If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ n/a		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums (see instructions and Regulations section 1.162-20(c))?		n/a
	If "Yes," enter the total amount spent for this purpose ▶ n/a		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
a	Initiation fees and capital contributions included on line 12 ▶ n/a		
b	Gross receipts, included in line 12, for public use of club facilities (see instructions) ▶ n/a		
c	Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion (see instructions)?		n/a
85	*Section 501(c)(12) organizations.*—Enter amount of:		
a	Gross income received from members or shareholders ▶ n/a		
b	Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them) ▶ n/a		
86	*Public interest law firms.*—Attach information described in the instructions.		
87	List the States with which a copy of this return is filed ▶ NY; NJ; CT; IL; MN; MI and VA		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?	x	
89	The books are in care of ▶ Assistant Treasurer Telephone No. ▶ (202) 452-1100 Located at ▶ 2100 - L Street, N.W., Wash., D.C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ Date ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ Thomas Harvey

Date 7/3/86

Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Harvey & Co., #36-2131790, 4301 nn. Ave, N.W., Wash., D.C.

ZIP code 20008

★U.S.GPO:1985-0-463-061 ★E.I.#430814328

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation), 501(e), 501(f), 501(k), or Section 4947(a)(1) Trust
Supplementary Information
▶ Attach to Form 990.

OMB No. 1545-0047

1985

Name: The Humane Society of the United States

Employer identification number: 53 : 0225390

Part I Compensation of Five Highest Paid Employees (Other than Officers, Directors, and Trustees—see specific instructions)

Name and address of employees paid more than $30,000	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Michael Fox 2100 L St.,N.W.,Wash.,D.C.	Scientific Director 40 hrs.	55,000	3,771	-0-
Ben Hayes 2100 L St.,N.W.,Wash.,D.C.	Asst.to Asst.Treas. 40 hrs.	34,000	1,303	-0-
Frantz Dantzler 2100 L St.,N.W.,Wash.,D.C.	Regional Director 40 hrs	32,000	2,152	2,700
Martha Hamby 2100 L St.,N.W.,Wash.,D.C.	Dir.of Fed.Legislation 40 hrs	31,938	-0-	-0-
John McArdle 2100 L St.,N.W.,Wash.,D.C.	Dir.of Labortory Animal Welfare 40 hrs	32,000	831	-0-
Total number of other employees paid over $30,000 ▶	-0-			

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
None		
Total number of others receiving over $30,000 for professional services ▶ None		

Part III Statements About Activities

		Yes (1)	No (2)
1	During the year have you attempted to influence national, State or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	X	
	If "Yes," enter the total expenses paid or incurred in connection with the legislative activities $ 249,241		
	Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2	During the year have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner or principal beneficiary:		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See Form 990 Part VI	X	
e	Transfer of any part of your income or assets?		X
	If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3	Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments. (See specific instructions.)		
4	Do you make grants for scholarships, fellowships, student loans, etc.?		X

Part IV Reason for Non-Private Foundation Status (See instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only **ONE** box):

5 ☐ [1] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 ☐ [2] A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)

7 ☐ [3] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 ☐ [4] A Federal, state or local government or governmental unit. Section 170(b)(1)(A)(v).

9 ☐ [5] A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter name, city, and state of hospital** ▶ .....

10 ☐ [6] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)

11 ☒ [7] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)

12 ☐ [8] An organization that normally receives: (a) no more than 1/3 of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than 1/3 of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions. See section 509(a)(2). (Also complete Support Schedule.)

13 ☐ [9] An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 5 through 12 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 13.)

(a) Name of supported organizations	(b) Box number from above

14 ☐ [0] An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions.)

Support Schedule (Complete only if you checked box 10, 11, or 12 above) Use cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 1984	(b) 1983	(c) 1982	(d) 1981	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	3,386,497	4,034,933	4,311,133	2,718,282	14,450,845
16 Membership fees received	1,325,450	826,386	721,570	573,157	3,446,563
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose.	166,925	147,864	169,594	113,703	598,086
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	912,786	912,368	945,534	630,458	3,401,146
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
21 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
23 Total of lines 15 through 22	5,791,658	5,921,551	6,147,831	4,035,600	21,896,640
24 Line 23 minus line 17	5,624,733	5,773,687	5,978,237	3,921,897	21,298,554
25 Enter 1% of line 23	57,917	59,216	61,478	40,356	

26 Organizations described in box 10 or 11:

a Enter 2% of amount in column (e), line 24. 425,971

b Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1981 through 1984 exceeded the amount shown in 26. Enter the sum of all excess amounts here . . . . Sch. "11"

(Continued on page 3)

Part IV Support Schedule (continued)(Complete only if you checked box 10, 11, or 12 on page 2) N/A

27 Organizations described in box 12, page 2:

a Attach a list, for amounts shown on lines 15, 16, and 17, showing the name of, and total amounts received in each year from each "disqualified person," and enter the sum of such amounts for each year:

(1984) (1983) (1982) (1981)

b Attach a list showing, for 1981 through 1984, the name and amount included in line 17 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 25 for the year or $5,000. Include organizations described in boxes 5 through 11 as well as individuals. Enter the sum of these excess amounts for each year:

(1984) (1983) (1982) (1981)

28 For an organization described in boxes 10, 11, or 12, page 2, that received any unusual grants during 1981 through 1984, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15 above. (See specific instructions.)

Part V Private School Questionnaire
To Be Completed ONLY by Schools that Checked Box 6 In Part IV N/A

		Yes (1)	No (2)
29 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?	29		
30 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31		
32 Do you maintain the following:			
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d Copies of all material used by you or on your behalf to solicit contributions?	32d		
If you answered "No," to any of the above, please explain. (If you need more space, attach a separate statement.)			
33 Do you discriminate by race in any way with respect to:			
a Students' rights or privileges?	33a		
b Admissions policies?	33b		
c Employment of faculty or administrative staff?	33c		
d Scholarships or other financial assistance (see instructions)?	33d		
e Educational policies?	33e		
f Use of facilities?	33f		
g Athletic programs?	33g		
h Other extra-curricular activities?	33h		
If you answered "Yes," to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a Do you receive any financial aid or assistance from a governmental agency?	34a		
b Has your right to such aid ever been revoked or suspended?	34b		
If you answered "Yes," to either 34a or b, please explain using an attached separate statement.			
35 Do you certify that you have complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation (see instructions for Part V)	35		

Part VI Lobbying Expenditures By Public Charities (See instructions)
(To be completed ONLY by an eligible organization that filed Form 5768.)

Check here ▶ a ☐ If the organization belongs to an affiliated group (see instructions).
Check here ▶ b ☐ If you checked a and "limited control" provisions apply (see instructions).

Limits on Lobbying Expenses	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total (grassroots) lobbying expenses to influence public opinion		74,934
37 Total lobbying expenses to influence a legislative body		174,307
38 Total lobbying expenses (add lines 36 and 37) Sch. "12"		249,241
39 Other exempt purpose expenses (see Part VI instructions)		6,656,315
40 Total exempt purpose expenses (add lines 38 and 39) (see instructions)		6,905,556
41 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 40 is— / The lobbying nontaxable amount is—		
Not over $500,000 — 20% of the amount on line 40		
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000		495,278
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 — $225,000 plus 5% of the excess over $1,500,000		
42 Grassroots nontaxable amount (enter 25% of line 41)		123,820
(Complete lines 43 and 44. File Form 4720 if either line 36 exceeds line 42 or line 38 exceeds line 41.)		
43 Excess of line 36 over line 42		-0-
44 Excess of line 38 over line 41		-0-

4-Year Averaging Period Under Section 501(h).

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45-50 for details.)

Lobbying Expenses During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ▶	(a) 1985	(b) 1984	(c) 1983	(d) 1982	(e) Total
45 Lobbying nontaxable amount (see instructions)	495,278	396,339	353,302	341,625	1,586,544
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenses (see instructions)	495,278	346,024	244,243	211,615	1,297,160
48 Grassroots nontaxable amount (see instructions)	123,820	99,085	88,326	85,406	396,637
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenses (see instructions)	74,934	98,217	49,097	47,905	270,153

★U.S.GPO:1985-0-463-063 ★E.I.#430814328

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "1"

Part 1, Line 8

Sale of assets other than inventory	Gross Sales Price	Cost or Basis	Gain (Loss)
Fixed assets	$ 14,800	$ 20,068	$(5,268)
Marketable securities	1,293,744	1,157,128	136,616
Total	$1,308,544	$1,177,196	$131,348

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "2"

Part II, Line 22 - Gifts to Other Organizations

Assistance Aux. Animaux	$ 2,500
Wildlife Reserve	1,000
Salonica Aminal Welfare Society	2,500
National Association for the Advancement of Humane Education, Washington, D. C.	22,800
American Fondouck Maintenance Committee, Boston, Massachusetts	3,507
Animal Crusaders, Inc., Everett, Washington	2,500
Animal Kind	6,000
Association for the Prevention of Cruelty in Public Spectacles, Barcelona, Spain	2,500
Association for the Protection of Furbearing Animals, Vancouver, Canada	2,500
Association Uruguaya De Protection A Los Animales, Montevideo, Uruguay	2,500
Brooke Hospital for Animals, London, England	2,500
Bund Gegen Den Missbrauch Det Tiere E.V., Munich, Germany	2,500
Dublin Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,000
Ferne Animal Sanctuary, London, England	2,500
Irish Society for the Prevention of Cruelty to Animals, Dublin, Ireland	2,000
Missouri Anti-Vivisection Society, St. Louis, Missouri	2,500
National Equine Defense League, Carlisle, England	2,500
Nilgiri Animal Welfare Society, Tamilnadu, South India	2,500
Nordic Society Against Painful Experiments on Animals, Stockholm, Sweden	2,500
Peoples Dispensary for Sick Animals, Surrey, England	2,500
Performing and Captive Animals' Defense League, London, England	2,500
Scottish Society for the Prevention of Anti-Vivisection, Edinburgh, Scotland	2,500
Helenic Animal Welfare, Athens, Greece	1,000
South African Federation of SPCA's and Affiliated Societies, Republic of South Africa	2,500
Animal Rights Network, Wesport, Connecticut	5,500
Council for Livestock Protection, New York, New York	8,000
The Digit Fund, Rwanda, Africa	2,000
St. Huberts Giralda Shelter and Education Center, Madison, New Jersey	6,000
Animal Legal Defense Fund, San Francisco, California	5,000
National Coalition to Protect Pets	7,500
The Delta Society	6,000
Bat Conversation International, Inc.	2,700
Michigan Humane Society	5,000
Childrens Hospice International	500
Between the Species	1,000
World Society for Protection of Animals	10,000

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "2"
(Continued)

Part II, Line 22 - Gifts to Other Organizations

Nacodoches Humane Society	$ 1,000
Fund for Replacement of Animals in Medical Experiments (Frame), London, England	2,000
Society for Animal Rights (National Catholic Society for Animal Welfare), Clarks Summit, Pennsylvania	2,500
Society for the Protection of Animals of North America, London, England	2,500
Tierschutzverein Fur Berlin Und Umgebung Corp., Berlin, West Germany	2,500
World Society for the Protection of Animals, London, England	25,000
Alaska & Wildlife Alliance, Anchorage, Alaska	200
Syntex/Stanford Coalition	250
Australians for Animals	2,000
Lique Francoise De Drolies	2,500
Society for Prevention	2,500
	$182,957

SCHEDULE "3"

Part II, Line 43 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and other services	$ 78,544	$ 78,544	$ -	$ -
Data processing	29,340	24,645	4,108	587
Insurance and bonds	65,730	55,213	9,202	1,315
Taxes - other	52,207	43,854	7,309	1,044
Rental lists	150,000	-	-	150,000
Library	2,181	2,181	-	-
Payments to annuitants	95,849	-	95,849	-
Cost of educational publications	233,629	231,333	2,010	286
Membership development mailings	2,036,734	2,036,734	-	-
Pet action line	225,028	225,028	-	-
Administrative fees	15,838	-	15,838	-
	$2,985,080	$2,697,532	$134,316	$153,232

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "4"

Part VI

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Expense Account and Other Allowances
John A. Hoyt	2100 L Street,N.W., Wash.,D.C.	President	Full	$ 90,000	$ 7,142	$5,000
Murdaugh S. Madden	"	Vice-Pres.	"	48,000	9,261	n/a
Patrick B. Parkes	"	Vice-Pres.	"	39,000	5,503	n/a
Patricia A. Forkan	"	Vice-Pres.	"	39,600	2,033	n/a
Phyllis Wright	"	Vice-Pres.	"	35,000	3,321	n/a
Paul G. Irwin	"	Treasurer	"	74,000	4,611	n/a
Moneta P. Morgan	"	Asst.Treas.	"	37,200	5,310	n/a
Marcia Glaser	"	Asst.Secy.	"	31,500	2,087	n/a
John W. Grandy	"	Vice-Pres.	"	56,000	2,105	n/a
				$450,300	$ 41,373	$5,000

See attached list of directors who served part-time without compensation.

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued

Coleman Burke, Esq.
4475 N. Ocean Blvd., #47F
Delray Beach, FL 33444
305/278-0189

Samuel A. Bowman
Tucker, Anthony & R.L. Day, Inc.
120 Broadway, 33rd floor
New York, NY 10271
212/618-7658

Dr. Carol Browning
6182 South 2855 East
Ogde, UT 84403
801/479-3475

Jack Conlon
641 South Atlantic Avenue
Cocoa Beach, FL 32931
305/784-3948

Mrs. Oliver M. Evans
3045 P Street,N. W.
Washington, D. C. 20007
202/338-8037

Mrs. Anna Fesmire
1400 West Cornwallis Drive
Greensboro, NC 27408
919/288-6607

Miss Regina Bauer Frankenberg
31 East 72nd Street, Apt. 9B
New York, NY 10021
212/488-4126

Harold H. Gardiner
Gardiner Advertising Agency
P. O. Box 30
Salt Lake City, UT 84110
801/364-5600

Jack W. Lydman
2815 Que Street, N. W.
Washington, D.C. 20007
202/965-1310

Mrs. Virginia (Pat) Lynch
98 Clarendon
San Francisco, CA 94114
415/566-6616

Mrs. Cherie Mason
Goose Cove Road
Sunset, ME 04683
207/348-6971

John W. Mettler III
Seminole Asset Management, Inc.
950 Third Avenue
New York, NY 10022
212/752-1855

John G. Moshner
USIA, Room 550
400 C Street, S. W.
Washington, D. C. 20547
202/485-2275

Mrs. Susan Pepperdine
6512 West 49th Street
Mission, KS 66202
913/831-0725

O.J. Ramsey, Esq.
Ramsey, Moore, Morrison & Keddy
10399 Old Placerville Road
Sacramento, CA 95827
916/362-8800

Mrs. Marilyn G. Seyler
815 Dickson Parkway
Mansfield, OH 44907
419/756-7559

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

Miss Alice R. Garey
2030 Carriage Lane
Arroyo Grande, CA 93420
805/849-5382

Ms. Gisela Karlan
6 Pepper Road
Towaco, NJ 07082
201/263-8255

William Kerber
4000 Cathedral Avenue, N.W.
Washington, D. C. 20016
202/338-7654

Dr. Amy Freeman Lee
127 Canterbury Hill
San Antonio, TX 78209
512/816-1747

Everett Smith, Jr.
Quaker Ridge
Greenwich, CT 06830
203/661-0004

Mrs. Brook Speidel
2531 Eye Street, N. W.
Washington, D. C. 20037
202/965-5546

Robert F. Welborn, Esq.
Welborn, Dufford, Brown & Tooley
1700 Broadway
Denver, CO 80290-1199
303/861-8013

K. William Wiseman
P. O. Box 120
Woolwich, ME 04579
207/443-3979

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "6"

December 31, 1985

	Value
Investments in Corporate Stocks	$3,329,211
Investments in Corporate Bonds	794,415
Investments in Government Obligations	2,884,289
	$7,007,915

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "7"

Part VII, Line 80

Common government body with (1) The National Humane Education Center, (2) The National Association for the Advancement of Humane Education, (3) Boulder County Humane Society Fund, (4) Elsa Horne Voss Animal Welfare Foundation, (5) Alice Morgan Wright-Edith Goode Fund, (6) Sussman Fund.

SCHEDULE "8"

Part V, Line 56

	Book Value
Undivided interest in trust funds	$1,006,001

SCHEDULE "9"

Part V, Line 57

	Date Acquired	Cost	Prior years	Mtd.	Life	Depreciation this Year
Land	Various	$ 422,375	$ -	-	-	$ -
Buildings & improvements	Various	1,421,132	397,960	S/L	Var	55,761
Furniture & fixtures	Various	656,443	228,848	S/L	Var	45,022
Transportation equipment	Various	20,615	7,730	S/L	Var	5,154
		$2,520,565	$634,538			$105,937

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1985

#53-0225390

SCHEDULE "10"

Part V, Line 64

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 9,566

SCHEDULE "11"

Schedule A - Part IV, Line 26 (b)

Sussman Estate	$2,405,618
Burford Estate	1,425,839
	3,831,457
$425,971 x 2	(851,942)
	$2,979,515

SCHEDULE "12"

Schedule A,
Part VI, Line 38 - Lobbying Expenditures

	Direct Lobbying	Grass Roots Lobbying
Prof./exec. and support staff	$ 33,742	$ 13,885
Related disbursements	7,384	2,934
Publications - direct costs	24,875	15,765
Special projects - direct costs	19,688	4,748
Indirect costs	86,818	35,802
Stationery - (est.)	1,800	1,800
	$174,307	$ 74,934

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS

4301 Connecticut Avenue, N.W.
Washington D.C. 20008
202/966-6602

Members of the American Institute of Certified Public Accountants

November 9, 1987

Mr. John A. Hoyt, President
The National Humane Education Center
2100 - L Street, N. W.
Washington, D. C. 20037

Dear John:

Enclosed is Form 990 - Return of Organization Exempt from Income Tax, for the year ended December 31, 1986. This form should be filed pursuant to the enclosed instruction sheet. A copy is included for your files.

Since the average income for the three year period, including the current year, was less than $25,000, it is not necessary to complete the entire return.

If you have any questions, or if we can be of further assistance, please do not hesitate to call.

Sincerely,

Bill

William V. Voorhees

WVV:lmp

Enclosures

THOMAS HAVEY & CO.
CERTIFIED PUBLIC ACCOUNTANTS

4301 Connecticut Avenue, N.W.
Washington D.C. 20008
202/966-6602

Members of the American Institute of Certified Public Accountants

TAXPAYER: The National Humane Education Center DATE: November 9, 1987

INSTRUCTIONS FOR FILING

RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX

FOR THE YEAR ENDED

December 31, 1986

To Be Signed And Dated By	(x) An Officer ( ) Trustee ( )
Amount of Tax	NONE
Mail Return To	INTERNAL REVENUE SERVICE CENTER (x) Philadelphia, Pennsylvania 19255 ( ) Holtsville, New York 00501 ( )
Return Must Be Mailed On Or Before	November 16, 1987 Use Certified Mail, if sufficient time to ensure timely delivery is unavailable.
State Filing Requirements	None

A COPY OF THIS RETURN IS ENCLOSED FOR YOUR FILES.

SPECIAL INSTRUCTIONS:

( ) ATTACH A SIGNED COPY OF YOUR FEDERAL EXTENSION OF TIME TO FILE TO THIS RETURN.
( )

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c) (except black lung benefit trust or private foundation) of the Internal Revenue Code or section 4947(a)(1) trust

Note. You may be required to use a copy of this return to satisfy state reporting requirements. See instruction D.

OMB No. 1545-0047

1986

For the calendar year 1986, or fiscal year beginning , 1986, and ending , 19

Use IRS label. Otherwise, please print or type.

Name of organization
The National Humane Education Center

Address (number and street)
2100 - L Street, N. W.

City or town, state, and ZIP code
Washington, D. C. 20037

A Employer identification number (see instruction L)
54 : 6076066

B State registration number (see instruction D)
n/a

C Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

D Check type of organization—Exempt under section ▶ ☑ 501(c)(3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☑ Accrual ☐ Other (specify) ▶

Check here if application for exemption is pending . . ▶ ☐

F Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No
If "Yes," enter the number of affiliates for which this return is filed ____
Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

G If "Yes" to either, give four-digit group exemption number (GEN) ▶

H ☒ Check here if your gross receipts are normally not more than $25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some states may require a completed return.

I ☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes in Fund Balances

		(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support			
	b Indirect public support			
	c Government grants			
	d Total (add lines 1a through 1c) (attach schedule—see instructions)			
	2 Program service revenue (from Part IV, line f)			
	3 Membership dues and assessments			
	4 Interest on savings and temporary cash investments			
	5 Dividends and interest from securities			
	6a Gross rents			
	b Minus: rental expenses			
	c Net rental income (loss)			
	7 Other investment income (Describe ▶ Securities / Other)			
	8a Gross amount from sale of assets other than inventory			
	b Minus: cost or other basis and sales expenses			
	c Gain (loss) (attach schedule)			
	9 Special fundraising events and activities (attach schedule—see instructions):			
	a Gross revenue (not including $ ____ of contributions reported on line 1a)			
	b Minus: direct expenses			
	c Net income (line 9a minus line 9b)			
	10a Gross sales minus returns and allowances			
	b Minus: cost of goods sold (attach schedule)			
	c Gross profit (loss)			
	11 Other revenue (from Part IV, line g)			
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11)			
Expenses	13 Program services (from line 44, column (B)) (see instructions)			
	14 Management and general (from line 44, column (C)) (see instructions)			
	15 Fundraising (from line 44, column (D)) (see instructions)			
	16 Payments to affiliates (attach schedule—see instructions)			
	17 Total expenses (add lines 16 and 44, column (A))			
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)			
	19 Fund balances or net worth at beginning of year (from line 74, column (A))			
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)			

BRIGGS TAX FORMS, Clive, Iowa 50063 (515) 274-2221

Form **2758**
(Rev. October 1986)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File

U.S. Partnership, Fiduciary, and Certain Exempt Organization Returns

▶ File a separate application for each return.

OMB No. 1545-0148
Expires 08/31/88

Please type or print. File the original and one copy by the due date for filing your return. (See instructions on back.)

Name: THE NATIONAL HUMANE EDUCATION CENTER

Number and street (or P.O. Box number if mail is not delivered to street address): 2100 - L STREET, N.W.

City or town, state, and ZIP code: WASHINGTON, D.C. 20037

Employer identification number: 54-6076066

(S corporations filing Form 1120S, political or exempt organizations filing Form 1120-POL, corporate exempt organizations filing Form 990-T, or farmers' cooperative associations filing Form 990-C, use Form 7004.)

1 An extension of time until NOVEMBER 15, 1987 is requested in which to file (check only one):

☐ Form 1065 ☐ Form 1041-A ☐ Form 4720 ☐ Form 990-T (401(a) trust) ☐ Form 990-BL
☐ Form 1041 (estate) ☐ Form 1041S ☐ Form 5227 ☐ Form 990-PF ☐ Form 6069
☐ Form 1041 (trust) ☐ Form 3520-A ☒ Form 990 ☐ Form 990-T (other than 401(a) trust)

Check here ▶ ☐, if organization does not have an office or place of business in the United States.

2 For calendar year 19 86, or other tax year beginning ..... and ending .....

3 Has an extension of time to file been previously granted for this tax year? ☒ Yes ☐ No

4 State in detail why you need the extension. ADDITIONAL TIME IS STILL NEEDED IN ORDER TO COMPLETE THE AUDIT OF THE FINANCIAL STATEMENTS, WHICH ARE NECESSARY IN THE PREPARATION OF FORM 990 AS SOON AS THE REMAINING OPEN ITEMS ARE RESOLVED A COMPLETE AND ACCURATE RETURN WILL BE PROMPTLY FILED.

5a If this form is for Form 1041, 4720, 5227, 6069, 990-BL, 990-PF, or 990-T, enter the total unpaid tax estimated to be due on the return . . . $ N/A

b If an estate, filing this form for a tax year beginning before January 1, 1987, enter at least 1/4 of the amount on line 5a and pay with this form . . . $ N/A

c All others (other than estates using line 5b), enter the total amount from line 5a and pay with this form (see the instructions) $ N/A

Caution: *Interest will be charged on any tax not paid by the regular due date of the returns filed on forms listed on line 5a above until the tax is paid.*

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature ▶ Craig A Stevens CPA Date ▶ 10-13-87

IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by IRS

☐ We HAVE approved your application. (Please attach this form to your return.)

☐ We HAVE NOT approved your application. (Please attach this form to your return.)

However, because of your reasons stated above, we have granted a 10-day grace period from the date shown below or due date of your return, whichever is later. This 10-day grace period is considered to be a valid extension of time for purposes of elections otherwise required to be made on timely filed returns.

☐ We HAVE NOT approved your application.

After considering your reasons stated above, we cannot grant your request for an extension of time to file. (We are not granting the 10-day grace period.)

☐ We cannot consider your application because it was filed after the due date of your return.

☐ Other .....

Director

By .....

Date

If the copy of this form is to be returned to an address other than that shown above, please enter the address where the copy should be sent.

Please Type or Print

Name: THOMAS HAVEY & CO.

Number and street (or P.O. Box number if mail is not delivered to street address): 4301 CONNECTICUT AVE., N.W., SUITE 432

City or town, state, and ZIP code: WASHINGTON, D.C. 20008

For Paperwork Reduction Act Notice, see back of form.

Form 2758 (Rev. 10-86)

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most sections 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Expenses	*Do not include amounts reported on lines 6b, 8b, 9b, 10b, or 16 of Part I.*	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
	22 Grants and allocations (attach schedule)				
	23 Specific assistance to individuals				
	24 Benefits paid to or for members				
	25 Compensation of officers, directors, etc.				
	26 Other salaries and wages				
	27 Pension plan contributions				
	28 Other employee benefits				
	29 Payroll taxes				
	30 Professional fundraising fees				
	31 Accounting fees				
	32 Legal fees				
	33 Supplies				
	34 Telephone				
	35 Postage and shipping				
	36 Occupancy				
	37 Equipment rental and maintenance				
	38 Printing and publications				
	39 Travel				
	40 Conferences, conventions, and meetings				
	41 Interest				
	42 Depreciation, depletion, etc. (attach schedule)				
	43 Other expenses (itemize): a				
	b				
	c				
	d				
	e				
	f				
	44 Total functional expenses (add lines 22 through 43) Organizations completing columns B-D, carry these totals to lines 13-15.				

Part III Statement of Program Services Rendered

List each program service title on lines a through d; for each, identify the service output(s) or product(s), and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
a	(Grants and allocations $)	
b	(Grants and allocations $)	
c	(Grants and allocations $)	
d	(Grants and allocations $)	
e	Other program service activities (attach schedule) (Grants and allocations $)	
f	Total (add lines a through e) (should equal line 44, column (B))	

Part IV Program Service Revenue and Other Revenue (State Nature)

	Program service revenue	Other revenue
a Fees from government agencies		
b		
c		
d		
e		
f Total program service revenue (enter here and on line 2)		
g Total other revenue (enter here and on line 11)		

Part V Balance Sheets If line 12 or Column (B) of line 59 is more than $25,000, complete the entire balance sheet. If line 12, Part I, and Column (B) of line 59 are $25,000 or less, you may complete only lines 59, 66, 74, and 75. See instructions.

Note: **Columns (C) and (D) are optional.** *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*

		(A) Beginning of year	End of year (B) Total	(C) Unrestricted/ Expendable	(D) Restricted/ Nonexpendable
	Assets				
45	Cash—non-interest bearing				
46	Savings and temporary cash investments				
47	Accounts receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
48	Pledges receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
49	Grants receivable				
50	Receivables due from officers, directors, trustees, and key employees (attach schedule)				
51	Other notes and loans receivable ▶ _____ minus allowance for doubtful accounts ▶ _____				
52	Inventories for sale or use				
53	Prepaid expenses and deferred charges				
54	Investments—securities (attach schedule)				
55	Investments—land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
56	Investments—other (attach schedule)				
57	Land, buildings and equipment: basis ▶ _____ minus accumulated depreciation ▶ _____ (attach schedule)				
58	Other assets ▶ _____				
59	Total assets (add lines 45 through 58)				
	Liabilities				
60	Accounts payable and accrued expenses				
61	Grants payable				
62	Support and revenue designated for future periods (attach schedule)				
63	Loans from officers, directors, trustees, and key employees (attach schedule)				
64	Mortgages and other notes payable (attach schedule)				
65	Other liabilities ▶ _____				
66	Total liabilities (add lines 60 through 65)				
	Fund Balances or Net Worth				
	Organizations that use fund accounting, check here ▶ ☐ and complete lines 67 through 70 and lines 74 and 75.				
67a	Current unrestricted fund				
b	Current restricted fund				
68	Land, buildings and equipment fund				
69	Endowment fund				
70	Other funds (Describe ▶ _____)				
	Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71	Capital stock or trust principal				
72	Paid-in or capital surplus				
73	Retained earnings or accumulated income				
74	Total fund balances or net worth (see instructions)				
75	Total liabilities and fund balances/net worth (see instructions)				

Part VI **List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See instructions.)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances

Part VII **Other Information**

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		
b	If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?		
c	If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? (See instructions.) If "Yes," attach a statement as described in the instructions.		
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? (See instructions.) If "Yes," enter the name of the organization ▶ ..... and check whether it is ☐ exempt **OR** ☐ nonexempt.		
81 a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶		
b	Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		
82	Did your organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums? (See instructions and Regulations section 1.162-20(c).) If "Yes," enter the total amount spent for this purpose		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
a	Initiation fees and capital contributions included on line 12		
b	Gross receipts, included in line 12, for public use of club facilities (see instructions)		
c	Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion? (See instructions.)		
85	*Section 501(c)(12) organizations.*—Enter amount of:		
a	Gross income received from members or shareholders		
b	Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them)		
86	*Public interest law firms.*—Attach information described in the instructions.		
87	List the states with which a copy of this return is filed ▶		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?		
89	The books are in care of ▶ ..... Telephone no. ▶ ..... Located at ▶		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ _____ Date _____ Title ▶ _____

Paid Preparer's Use Only

Preparer's signature ▶ Thomas Havey & Co

Date 11/18/87

Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790
4301 Conn. Ave., N.W., Wash., D.C.

ZIP code 20008

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c) (except black lung benefit trust or private foundation) of the Internal Revenue Code or section 4947(a)(1) trust

Note: You may be required to use a copy of this return to satisfy state reporting requirements. See instruction D.

OMB No. 1545-0047

1986

For the calendar year 1986, or fiscal year beginning , 1986, and ending , 19

Use IRS label. Otherwise, please print or type.

Name of organization: The Humane Society of the United States

Address (number and street): 2100 - L Street, N. W.

City or town, state, and ZIP code: Washington, D. C. 20037

A Employer identification number (see instruction L): 53 : 0225390

B State registration number (see instruction D)

C Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here ▶ ☐ (see instruction C10).

D Check type of organization—Exempt under section ▶ ☒ 501(c) (3) (insert number), OR ▶ ☐ section 4947(a)(1) trust

E Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

Check here if application for exemption is pending . . ▶ ☐

F Is this a group return (see instruction J) filed for affiliates? . . . . ☐ Yes ☒ No
If "Yes," enter the number of affiliates for which this return is filed ____
Is this a separate return filed by a group affiliate? . . . . . ☐ Yes ☒ No

G If "Yes" to either, give four-digit group exemption number (GEN) ▶

H ☐ Check here if your gross receipts are normally not more than $25,000 (see instruction B11). You do not have to file a completed return with IRS but should file a return without financial data if you were mailed a Form 990 Package (see instruction A). Some states may require a completed return.

I ☐ Check here if gross receipts are normally more than $25,000 and line 12 is $25,000 or less. Complete Parts I (except lines 13-15), III, IV, VI, and VII and only the indicated items in Parts II and V (see instruction I). If line 12 is more than $25,000, complete the entire return.

501(c)(3) organizations and 4947(a)(1) trusts must also complete and attach Schedule A (Form 990). (See instructions.)

Part I Statement of Support, Revenue, and Expenses and Changes In Fund Balances

		(A) Total	These columns are optional—see instructions (B) Unrestricted/ Expendable	(C) Restricted/ Nonexpendable
Support and Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support 5,737,274		4,902,133	835,141
	b Indirect public support			
	c Government grants			
	d Total (add lines 1a through 1c) (attach schedule—see instructions)	5,737,274	4,902,133	835,141
	2 Program service revenue (from Part IV, line f)	240,000	240,000	
	3 Membership dues and assessments	3,369,787	3,369,787	
	4 Interest ~~on savings and temporary cash investments~~	617,042	229,883	387,159
	5 Dividends ~~and interest from securities~~	234,155	126,818	107,337
	6a Gross rents			
	b Minus: rental expenses			
	c Net rental income (loss)			
	7 Other investment income (Describe ▶)			
	8a Gross amount from sale of assets other than inventory: Securities 5,011,814; Other			
	b Minus: cost or other basis and sales expenses Sch"1" 4,669,296			
	c Gain (loss) (attach schedule) 342,518	342,518	269,685	72,833
	9 Special fundraising events and activities (attach schedule—see instructions):			
	a Gross revenue (not including $ ____ of contributions reported on line 1a)			
	b Minus: direct expenses			
	c Net income (line 9a minus line 9b)			
	10a Gross sales minus returns and allowances			
	b Minus: cost of goods sold (attach schedule)			
	c Gross profit (loss)			
	11 Other revenue (from Part IV, line g)			
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8c, 9c, 10c, and 11)	10,540,776	9,138,306	1,402,470
Expenses	13 Program services (from line 44, column (B)) (see instructions)	6,926,527	6,817,703	108,824
	14 Management and general (from line 44, column (C)) (see instructions)	773,731	660,579	113,152
	15 Fundraising (from line 44, column (D)) (see instructions)	308,503	308,503	
	16 ~~Payments to affiliates (attach schedule—see instructions)~~ Interfund transfers	–	(265,059)	265,059
	17 Total expenses (add lines 16 and 44, column (A))	8,008,761	7,521,726	487,035
Fund Balances	18 Excess (deficit) for the year (subtract line 17 from line 12)	2,532,015	1,616,580	915,435
	19 Fund balances or net worth at beginning of year (from line 74, column (A))	13,164,935	7,361,662	5,803,273
	20 Other changes in fund balances or net worth (attach explanation)			
	21 Fund balances or net worth at end of year (add lines 18, 19, and 20)	15,696,950	8,978,242	6,718,708

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for most sections 501(c)(3) and (c)(4) organizations and 4947(a)(1) trusts but optional for others. (See instructions.)

Do not include amounts reported on lines 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Expenses	22 Grants and allocations (attach schedule) Sch. "2"	211,986	211,986		
	23 Specific assistance to individuals				
	24 Benefits paid to or for members				
	25 Compensation of officers, directors, etc.	534,000	379,000	116,000	39,000
	26 Other salaries and wages	1,766,870	1,541,367	218,253	7,250
	27 Pension plan contributions	29,960	25,017	4,344	599
	28 Other employee benefits	137,377	114,709	19,920	2,748
	29 Payroll taxes	165,314	138,037	23,971	3,306
	30 Professional fundraising fees				
	31 Accounting fees				
	32 Legal fees	107,632	60,175	47,166	291
	33 Supplies	131,857	111,147	18,200	2,510
	34 Telephone	112,368	93,828	16,293	2,247
	35 Postage and shipping	173,692	149,254	21,476	2,962
	36 Occupancy	142,526	115,727	24,027	2,772
	37 Equipment rental and maintenance	28,726	23,987	4,165	574
	38 Printing and publications	402,450	336,046	58,355	8,049
	39 Travel	265,563	231,379	30,040	4,144
	40 Conferences, conventions, and meetings	52,867	44,144	7,666	1,057
	41 Interest	20,307	16,956	2,945	406
	42 Depreciation, depletion, etc. (attach schedule)	132,237	110,418	19,174	2,645
	43 Other expenses (itemize): a				
	b Schedule "3"	3,593,029	3,223,350	141,736	227,943
	c				
	d				
	e				
	f				
	44 Total functional expenses (add lines 22 through 43) Organizations completing columns B-D, carry these totals to lines 13-15.	8,008,761	6,926,527	773,731	308,503

Part III Statement of Program Services Rendered

List each program service title on lines a through d; for each, identify the service output(s) or product(s), and report the quantity provided. Enter the total expenses attributable to each program service and the amount of grants and allocations included in that total. (See instructions for Part III.)

		Expenses (Optional for some organizations—see instructions)
a	Humane Education, membership and program services (Grants and allocations $ 211,986)	4,285,627
b	Cruelty investigation and litigation (Grants and allocations $)	711,570
c	Membership development (Grants and allocations $)	1,929,330
d	(Grants and allocations $)	
e	Other program service activities (attach schedule) (Grants and allocations $)	
f	Total (add lines a through e) (should equal line 44, column (B))	6,926,527

BRIGGS TAX FORMS, Clive, Iowa 50033 (515) 274-9221

Form **2758**
(Rev. October 1986)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File

U.S. Partnership, Fiduciary, and Certain Exempt Organization Returns

▶ File a separate application for each return.

OMB No. 1545-0148
Expires 08/31/88

Please type or print. File the original and one copy by the due date for filing your return. (See instructions on back.)

Name: THE HUMANE SOCIETY OF THE UNITED STATES

Number and street (or P.O. Box number if mail is not delivered to street address): 2100-L STREET, N.W.

City or town, state, and ZIP code: WASHINGTON, D.C. 20037

Employer identification number: 53-0225390

(S corporations filing Form 1120S, political or exempt organizations filing Form 1120-POL, corporate exempt organizations filing Form 990-T, or farmers' cooperative associations filing Form 990-C, use Form 7004.)

1 An extension of time until OCTOBER 15, 1987 is requested in which to file (check only one):

- ☐ Form 1065
- ☐ Form 1041 (estate)
- ☐ Form 1041 (trust)
- ☐ Form 1041-A
- ☐ Form 1041S
- ☐ Form 3520-A
- ☐ Form 4720
- ☐ Form 5227
- ☒ Form 990
- ☐ Form 990-T (401(a) trust)
- ☐ Form 990-PF
- ☐ Form 990-T (other than 401(a) trust)
- ☐ Form 990-BL
- ☐ Form 6069

Check here ▶ ☐, if organization does not have an office or place of business in the United States.

2 For calendar year 19 86, or other tax year beginning ..... and ending .....

3 Has an extension of time to file been previously granted for this tax year? ☒ Yes ☐ No

4 State in detail why you need the extension. ADDITIONAL TIME IS STILL NEEDED IN ORDER TO COMPLETE THE AUDIT OF THE FINANCIAL STATEMENTS, WHICH ARE NECESSARY IN THE PREPARATION OF FORM 990. AS SOON AS THE REMAINING OPEN ITEMS ARE RESOLVED, A COMPLETE AND ACCURATE RETURN WILL BE PROMPTLY FILED.

5a If this form is for Form 1041, 4720, 5227, 6069, 990-BL, 990-PF, or 990-T, enter the total unpaid tax estimated to be due on the return ..... $ N/A

b If an estate, filing this form for a tax year beginning before January 1, 1987, enter at least 1/4 of the amount on line 5a and pay with this form ..... $ N/A

c All others (other than estates using line 5b), enter the total amount from line 5a and pay with this form (see the instructions) $ N/A

Caution: *Interest will be charged on any tax not paid by the regular due date of the returns filed on forms listed on line 5a above until the tax is paid.*

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature ▶ Reginald E. Melby, CPA Date ▶ 8-13-87

IRS RECEIVED
AUG 17 1987
PSC PHILA, PA

IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by IRS

☑ **We HAVE** approved your application. (Please attach this form to your return.)

☐ **We HAVE NOT** approved your application. (Please attach this form to your return.)

However, because of your reasons stated above, we have granted a 10-day grace period from the date shown below or due date of your return, whichever is later. This 10-day grace period is considered to be a valid extension of time for purposes of election otherwise required to be made on timely filed returns.

☐ **We HAVE NOT** approved your application.

After considering your reasons stated above, we cannot grant your request for an extension of time to file. (We are not granting the 10-day grace period.)

☐ We cannot consider your application because it was filed after the due date of your return.

☐ Other .....

By: Director

Date

If the copy of this form is to be returned to an address other than that shown above, please enter the address where the copy should be sent.

Please Type or Print

Name: THOMAS HAVEY & CO.

Number and street (or P.O. Box number if mail is not delivered to street address): 4301 CONNECTICUT AVE., N.W., SUITE 422

City or town, state, and ZIP code: WASHINGTON, D.C. 20008

For Paperwork Reduction Act Notice, see back of form.

Form 2758 (Rev. 10-86)

Part IV Program Service Revenue and Other Revenue (State Nature)

	Program service revenue	Other revenue
a Fees from government agencies		
b Sales of literature and other	240,000	
c		
d		
e		
f Total program service revenue (enter here and on line 2)	240,000	
g Total other revenue (enter here and on line 11)		

Part V Balance Sheets If line 12 or Column (B) of line 59 is more than $25,000, complete the entire balance sheet. If line 12, Part I, and Column (B) of line 59 are $25,000 or less, you may complete only lines 59, 66, 74, and 75. See instructions.

Note: Columns (C) and (D) are optional. *Columns (A) and (B) must be completed to the extent applicable. Where required, attached schedules should be for end-of-year amounts only.*	(A) Beginning of year	End of year (B) Total	End of year (C) Unrestricted/ Expendable	End of year (D) Restricted/ Nonexpendable
Assets				
45 Cash—non-interest bearing	1,541,619	3,333,877	2,301,270	1,032,607
46 Savings and temporary cash investments	1,797,960	3,072,438	1,138,519	1,933,919
47 Accounts receivable ▶ 98,058 minus allowance for doubtful accounts ▶ —	18,651	98,058	96,010	2,048
48 Pledges receivable ▶ minus allowance for doubtful accounts ▶				
49 Grants receivable				
50 Receivables due from officers, directors, trustees, and key employees (attach schedule)				
51 Other notes and loans receivable ▶ minus allowance for doubtful accounts ▶	434,972	128,084	116,383	11,701
52 Inventories for sale or use				
53 Prepaid expenses and deferred charges	39,741	34,058	34,058	—
54 Investments—securities (attach schedule) Sch. "6"	7,007,915	6,160,369	3,069,899	3,090,470
55 Investments—land, buildings and equipment: basis ▶ minus accumulated depreciation ▶ (attach schedule)				
56 Investments—other (attach schedule) Sch. "8"	1,006,001	1,321,709		1,321,709
57 Land, buildings and equipment: basis ▶ 2,598,418 Sch. "9" minus accumulated depreciation ▶ 871,755 (attach schedule)	1,780,090	1,726,663	1,726,663	
58 Other assets ▶ Acc'd int. & divi. received	120,691	44,046	16,218	27,828
59 Total assets (add lines 45 through 58)	13,747,640	15,919,302	8,499,020	7,420,282
Liabilities				
60 Accounts payable and accrued expenses	548,139	177,254	167,000	10,254
61 ~~Grants payable~~ Interfund accounts			(691,320)	691,320
62 Support and revenue designated for future periods (attach schedule)				
63 Loans from officers, directors, trustees, and key employees (attach schedule)				
64 Mortgages and other notes payable (attach schedule) Sch. "10"	9,566			
65 Other liabilities ▶ Deferred income	25,000	45,098	45,098	
66 Total liabilities (add lines 60 through 65)	582,705	222,352	(479,222)	701,574
Fund Balances or Net Worth				
Organizations that use fund accounting, check here ▶ ☒ and complete lines 67 through 70 and lines 74 and 75.				
67a Current unrestricted fund	7,361,662	8,978,242	8,978,242	
b Current restricted fund	22,287	684,313		684,313
68 Land, buildings and equipment fund				
69 Endowment fund	6,410	6,406		6,406
70 Other funds (Describe ▶ Annuity & Trust)	5,774,576	6,027,989		6,027,989
Organizations that do not use fund accounting, check here ▶ ☐ and complete lines 71 through 75.				
71 Capital stock or trust principal				
72 Paid-in or capital surplus				
73 Retained earnings or accumulated income				
74 Total fund balances or net worth (see instructions)	13,164,935	15,696,950	8,978,242	6,718,708
75 Total liabilities and fund balances/net worth (see instructions)	13,747,640	15,919,302	8,499,020	7,420,282

Part VI **List of Officers, Directors, and Trustees (List each officer, director, and trustee whether compensated or not.) (See instructions.)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if any)	(D) Contributions to employee benefit plans	(E) Expense account and other allowances
Schedule "4"				

Part VII **Other Information**

		Yes	No
76	Has the organization engaged in any activities not previously reported to the Internal Revenue Service? If "Yes," attach a detailed description of the activities.		X
77	Have any changes been made in the organizing or governing documents, but not reported to IRS? If "Yes," attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		X
b	If "Yes," have you filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	n/a	
c	If the organization has gross sales or receipts from business activities not reported on Form 990-T, attach a statement explaining your reason for not reporting them on Form 990-T.		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? (See instructions.) If "Yes," attach a statement as described in the instructions.		X
80	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? (See instructions.) If "Yes," enter the name of the organization ▶ Schedule "7" and check whether it is ☒ exempt OR ☐ nonexempt.	X	
81a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ none		
b	Did you file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?		X
82	Did your organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
	If "Yes," you may indicate the value of these items here. Do not include this amount as support in Part I or as an expense in Part II. See instructions for reporting in Part III ▶ n/a		
83	*Section 501(c)(5) or (6) organizations.*—Did the organization spend any amounts in attempts to influence public opinion about legislative matters or referendums? (See instructions and Regulations section 1 162-20(c).)	n/a	
	If "Yes," enter the total amount spent for this purpose ▶ n/a		
84	*Section 501(c)(7) organizations.*—Enter amount of:		
a	Initiation fees and capital contributions included on line 12 ▶ n/a		
b	Gross receipts, included in line 12, for public use of club facilities (see instructions) ▶ n/a		
c	Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion? (See instructions.)	n/a	
85	*Section 501(c)(12) organizations.*—Enter amount of:		
a	Gross income received from members or shareholders ▶ n/a		
b	Gross income received from other sources (do not net amounts due or paid to other sources against amounts due or received from them) ▶ n/a		
86	*Public interest law firms.*—Attach information described in the instructions.		
87	List the states with which a copy of this return is filed ▶ NY; NJ; CT; IL; MN; MI; VA; MD; OH; CA		
88	During this tax year did you maintain any part of your accounting/tax records on a computerized system?	X	
89	The books are in care of ▶ Assistant Treasurer Telephone no. ▶ (202) 452-1100 Located at ▶ 2100 L Street, N. W., Washington, D. C. 20037		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Paul B. Irwin — Signature of officer — 9/30/87 — Date — Treasurer — Title

Paid Preparer's Use Only

Preparer's signature ▶ — Date — Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed) and address ▶ Thomas Havey & Co. #36-2131790, 4301 Conn. Ave., N.W., Wash., D.C. — ZIP code 20008

SCHEDULE A (Form 990)
Department of the Treasury
Internal Revenue Service

Organization Exempt Under 501(c)(3)

(Except Private Foundation), 501(e), 501(f), 501(k), or Section 4947(a)(1) Trust
Supplementary Information
▶ Attach to Form 990.

OMB No. 1545-0047

1986

Name: The Humane Society of the United States

Employer identification number: 53 : 0225390

Part I Compensation of Five Highest Paid Employees Other Than Officers, Directors, and Trustees (See specific instructions)

Name and address of employees paid more than $30,000	Title and average hours per week devoted to position	Compensation	Contributions to employee benefit plans	Expense account and other allowances
Michael Fox 2100 - L St.,N.W.,Wash.,D.C.	Scientific Director 40 hrs.	59,000	3,076	—
Ben Hayes 2100 - L St.,N.W.,Wash.,D.C.	Director of Memberships 40 hrs.	34,000	3,011	—
Frantz Dantzler 2100 - L St.,N.W.,Wash.,D.C.	Regional Director 40 hrs.	36,000	3,008	—
Martha Hamby 2100 - L St.,N.W.,Wash.,D.C.	Director of Fed. Legislation 40 hrs.	33,500	1,141	—
John Dommers 2100 - L St.,N.W.,Wash.,D.C.	Regional Director 40 hrs.	33,000	3,000	—
Total number of other employees paid over $30,000 ▶	12			

Part II Compensation of Five Highest Paid Persons for Professional Services (See specific instructions)

Name and address of persons paid more than $30,000	Type of service	Compensation
None		
Total number of others receiving over $30,000 for professional services ▶	None	

Part III Statements About Activities

		Yes (1)	No (2)
1	During the year, have you attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?	1 X	
	If "Yes," enter the total expenses paid or incurred in connection with the legislative activities $ _____ Complete Part VI of this form for organizations that made an election under section 501(h) on Form 5768 or other statement. For other organizations checking "Yes," attach a statement giving a detailed description of the legislative activities and a classified schedule of the expenses paid or incurred.		
2	During the year, have you, either directly or indirectly, engaged in any of the following acts with a trustee, director, principal officer or creator of your organization, or any organization or corporation with which such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary:		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? See Form 990 /Part VI	2d X	
e	Transfer of any part of your income or assets?	2e	X
	If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3	Do you make grants for scholarships, fellowships, student loans, etc.?	3	X
4	Attach a statement explaining how you determine that individuals or organizations receiving disbursements from you in furtherance of your charitable programs qualify to receive payments. (See specific instructions)		

Part IV Reason for Non-Private Foundation Status (See instructions for definitions)

The organization is not a private foundation because it is (check applicable box; please check only **ONE** box):

5 ☐ 1 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
6 ☐ 2 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 3.)
7 ☐ 3 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
8 ☐ 4 A Federal, state or local government or governmental unit. Section 170(b)(1)(A)(v).
9 ☐ 5 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter name, city, and state of hospital** ▶ .....
10 ☐ 6 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete Support Schedule.)
11 ☒ 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete Support Schedule.)
12 ☐ 8 An organization that normally receives: (a) no more than 1/3 of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975, and (b) more than 1/3 of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions. See section 509(a)(2). (Also complete Support Schedule.)
13 ☐ 9 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) boxes 5 through 12 above or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). See section 509(a)(3).

Provide the following information about the supported organizations. (See instructions for Part IV, box 13.)

(a) Name of supported organizations	(b) Box number from above

14 ☐ 0 An organization organized and operated to test for public safety. Section 509(a)(4). (See specific instructions)

Support Schedule (Complete only if you checked box 10, 11, or 12 above) Use cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 1985	(b) 1984	(c) 1983	(d) 1982	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	4,782,416	3,386,497	4,034,933	4,311,133	16,514,979
16 Membership fees received	2,117,806	1,325,450	826,386	721,570	4,991,212
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	229,209	166,925	147,864	169,594	713,592
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	906,996	912,786	912,368	945,534	3,677,684
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for your benefit and either paid to you or expended on your behalf					
21 The value of services or facilities furnished to you by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach schedule. Do not include gain (or loss) from sale of capital assets					
23 Total of lines 15 through 22	8,036,427	5,791,658	5,921,551	6,147,831	25,897,467
24 Line 23 minus line 17	7,807,218	5,624,733	5,773,687	5,978,237	25,183,875
25 Enter 1% of line 23	80,364	57,917	59,216	61,478	
26 Organizations described in box 10 or 11: a Enter 2% of amount in column (e), line 24. b Attach a list (not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1982 through 1985 exceeded the amount shown in 26a. Enter the sum of all excess amounts here Sch. "I"					503,678

(Continued on page 3)

Part IV Support Schedule (continued)(Complete only if you checked box 10, 11, or 12 on page 2) N/A

27 Organizations described in box 12, page 2:

a Attach a list for amounts shown on lines 15, 16, and 17, showing the name of, and total amounts received in each year from, each "disqualified person," and enter the sum of such amounts for each year:

(1985)..... (1984)..... (1983)..... (1982).....

b Attach a list showing, for 1982 through 1985, the name and amount included in line 17 for each person (other than "disqualified persons") from whom the organization received more, during that year, than the larger of: the amount on line 25 for the year or $5,000. Include organizations described in boxes 5 through 11 as well as individuals. Enter the sum of these excess amounts for each year:

(1985) (1984) (1983) (1982)

28 For an organization described in box 10, 11, or 12, page 2, that received any unusual grants during 1982 through 1985, attach a list (not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15 above. (See specific instructions)

Part V Private School Questionnaire
To Be Completed ONLY by Schools That Checked Box 6 in Part IV N/A

		Yes (1)	No (2)
29 Do you have a racially nondiscriminatory policy toward students by statement in your charter, bylaws, other governing instrument, or in a resolution of your governing body?	29		
30 Do you include a statement of your racially nondiscriminatory policy toward students in all your brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31 Have you publicized your racially nondiscriminatory policy by newspaper or broadcast media during the period of solicitation for students or during the registration period if you have no solicitation program, in a way that makes the policy known to all parts of the general community you serve?	31		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32 Do you maintain the following:			
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d Copies of all material used by you or on your behalf to solicit contributions?	32d		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33 Do you discriminate by race in any way with respect to:			
a Students' rights or privileges?	33a		
b Admissions policies?	33b		
c Employment of faculty or administrative staff?	33c		
d Scholarships or other financial assistance? (See instructions)	33d		
e Educational policies?	33e		
f Use of facilities?	33f		
g Athletic programs?	33g		
h Other extracurricular activities?	33h		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a Do you receive any financial aid or assistance from a governmental agency?	34a		
b Has your right to such aid ever been revoked or suspended?	34b		
If you answered "Yes" to either 34a or b, please explain using an attached separate statement.			
35 Do you certify that you have complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation. (See instructions for Part V)	35		

Part VI Lobbying Expenditures by Public Charities (See instructions)
(To be completed ONLY by an eligible organization that filed Form 5768)

Check here ▶ a ☐ If the organization belongs to an affiliated group. (See instructions)
Check here ▶ b ☐ If you checked a and "limited control" provisions apply. (See instructions)

Limits on Lobbying Expenses	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total (grassroots) lobbying expenses to influence public opinion Schedule "12"		131,316
37 Total lobbying expenses to influence a legislative body Schedule "12"		129,288
38 Total lobbying expenses (add lines 36 and 37)		260,604
39 Other exempt purpose expenses (See Part VI instructions)		7,439,654
40 Total exempt purpose expenses (add lines 38 and 39) (See instructions)		7,700,258
41 Lobbying nontaxable amount. Enter the smaller of $1,000,000 or the amount determined under the following table—		
If the amount on line 40 is— / The lobbying nontaxable amount is—		
Not over $500,000 — 20% of the amount on line 40		
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000		535,013
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000		
Over $1,500,000 — $225,000 plus 5% of the excess over $1,500,000		
42 Grassroots nontaxable amount (enter 25% of line 41)		133,753
(Complete lines 43 and 44. File Form 4720 if either line 36 exceeds line 42 or line 38 exceeds line 41.)		
43 Excess of line 36 over line 42		-0-
44 Excess of line 38 over line 41		-0-

4-Year Averaging Period Under Section 501(h).

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45-50 for details.)

Lobbying Expenses During 4-Year Averaging Period

Calendar year (or fiscal year beginning in) ▶	(a) 1986	(b) 1985	(c) 1984	(d) 1983	(e) Total
45 Lobbying nontaxable amount (See instructions)	535,013	495,278	396,339	353,302	1,779,932
46 Lobbying ceiling amount (150% of line 45(e))					2,669,898
47 Total lobbying expenses (See instructions)	260,604	249,241	346,024	244,243	1,100,112
48 Grassroots nontaxable amount (See instructions)	133,753	123,820	99,085	88,326	444,984
49 Grassroots ceiling amount (150% of line 48(e))					667,476
50 Grassroots lobbying expenses (See instructions)	131,316	74,934	98,217	49,097	353,564

★ U.S. GOVERNMENT PRINTING OFFICE 1987 493-063

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "1"

Part 1, Line 8

Sale of assets other than inventory	Gross Sales Price	Cost or Basis	Gain (Loss)
Marketable securities	$5,011,814	$4,669,296	$342,518

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "2"

Part II, Line 22 - Gifts to Other Organizations

National Coalition to Protect Our Pets	$ 15,000
Turtle Back Zoo	300
U.S.P.A.	1,000
A.S.P.C.A.	1,500
Michigan Humane Society	35,000
Animal Rights Network	5,000
World Society for Protection of Animals	5,000
Pacific and Northwest Animal Control	75
Jean E. Swanson	687
Friends of Washoe	1,000
Incarnate Word College	25,000
Halt/Pet and Wildlife Preserve	1,000
People for Animal Rights	500
Minitor	2,000
Animal Legal Defense Fund	100
National Trust for Protection of Animals	2,000
W.S.P.A.	5,000
St. Hubert's Giralda	6,000
American Horse Protection Association	1,000
Humane Education Research	1,000
American Fondouck	2,274
Association of Veterinarians	1,300
Irish Society for the Prevention of Cruelty to Animals	5,000
Council for Livestock Protection	5,000
Other miscellaneous gifts to other societies	90,250
	$211,986

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "3"

Part II, Line 43 - Other Expenses

	Col. (A)	Col. (B)	Col. (C)	Col. (D)
Consultants and other services	$ 139,878	$ 139,878	$ -	$ -
Data processing	54,602	45,593	7,917	1,092
Insurance and bonds	73,114	61,051	10,601	1,462
Taxes - other	60,999	50,934	8,845	1,220
Library	2,605	2,605	-	-
Payments to annuitants	103,714	-	103,714	-
Cost of educational publications	730,629	729,239	1,221	169
Mailing expense	2,153,330	1,929,330	-	224,000
Pet action line	264,720	264,720	-	-
Administrative fees	9,438	-	9,438	-
	$3,593,029	$3,223,350	$141,736	$227,943

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "4"

Part VI

Name	Address	Title	Time Devoted	Salary	Contribution To Employee Benefit Plan	Expense Accoun and Other Allowances
John A. Hoyt	2100 L Street,N.W., Wash,D.C.	President	Full	$ 95,000	$ 7,926	$5,000
Murdaugh S. Madden	"	Vice-Pres.	"	69,000	14,926	n/a
Patrick B. Parkes	"	Vice-Pres.	"	50,500	7,926	n/a
Patricia A. Forkan	"	Vice-Pres.	"	51,000	7,926	n/a
Phyllis Wright	"	Vice-Pres.	"	44,500	6,126	n/a
Paul G. Irwin	"	Treasurer	"	78,000	9,926	n/a
Moneta P. Morgan	"	Asst.Treas.	"	50,000	2,926	n/a
Marcia Glaser	"	Asst.Secy.	"	37,000	1,126	n/a
John W. Grandy	"	Vice-Pres.	"	59,000	7,926	n/a
				$534,000	$ 66,734	$5,000

See attached list of directors who served part-time without compensation.

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

Coleman Burke, Esq.
465 Stewart Road
Short Hills, N. J.

Samuel A. Bowman
Tucker, Anthony & R.L. Day, Inc.
120 Broadway, 33rd floor
New York, NY 10271
212/618-7658

Dr. Carol Browning
6182 South 2855 East
Ogde, UT 84403
801/479-3475

Mrs. Oliver M. Evans
3045 P Street,N. W.
Washington, D. C. 20007
202/338-8037

Miss Regina Bauer Frankenberg
31 East 72nd Street, Apt. 9B
New York, NY 10021
212/488-4126

Harold H. Gardiner
Gardiner Advertising Agency
P. O. Box 30
Salt Lake City, UT 84110
801/364-5600

Jack W. Lydman
2815 Que Street, N. W.
Washington, D.C. 20007
202/965-1310

Mrs. Virginia (Pat) Lynch
98 Clarendon
San Francisco, CA 94114
415/566-6616

Mrs. Cherie Mason
Goose Cove Road
Sunset, ME 04683
207/348-6971

John W. Mettler III
Seminole Asset Management, Inc.
950 Third Avenue
New York, NY 10022
212/752-1855

John G. Moshner
USIA, Room 550
400 C Street, S. W.
Washington, D. C. 20547
202/485-2275

Mrs. Susan Pepperdine
6512 West 49th Street
Mission, KS 66202
913/831-0725

O.J. Ramsey, Esq.
Ramsey, Moore, Morrison & Keddy
10399 Old Placerville Road
Sacramento, CA 95827
916/362-8800

Mrs. Marilyn G. Seyler
815 Dickson Parkway
Mansfield, OH 44907
419/756-7559

John Kelly
WXYZ-TV
20777 West Ten Mile Road
Southfield, MI

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

BOARD OF DIRECTORS

SCHEDULE "4"
(Continued)

Miss Alice R. Garey
2030 Carriage Lane
Arroyo Grande, CA 93420
805/849-5382

Ms. Gisela Karlan
6 Pepper Road
Towaco, NJ 07082
201/263-8255

William Kerber
4000 Cathedral Avenue, N.W.
Washington, D. C. 20016
202/338-7654

Dr. Amy Freeman Lee
127 Canterbury Hill
San Antonio, TX 78209
512/816-1747

Everett Smith, Jr.
Quaker Ridge
Greenwich, CT 06830
203/661-0004

Mrs. Brook Speidel
2531 Eye Street, N. W.
Washington, D. C. 20037
202/965-5546

Robert F. Welborn, Esq.
Welborn, Dufford, Brown & Tooley
1700 Broadway
Denver, CO 80290-1199
303/861-8013

K. William Wiseman
P. O. Box 120
Woolwich, ME 04579
207/443-3979

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "6"

	December 31, 1986 Value
Investments in Corporate Stocks	$3,682,240
Investments in Corporate Bonds	939,900
Investments in Government Obligations	1,538,229
	$6,160,369

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "7"

Part VII, Line 80

Common government body with (1) The National Humane Education Center, (2) The National Association for the Advancement of Humane Education, (3) Boulder County Humane Society Fund, (4) Elsa Horne Voss Animal Welfare Foundation, (5) Alice Morgan Wright-Edith Goode Fund, (6) Sussman Fund.

SCHEDULE "8"

Part V, Line 56

	Book Value
Undivided interest in trust funds	$1,321,709

FORM 990 - Depreciation Schedule

Reference Part II, Line 42 Schedule "9"

Name The Humane Society of the United States

F.E.I.N. 53-0225390

Depreciation						
A. Description of property	B. Date acquired	C. Cost or other basis	D. Depreciation allowed or allowable in earlier years	E. Method of figuring depreciation	F. Life or rate	G. Deduction for this year
Land	various	422,375	-	-	-	-
Building and improvements	various	1,424,231	453,761	S/L	var.	57,119
Furniture and fixtures	various	731,197	272,873	S/L	var.	69,964
Transportation equipment	various	20,615	12,884	S/L	var.	5,154
Total		2,598,418	739,518			132,237

Accumulated depreciation (871,755)

1,726,663

THE HUMANE SOCIETY OF THE UNITED STATES
FORM 990
1986

#53-0225390

SCHEDULE "10"

Part V, Line 64

Due in equal installments until 1992 and secured by a first deed of trust on the Educational Center, Connecticut, 8-1/2%	$ 9,566

SCHEDULE "11"

Schedule A - Part IV, Line 26 (b)

Sussman Estate	$2,408,115
Burford Estate	1,425,839
	3,833,954
$503,678 x 2	(1,007,356)
	$2,826,598

SCHEDULE "12"

Schedule A - Part VI, Lobbying Expenditures

	Grass Roots Lobbying	Direct Lobbying	Total
Prof./exec. and support staff	$ 11,190	$ 19,245	$ 30,435
Related disbursements	988	4,806	5,794
Publications-direct costs	71,271	35,384	106,655
Special projects-direct costs	17,031	17,991	35,022
Indirect costs	29,036	50,062	79,098
Stationery-(est.)	1,800	1,800	3,600
	$131,316	$129,288	$260,604
	Line 36	Line 37	Line 38

ARTICLE 7-A OF THE
EXECUTIVE LAW

The Solicitation and Collection of Funds for Charitable Purposes

Mario M. Cuomo
Governor

Gail S. Shaffer
Secretary of State

A Message from the Secretary

I have enclosed for your information, a copy of New York State's new law concerning the solicitation and collection of funds for charitable purposes. This law, which constitutes the first major revisions in the Charities Registration Law since 1969, was introduced in the Legislature at the request of the Department of State and the Department of Law. The Legislature passed this legislation in 1986, and Governor Mario M. Cuomo signed this bill into law in July of 1986. It became effective on July 1, 1987.

The specific citation of the law is Article 7-A of the Executive Law, contained in Sections 171-177.

Of particular interest is Section 177, which contains new administrative and enforcement responsibilities assigned to the Secretary of State. I look forward to an active and constructive working relationship with all interested parties during the course of our work under this statute.

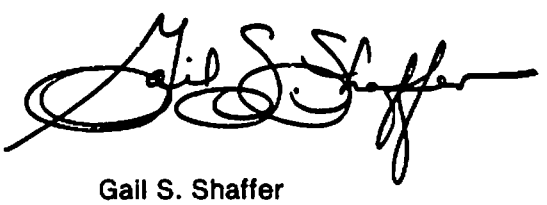
This new legislation represents years of work by the Department of State, Department of Law and the Legislature. I believe it contains fair and reasonable measures to protect charitable organizations and their contributors in the State of New York.

My Office of Charities Registration would be pleased to provide you with more information about this law and additional copies if required. The office may be contacted at:

New York State Department of State
Office of Charities Registration
162 Washington Avenue
Albany, New York 12231
(518) 474-3720

Thank you for your interest and continued support in this area.

Sincerely,



Gail S. Shaffer

The Solicitation and Collection of Funds for Charitable Purposes

Effective July 1, 1987

Article 7-A of the Executive Law

Sec.
171-a. Definitions.
172. Registration of charitable organizations.
172-a. Certain persons exempted.
172-b. Reports by registered charitable organizations; registration to be cancelled for failure to file.
172-c. Non-resident charitable organizations; designation of secretary of state as agent for service of process; service of process.
172-d. Prohibited activity.
173. Professional fund raisers, commercial co-venturers and fund raising counsel.
173-a. Contracts of professional fund raisers and fund raising counsel; closing statements; final accountings.
173-b. Professional solicitor.
173-c. Non-resident professional fund raisers, fund raising counsel, professional solicitors and commercial co-venturers; designation of secretary of state as agent for service of process; service of process.
174. Solicitation by unregistered charitable organizations, professional fund raisers or commercial co-venturers a fraud upon the people of the state.
174-a. Contracts with charitable organizations.
174-b. Solicitation.
174-c. Sales advertised to benefit a charitable organization.
174-d. Unauthorized use of names when soliciting or collecting contributions.
175. Enforcement by attorney general.
175-a. Application of article.
176. Advisory council.
177. Administration and enforcement by secretary of state.

§171-a. Definitions. The following words and phrases as used in this article shall have the following meanings unless a different meaning is required by the context.

1. "Charitable organizations." Any benevolent, philanthropic, patriotic, or eleemosynary person or one purporting to be such.

2. "Contribution." The promise or grant of any money or property of any kind or value, whether or not in combination with the sale of goods, services, entertainment or any other thing of value, including a grant or other financial assistance from any agency of government, but except payments by members of any organization for membership fees, dues, fines, or assessments, or for services rendered to individual members, if membership in such organization confers a bona fide right, privilege, professional standing, honor or other direct benefit, other than the right to vote, elect officers, or hold offices.

3. "Person." Any individual, organization, group, association, partnership, corporation, or any combination of them.

4. "Professional fund raiser." Any person who directly or indirectly: (a) for compensation or other consideration plans, manages, conducts, carries on, or assists in connection with a charitable solicitation or individually solicits or who employs or otherwise engages on any basis another person to solicit in this state for or on behalf of any charitable organization or any other person, or who engages in the business of, or holds himself out to persons in this state as independently engaged in the business of soliciting for such purpose; (b) solicits by telephone or door-to-door and advertises a sale, performance, or event will benefit a charitable organization; or (c) who advertises a sale, performance, or event will benefit a charitable organization but is not a commercial co-venturer. A bona fide officer, volunteer or employee of a charitable organization or fund raising counsel shall not be deemed a professional fund raiser.

5. "Professional solicitor." Any person who is employed or retained for compensation by a professional fund raiser to solicit contributions for charitable purposes from persons in this state.

6. "Commercial co-venturer." Any person who for profit is regularly and primarily engaged in trade or commerce other than in connection with the raising of funds or any other thing of value for a charitable organization and who advertises that the purchase or use of goods, services, entertainment, or any other thing of value will benefit a charitable organization.

7. "Secretary." The secretary of state.

8. "Membership." The collective body of any charitable organization comprised of persons having voting rights and other powers of governance and who derive a direct benefit or privilege as a member thereof.

9. "Fund raising counsel." Any person who for compensation consults with a charitable organization or who plans, manages, advises, or assists with respect to the solicitation in this state of contributions for or on behalf of a charitable organization, but who does not have access to contributions or other receipts from a solicitation or authority to pay expenses associated with a solicitation and who does not solicit. A bona fide officer, volunteer, or employee of a charitable organization or an attorney at law retained by a charitable organization, shall not be deemed a fund raising counsel.

10. "Solicit." To directly or indirectly make a request, whether express or implied, through any medium. A "solicitation" shall be deemed to have taken place whether or not the solicitor receives a contribution. For purposes of this article, a "solicitation" or a "solicitation of contributions" includes any advertising which represents that the purchase or use of goods, services, entertainment or any other thing of value will benefit a charitable organization. Provided, however, that the preparation and the mailing of a written solicitation for funds or any other thing of value to benefit a charitable organization shall not alone constitute soliciting on the part of persons who prepared and mailed such solicitation if such person does not receive or have access to such contributions.

§172. Registration of charitable organizations. 1. Every charitable organization, except as otherwise provided in section 172-a of this article, which intends to solicit contributions from persons in this state or from any governmental agency by any means whatsoever shall, prior to any solicitation, file with the secretary upon forms prescribed by it, the following information:

(a) The name of the organization and the name or names under which it intends to solicit contributions.

(b) The names and business, residence, or other addresses where each can regularly be found of the officers,

directors, trustees, and executive personnel of the organization.

(c) The addresses of the organization and the addresses of any offices in this state. If the organization does not maintain an office, the name and address of the person having custody of its financial records.

(d) Where and when the organization was established, the form of its organization, its tax exempt status together with a copy of the letter of exemption, if any, issued by the internal revenue service and a copy of any certificate of incorporation, by-laws, amendments and other operative organizational documents.

(e) A clear description of the specific programs stating whether in existence or planned for which the contributions to be solicited will be used.

(f) The date on which the fiscal year of the organization ends.

(g) Whether the organization is authorized by any other governmental authority to solicit contributions and whether it or any of its present officers, directors, executive personnel or trustees are or have ever been enjoined by any court from soliciting contributions or have been found to have engaged in unlawful practices regarding solicitation of contributions or administration of charitable assets and whether its registration or license has been suspended or cancelled by any governmental agency together with the reasons for such suspension or cancellation.

(h) The names and addresses of any professional fund raisers, fund raising counsels and commercial co-venturers who are acting or have agreed to act on behalf of the organization.

(i) A copy of its annual report, if any, for the immediately preceding fiscal year in accordance with the requirements of section 172-b of this article.

(j) The names and addresses of any chapters, branches, affiliates or organizations that share in the contributions or other revenue raised in this state.

2. The registration form shall be signed by the president or other authorized officer and the chief fiscal officer of the organization and shall be verified under oath.

3. For filing such registration, the secretary shall receive a fee of $25, to be paid at the time of registration.

4. Such registration shall remain in effect unless it is either cancelled as provided in this article or withdrawn by the organization.

5. Every registered organization shall notify the secretary within 30 days of any material change in the information required to be furnished by such organization under subdivision one of this section.

6. In no event shall a registration of a charitable organization continue, or be continued, in effect after the date such organization should have filed, but failed to file, an annual report in accordance with the requirements of section 172-b of this article, and such organization shall not be eligible to file a new registration until it shall have filed the required annual report with the secretary. If such report is subsequently filed such organization may file a new registration upon the payment of a fee of $150 to the secretary.

7. Registration statements, financial reports, professional fund raisers' contracts, and other documents required to be filed pursuant to this article become public records in the office of the secretary.

8. No charitable organization, professional fund raiser, fund raising counsel or commercial co-venturer shall use or exploit the fact of registration so as to lead the public to believe that registration in any manner constitutes an endorsement or approval by the state.

9. To the extent practicable, the secretary of state and the attorney general shall jointly develop a single registration and uniform set of reporting forms to be filed in accordance with the requirements of this subdivision and those of section 8-1.4 of the Estates, Powers and Trusts Law. These forms shall avoid duplication with and make maximum use of information required in federal reporting forms, which are also filed with the secretary and the attorney general.

§172-a. Certain persons exempted. 1. This article shall not apply to corporations organized under the Religious Corporations Law, and other religious agencies and organizations, and charities, agencies, and organizations operated, supervised, or controlled by or in connection with a religious organization.

2. The following persons shall not be required to register with the secretary:

(a) An educational institution confining its solicitation of contributions to its student body, alumni, faculty and trustees, and their families.

(b) Fraternal, patriotic, social, alumni organizations and historical societies chartered by the New York State Board of Regents when solicitation of contributions is confined to their membership.

(c) Persons requesting any contributions for the relief of any individual, specified by name at the time of the solicitation, if all of the contributions collected, without any deductions whatsoever, are turned over to the named beneficiary.

(d) Any charitable organization which does not intend to solicit and receive and does not actually receive contributions in excess of $25,000 during a fiscal year of such organization, provided none of its fund raising functions are carried on by professional fund raisers or commercial co-venturers. However, if the gross contributions received by such charitable organization during any fiscal year of such organization shall be in excess of $25,000, it shall within 30 days after the date it shall have received total contributions in excess of $25,000 register with the secretary as required by section 172 of this article.

(e) Any charitable organization receiving an allocation from a federated fund, incorporated community appeal or a united way, provided such fund, appeal or united way is complying with the provisions of this article relating to registration and filing of annual reports with the secretary, and provided such organization does not actually receive, in addition to such allocation, contributions in excess of $25,000 during the fiscal year, and provided further that all the fund raising functions of such organizations are carried on by persons who are unpaid for such services. However, if the gross contributions other than such allocation received by such charitable organization during any fiscal year of such organization shall be in excess of $25,000, it shall within 30 days after the date it shall have received such contributions in excess of $25,000 register with the secretary as required by section 172 of this article.

(f) A local post, camp, chapter or similarly designated element, or a county unit of such elements, of a bona fide veterans' organization which issues charters to such local

elements throughout this state, a bona fide organization of volunteer firefighters, an organization providing volunteer ambulance service (as defined in section 3001 of the Public Health Law) or a bona fide auxiliary or affiliate of such organizations, provided all its fund raising activities are carried on by members of such an organization or an affiliate thereof and such members receive no compensation, directly or indirectly, therefor.

(g) An educational institution which files annual financial reports with the Regents of the University of the State of New York as required by the Education Law or with an agency having similar jurisdiction in another state or a library which files annual financial reports as required by the state education department.

(h) A charitable organization which receives all or substantially all of its funds from a single governmental agency and reports annually to that agency provided such reports contain financial information substantially similar in content to that required by subdivision one of section 172-b of this article; provided, however, that such organization may receive no more than $25,000 from sources other than the government agency to which it reports.

§172-b. Reports by registered charitable organizations; registration to be cancelled for failure to file. 1. Every charitable organization registered pursuant to section 172 of this article which shall receive in any fiscal year of such organization total revenue and support in excess of $150,000 and every charitable organization whose fund raising functions are not carried on solely by persons who are unpaid for such services shall file an annual written report with the secretary upon forms prescribed by the secretary, on or before the 15th day of the 5th calendar month after the close of such fiscal year, which shall include a financial statement covering such fiscal year, clearly setting forth the gross income, expenses, and net income inuring to the benefit of the charitable organization, a balance sheet as of the close of such fiscal year and a schedule of the activities carried on by the organization in the performance of its purposes, and the amounts expended thereon, during such fiscal year. Each such organization shall file its annual financial statement in accordance with standards and classifications of accounts prescribed by the secretary to effect uniform reporting by organizations having similar activities and programs. Such standards shall be in accordance with the generally accepted accounting principles set forth in the "Industry Audit Guides" for colleges and universities, hospitals and voluntary health and welfare organizations published by the American Institute of Certified Public Accountants or in its Statement of Position 78-10 or in accordance with any modification thereof adopted by the Financial Accounting Standards Board. Such report shall also include a statement of any changes in the information required to be contained in the registration form filed on behalf of such organization. The report shall be signed by the president or other authorized officer and the chief fiscal officer of the organization who shall certify that the statements therein are true and correct to the best of their knowledge, and shall be accompanied by an opinion signed by an independent public accountant that the financial statement and balance sheet therein present fairly the financial operations and position of the organization. A fee of $25 payable to the secretary shall accompany such report at the time of filing.

2. Every organization registered pursuant to section 172 of this article which shall receive in total revenue and support in any fiscal year at least $75,000 but not more than $150,000 shall file an annual financial statement accompanied by an independent certified public accountants review report as defined by the American Institute of Certified Public Accountants in their publication of "Statement on Standards for Accounting and Review Service." Such financial statement shall be in accordance with the generally accepted accounting principles set forth in the "Industry Audit Guides" for colleges and universities, hospitals and voluntary health and welfare organizations published by the American Institute of Certified Public Accountants or in its Statement of Position 78-10 or in accordance with any modification thereof adopted by the Financial Accounting Standards Board. Such financial statement shall be filed with the secretary, upon forms prescribed by the secretary on an annual basis on or before the 15th day of the 5th calendar month after the close of such fiscal year, which shall include a financial statement covering such fiscal year in accordance with such requirements as the secretary may prescribe. Such report shall also include a statement of any changes in the information required to be contained in the registration form filed on behalf of such organization. The report shall be signed by the president or other authorized officer and the chief fiscal officer of the organization who shall certify that the statements therein are true and correct to the best of their knowledge. A fee of $10 payable to the secretary shall accompany such report at the time of filing.

2. (a) Every organization registered pursuant to section 172 of this article which shall receive in any fiscal year of such organization total revenue and support not in excess of $75,000 shall file an unaudited financial report with the secretary upon forms prescribed by the secretary, on or before the 15th day of the 5th calendar month after the close of such fiscal year, which shall include a financial statement covering such fiscal year in accordance with such requirements as the secretary may prescribe. Such report shall also include a statement of any changes in the information required to be contained in the registration form filed on behalf of such organization. The report shall be signed by the president or other authorized officer and the chief fiscal officer of the organization who shall certify that the statements therein are true and correct to the best of their knowledge. A fee of ten dollars payable to the secretary shall accompany such report at the time of filing.

3. For any fiscal year of any organization registered pursuant to section 172 of this article in which such organization would have been exempt from registration pursuant to section 172 of this article if it had not been so registered, or in which it did not solicit or receive contributions, such organization shall file, instead of the reports required by subdivisions one or two of this section, a report in the form prescribed by the secretary stating the exemption and the facts upon which it is based or that such organization did not solicit or receive contributions in such fiscal year. The report shall also include a statement of any changes in the information required to be contained in the registration form filed on behalf of such organization.

4. (a) Any charitable organization registered pursuant to section 172 of this article, which is the parent organization of one or more affiliates thereof within the state, and such affiliates, may comply with the reporting require-

ments of subdivision one, two, two-a or three of this section, by filing a combined written report upon forms prescribed by the secretary.

(b) As used in this subdivision the term "affiliate" shall include any chapter, branch, auxiliary, or other subordinate unit of any registered charitable organization, howsoever designated, whose policies, fund raising activities, and expenditures are supervised or controlled by such parent organization.

(c) There shall be appended to each combined report a schedule, containing such information as may be prescribed by the secretary, reflecting the activities of each affiliate, which shall contain a certification, under penalty of perjury, by an official of the organization, certifying that the information contained therein is true.

(d) The failure of a parent organization to file an appropriate combined written report shall not excuse either the parent organization or its affiliates from complying with the provisions of subdivision one, two, two-a or three of this section.

(e) A combined report filed pursuant to this subdivision shall be accompanied by a fee of $25 plus $10 for each organization included in such report, but the aggregate fee shall not exceed $500.

5. The secretary shall cancel the registration of any organization which fails to comply with subdivision one, two, two-a or three of this section within the time therein prescribed, or fails to furnish such additional information as is requested by the secretary within the required time; except that the time may be extended by the secretary for a period not to exceed 180 days. Notice of such cancellation shall be mailed to the registrant at least 20 days before the effective date thereof.

6. Every charitable organization registered or required to register pursuant to section 172 of this article shall keep and maintain records, books and reports for at least three years after the end of the period of registration to which they relate which shall at all times be available for inspection at the principal office of such organization, by the secretary or the attorney general, or their duly authorized representatives.

7. The secretary may accept a copy of a current annual report previously filed by a charitable organization with any other governmental agency in compliance with the provisions of this article provided that the report filed with such other governmental agency shall be substantially similar in content to the report required by this section.

§172-c. Non-resident charitable organizations; designation of secretary of state as agent for service of process; service of process. Any charitable organization having its principal place of business without the state or organized under and by virtue of the laws of a foreign state, or which shall solicit contributions from people in this state, shall be deemed to have irrevocably appointed the secretary of state as its agent upon whom may be served any summons, subpoena, subpoena duces tecum, or other process directed to such charitable organizations, or any partner, principal, officer, or director thereof, in any action or proceeding brought by the attorney general under the provisions of this article. Any such charitable organization may file with the secretary of state a designation, in terms complying herewith, duly acknowledged, irrevocably appointing the secretary of state as its agent upon whom may be served any such process; provided, however, that a designation filed with the secretary of state pursuant to section 352-a of the General Business Law or section 1304 of the Not-for-Profit Corporation Law shall serve also as such designation.

Service of such process upon the secretary of state shall be made by personally delivering to and leaving with him or a deputy secretary of state a copy thereof at the office of the department of state in the city of Albany, and such service shall be sufficient service provided that notice of such service and a copy of such process are forthwith sent by the attorney general to such charitable organization by registered mail with return receipt requested, at its office as set forth in the registration form required to be filed with the secretary pursuant to section 172 of this article, or in default of the filing of such form, at the last address known to the attorney general. Service of such process shall be complete upon the receipt by the attorney general of a return receipt purporting to be signed by the addressee or a person qualified to receive his or its registered mail, in accordance with the rules and customs of the post office department, or, if acceptance was refused by the addressee or his or its agent, 10 days after the return to the attorney general of the original envelope bearing a notation by the postal authorities that receipt thereof was refused.

§172-d. Prohibited activity. Except as exempted pursuant to subdivision one of section 172-a of this article, in addition to other violations of this article no person shall:

1. Make any material statement which is untrue in an application for registration, registration statement, a claim of exemption, or written annual report; or fail to disclose a material fact in an application for registration, registration statement, claim of exemption, or written annual report; or

2. Engage in any fraudulent or illegal act, device, scheme, artifice to defraud or for obtaining money or property by means of a false pretense, representation or promise, transaction or enterprise in connection with any solicitation for charitable purposes, any solicitation or collection of funds or other property for a charitable organization, any commercial co-venture, or with the registration, reporting and disclosure provisions of this article. The term "fraud" or "fraudulent" as used herein shall include those acts which may be characterized as misleading or deceptive including but not limited to those acts covered by the term "fraud" or "fraudulent" under subdivision 12 of section 63 of this chapter. To establish fraud neither intent to defraud nor injury need to be shown; or

3. Use or intend to use false or materially misleading advertising or promotional material in connection with any solicitation for charitable purposes or with any commercial co-venture; or

4. Fail to apply contributions in a manner substantially consistent with the solicitation for charitable purposes or the registration statement of the charitable organization or the purposes expressed therein; or

5. Enter into any contract or agreement with or employ any unregistered professional fund raiser, fund raising counsel or professional solicitor; or

6. Enter into any contract or agreement with or raise any funds for any charitable organization, required to be registered pursuant to this article unless such charitable organization is duly registered; or

7. Repeatedly and wilfully fail to file as required by this article any fund raising contract, closing statement or written report or any documents; or

8. Fail to respond or comply within 60 days with any cease and desist order, of the secretary of state; or

9. Represent in any manner that registration constitutes an endorsement or approval by the state; or

10. Solicit contributions for a charitable purpose without either being a registered charitable organization, if required to be registered, or having a written contract or agreement with a charitable organization or registered charitable organization if required to be registered, authorizing solicitation on its behalf; or

11. Continue soliciting on behalf of a charitable organization more than 15 days after the cancellation in accordance with subdivision six of section 174-a of this article of a contract between the person soliciting and the charitable organization; or

12. Act as or enter any contract as a professional fund raiser, fund raising counsel, or professional solicitor without having registered; or

13. Fail to maintain books and records or refuse or fail within 15 days after receiving written notice by certified mail, to produce any books and records, as required by this article; or

14. Fail to discontinue solicitation immediately or to register in accordance with the provisions of this article within 15 days after the attorney general or the secretary has given notice pursuant to subdivision two of section 175 of this article of violation of subdivision one, two, or three of section 174 of this article; or

15. Fail to provide a charitable organization with an accurate accounting of a sale advertised for its benefit as prescribed by subdivision three of section 173-a of this article; or

16. Knowingly use in the course of soliciting contributions for or on behalf of a charitable organization a name, symbol, or service mark so closely related or similar to that used by another established charitable organization that the use thereof would tend to confuse or mislead the public; or

17. Solicit contributions in a manner or with words which are coercive as such term is defined pursuant to section 135.65 of the Penal Law; or

18. Vote or use personal influence as an officer or member of the board of directors of a charitable organization, a majority of whose members are professional fund raisers or their designees on matters on which such officer or member has a financial or material conflicting interest.

§173. Professional fund raisers, commercial co-venturers and fund raising counsel. 1. Registration and bond required. No person shall act as a professional fund raiser or fund raising counsel before he has registered with the secretary or after the expiration or cancellation of such registration or any renewal thereof. Applications for registration and re-registration shall be in writing, under oath, in the form prescribed by the secretary and shall be accompanied by an annual fee in the sum of $200. A professional fund raiser shall at the time of making application, file with, and have approved by, the secretary a bond. In said bond, the filer shall be the principal obligor, in the sum of $10,000, with one or more sureties whose liability in the aggregate as such sureties will at least equal the said sum. The said bond which may be in the form of a rider to a larger blanket liability bond shall run to the secretary for the use of the state and to any person who may have a cause of action against the obligor of said bond for any malfeasance or misfeasance in the conduct of such solicitation. Registration or re-registration when effected shall be for a period of one year, or a part thereof, expiring on the 31st day of August, and may be renewed upon written application, under oath, in the form prescribed by the secretary and the filing of the bond and the fee prescribed herein for additional one year periods. Applications for registration and re-registration and bonds, when filed with the secretary, shall become public records in the office of the secretary. If there is any material change in the information provided in any such application for registration and re-registration, the applicant or registrant shall notify the secretary in writing within 20 days of such change.

2. Books and records. A professional fund raiser, commercial co-venturer and fund raising counsel shall maintain accurate and current books and records of all activities as such while required to be registered under subdivision one of this section; and, until at least three years shall have elapsed after the end of the effective period of the registration to which they relate, he shall keep such books and records in his office available for inspection and examination by the secretary or the attorney general or their duly authorized representatives. Provided, however, that any such books and records obtained by the secretary or the attorney general shall not be available to the public for inspection.

3. Violations. Any person who willfully violates the provisions of this section is guilty of a misdemeanor.

§173-a. Contracts of professional fund raisers, fund raising counsel and commercial co-venturers; closing statements; final accountings. 1. No person shall act as a professional fund raiser, fund raising counsel or commercial co-venturer before he has a written contract with the charitable organization or other person benefitting from his services. A true and correct copy of each contract entered into between a professional fund raiser or fund raising counsel and a charitable organization shall be filed by the professional fund raiser or fund raising counsel who is a party thereto with the secretary within 10 days after it is made. When the services to be performed under such contracts include the oral solicitation of funds from the public, such oral presentations shall be deemed to be part of the contract and shall be reduced to a writing which in the case of a professional fund raiser shall be filed with the secretary by the registrant at the time such contracts are filed. If there is any change in the presentation filed with the secretary, the registrant shall notify the secretary in writing within five days of such change. No services shall be performed under such a contract until the professional fund raiser shall have received an acknowledgement from the secretary of the receipt of a copy of such contract and such contract shall have been on file with the secretary for at least 15 days. True and correct copies of such contracts shall be kept on file in the offices of the charitable organization and the professional fund raiser or fund raising counsel during the term thereof and until the expiration of a period of three years subsequent to the date the solicitation of contributions provided for therein actually

terminates. Within 90 days after the termination of any such contract, the professional fund raiser shall file a closing statement with the secretary disclosing gross receipts, and all expenditures incurred in the performance of the contract. In the event that a contract term is longer than a one year period, the professional fund raiser shall file an interim statement, at least annually. Willful violation of this section shall be a misdemeanor.

2. Every contract between a professional fund raiser and a charitable organization shall contain or shall be deemed to contain a provision that within five days of receipt all funds received from solicitation shall be deposited in a bank account under the exclusive control of the charity.

3. A commercial co-venturer, within 90 days after the termination of a sales promotion which it has advertised will benefit a charitable organization shall provide such organization with an interim report showing the number of items sold and the dollar amount of each sale and a final accounting at least once a year for all sales promotions during the year. In the event that such sales promotion is longer than a one year period, the commercial co-venturer shall provide an interim statement, at least annually.

4. A charitable organization which enters into a contract with a commercial co-venturer shall file with the secretary on the date that the next annual report is due to be filed the following information signed by an officer: (a) a list of all commercial co-ventures authorized by the charitable organization to use its name during the preceding year covered by that annual report and, if known during the year following the year covered by the annual report, (b) a statement of the financial terms and any conditions of each co-venture contract, and (c) statement whether each commercial co-venturer has provided the charitable organization with an accounting as prescribed by subdivision three of this section.

§173-b. Professional solicitor. 1. Registration required. No person shall act as a professional solicitor in the employ of a professional fund raiser required to register pursuant to section 173 of this article before he has registered with the secretary or after the expiration or cancellation of such registration or any renewal thereof. Application for registration or re-registration shall be in writing, under oath, in the form prescribed by the secretary and shall be accompanied by a fee in the sum of $20. Such registration or re-registration when effected shall be for a period of one year, or a part thereof, expiring on the 31st day of August, and may be renewed upon written application, under oath, in the form prescribed by the secretary and the payment of the fee precribed herein, for additional one year periods. Applications for registration and re-registration, when filed with the secretary, shall become public records in the office of the secretary.

2. Violations. Any person who willfully violates the provisions of this section is guilty of a misdemeanor.

§173-c. Non-resident professional fund raisers, fund raising counsel, professional solicitors and commercial co-venturers; designation of secretary of state as agent for service of process; service of process. Any professional fund raiser, fund raising counsel, professional solicitor or commercial co-venturer resident or having his or its principal place of business without the state or organized under and by virtue of the laws of a foreign state, who or which shall solicit contributions or act as a fund raising counsel in this state, shall be deemed to have irrevocably appointed the secretary of state as his or its agent upon whom may be served any summons, subpoena, subpoena duces tecum, or other process directed to such professional fund raiser, fund raising counsel, profesional solicitor, commercial co-venturer or any partner, principal, officer, or director thereof, in any action or proceeding brought by the attorney general under the provisions of this act. Any such professional fund raiser, fund raising counsel, professional solicitor or commercial co-venturer may file with the secretary of state a designation, in terms complying herewith, duly acknowledged, irrevocably apointing the secretary of state as his or its agent upon whom may be served any such process; provided, however, that a designation filed with the secretary of state pursuant to section 352-a of the General Business Law, section 1304 of the Not-for-Profit Corporation Law, or section 1304 of the Business Corporation Law shall serve also as such designation. Service of such process upon the secretary of state shall be made by personally delivering to and leaving with him or a deputy secretary of state a copy thereof at the office of the Department of State in the city of Albany, and such service shall be sufficient service provided that notice of such service and a copy of such process are forthwith sent by the attorney general to such professional fund raiser, fund raising counsel, professional solicitor or commercial co-venturer by registered mail with return receipt requested, at his or its office as set forth in the registration form required to be filed with the secretary pursuant to sections 173 and 173-b of this article, or in default of the filing of such form, at the last address known to the attorney general. Service of such process shall be complete 10 days after the receipt by the attorney general of a return receipt purporting to be signed by the addressee or a person qualified to receive his or its registered mail, in accordance with the rules and customs of the post office department, or, if acceptance was refused by the addressee or his or its agent, 10 days after the return to the attorney general of the original envelope bearing a notation by the postal authorities that receipt thereof was refused.

§174. Solicitation by unregistered charitable organizations, professional fund raisers or commercial co-venturers a fraud upon the people of the state. 1. No charitable organization shall employ any professional fund raiser or commercial co-venturer unless and until such fund raiser or commercial co-venturer is registered pursuant to this article. Any such contract of employment shall be voidable at the option of the charitable organization.

2. No professional fund raiser or commercial co-venturer shall enter into any contract or raise any funds for any organization required to be registered pursuant to this article unless such charitable organization actually so registered.

3. No professional fund raiser required to be registered under this article shall employ any professional solicitor who is not registered in accordance with this article.

4. In addition to all other remedies provided by law the attorney general may bring an action to enjoin the violation of the provisions of this section. The attorney general may give notice of at least 15 days in writing by registered or certified mail to the organization, person or persons violating the provisions hereof, requiring that registration be accomplished or that the solicitation of funds be immediately terminated. The failure to immediately discon-

tinue solicitation or to register in accordance with the provisions of this article within 15 days of service of such notice shall be deemed to be a continuing fraud upon the people of the state of New York.

§174-a. Contracts with charitable organizations. 1. Whenever a charitable organization contracts with a professional fund raiser or fund raising counsel, the charitable organization shall have the right to cancel the contract without cost, penalty, or liability for a period of 15 days following the date on which said contract is filed with the secretary pursuant to the provisions of this article. Any provision in the contract that is intended to waive this right of cancellation shall be void and unenforceable.

2. A charitable organization may cancel a contract signed pursuant to subdivision one of this section by a written notice of cancellation. If given by mail, cancellation shall be deemed effective when deposited in a mailbox, properly addressed and postage prepaid. The notice shall be sufficient if it indicates that the charitable organization does not intend to be bound by the contract.

3. Whenever a charitable organization cancels a contract pursuant to the provisions of this section, it shall mail a duplicate copy of the notice of cancellation to the secretary of state.

4. Every contract entered into pursuant to subdivision one of this section shall contain, in a conspicuous typeface:

(a) a concise, accurate statement of the charitable organization's right to cancel;

(b) a concise, accurate statement of the period during which the contract may be cancelled;

(c) the address to which the notice of cancellation is to be sent;

(d) the address of the secretary of state to which a duplicate of the notice of cancellation is to be sent; and

(e) a clear statement of the financial arrangement including, if applicable, a statement of the percentage of the total funds collected on behalf of the charitable organization which shall be retained by the professional fund raiser for purposes other than the exclusive benefit of the charitable organization.

5. Any funds collected in violation of this section shall be deemed to be held in trust for the benefit of the charitable organization without deduction for costs or expenses of any nature. A charitable organization shall be entitled to recover all funds collected in violation of this section together with costs, disbursements and allowances.

6. The failure of a professional fund raiser or coventurer to immediately discontinue solicitation in accordance with the provisions of this article within 15 days of the cancellation of the contract shall be deemed to be a continuing fraud upon the people of the state of New York. In addition to all other remedies provided by law the attorney general may bring an action to enjoin the violation of the provisions of this section.

§174-b. Solicitation. 1. Any solicitation used by a charitable organization which is required to have previously filed an annual report pursuant to this article, shall include therein a statement that upon request, a person may obtain from the organization or from the secretary, a copy of the last annual report filed by the organization with the secretary. Such statement shall specify the address of the organization and the address of the secretary in Albany, to which such request should be addressed and in the case of a written solicitation, must be placed conspicuously in the material with print no smaller than 10 point bold face type or, alternatively, no smaller than the size print used for the most number of words in the statements. Provided, however, such statement need not be made where the space for a printed advertisement or promotional time in the broadcast media has been donated or made available to the charitable organization at no cost and such space or time does not reasonably permit inclusion of such statement.

2. Any solicitation used by or on behalf of any charitable organization shall provide a clear description of the programs and activities for which it has requested and has expended or will expend contributions or shall include therein a statement that, upon request, a person may obtain from the organization such a description.

3. If any charitable organization makes contributions to another organization which is not its affiliate as defined by paragraph (b) of subdivision four of section 172-b of this article, such solicitation shall include a statement that such contributions have been made and that a list of all organizations which have received contributions during the past 12 months from the soliciting organization may be obtained from that organization. Provided, however, a united way, federated fund or incorporated community appeal, by or through which a donation is merely transferred to a charity selected by the donor, need not include such donor selected organizations in the list.

4. A charitable organization shall comply with all requests made pursuant to subdivision one, two, and three of this section within 15 days of their receipt. In the event that a charitable organization required to register pursuant to this article has not previously been required to file an annual report with the secretary, the solicitation shall state the date when such report will be filed. Provided, however, that no additional solicitation shall be permitted by charitable organizations until an annual report is filed, if the report is delayed beyond one year.

§174-c. Sales advertised to benefit a charitable organization. All advertising, of every kind and nature, that a sale of goods, services, entertainment or any other thing of value will benefit a charitable organization shall set forth the anticipated portion of the sales price, anticipated percentage of the gross proceeds, anticipated dollar amount per purchase, or other consideration or benefit the charitable organization is to receive. Provided, however, that advertising for sales by a charitable organization that has not used the services of a professional fund raiser or commercial co-venturer in any way for the sale shall not be subject to the requirement of this section.

§174-d. Unauthorized use of names when soliciting or collecting contributions. 1. No person shall, for the purpose of soliciting contributions from persons in this state, use the name of any other person, except that of an officer, director or trustee of the charitable organization by or for which contributions are solicited, without the written consent of such other person.

2. A person shall be deemed to have used the name of another person for the purpose of soliciting contributions if such latter person's name is listed on any stationery, advertisement, brochure or correspondence in or by which a contribution is solicited by or on behalf of a charitable organization or his name is listed or referred to in connection with a request for a contribution as one who has contributed to, sponsored or endorsed the charitable organization or its activities.

3. Nothing contained in this section shall prevent the publication of names of contributors without their written consents, in an annual or other periodic report issued by a charitable organization for the purpose of reporting on its operations and affairs to its membership or for the purpose of reporting contributions to contributors.

4. A violation of this section shall be a misdemeanor.

§175. Enforcement by attorney general. 1. An action for violation of this article may be prosecuted by the attorney general, or his deputy, in the name of the people of the state, and in any such action, the attorney general or his deputy, shall exercise all the powers and perform all duties which the district attorney would otherwise be authorized to exercise or to perform therein.

2. In addition to any other action authorized by law and any action or proceeding by the secretary, the attorney general may bring an action or special proceeding in the supreme court, in the name and in behalf of the people of the state of New York, against a charitable organization and any other persons acting for it or in its behalf to enjoin such organization and persons from continuing the solicitation or collection of funds or property or engaging therein or doing any acts in furtherance thereof, and to cancel any registration statement previously filed with the secretary and for an order awarding restitution and damages and costs; and removing any director or other person responsible for the violation of this article; dissolving a corporation and other relief which the court may deem proper, whenever the attorney general shall have reason to believe that the charitable organization or other person:

(a) is operating in violation of the provisions of this article;

(b) has refused or failed, or any of its principal officers has refused or failed, after notice, to produce any records of such organizations;

(c) is employing or about to employ, or there is employed or about to be employed, in any solicitation or collection of funds or other property for such organization, any device, scheme or artifice to defraud or for obtaining money or property by means of a false pretense, representation or promise;

(d) has made a material false statement in an application, registration or statement required to be filed pursuant to this article;

(e) has failed or is failing to apply the funds solicited from the public in a manner substantially consistent with its charitable purposes or the solicitation for charitable purposes or has engaged in repeated fraudulent or illegal activities, acts or conduct in connection with the solicitation for charitable purposes;

(f) violates any order or determination made by the secretary or the secretary's designee pursuant to the provisions of this article; or

(g) has used or intends to use false or materially misleading advertising or promotional material in connection with any solicitation for charitable purposes or with any commercial co-venture or fails to disclose the information required to be disclosed pursuant to section 174-b of this article.

In connection with such proposed action the attorney general is authorized to take proof, issue subpoenas and administer oaths in the manner provided in the Civil Practice Law and Rules.

3. Upon a showing by the attorney general in an application for an injunction that any person engaged in the solicitation or collection of funds for charitable purposes, either as an individual or as a member of a copartnership, or as an officer of a corporation or as an agent for some other person, or copartnership or corporation, has been convicted in this state or elsewhere of a felony or of a misdemeanor involving the misappropriation, misapplication or misuse of the money or property of another, and who has not, subsequent to such conviction, received executive pardon therefor or a certificate of good conduct from the parole board, the supreme court, after a hearing, may enjoin such person from engaging in any solicitation or collection of funds for charitable purposes.

4. The attorney general may exercise the authority granted in this section against any charitable organization which operates under the guise or pretense of being an organization exempted by the provisions of section 172-a of this article and is not in fact an organization entitled to such an exemption.

5. Whenever the attorney general shall have reason to believe that any professional fund raiser, fund raising counsel, professional solicitor or commercial co-venturer is operating in violation of the provisions of this article, or has made any false statement in any application, registration or statement required to be filed pursuant to this article, or if any professional fund raiser, fund raising counsel, or commercial co-venturer has refused or failed, after notice, to produce any records demanded of him, or there is employed or is about to be employed in any solicitation or collection of contributions for a charitable or religious organization any device, scheme or artifice to defraud or for obtaining money or property by means of any false pretense, representation or promise, in addition to any other action authorized by law, he may bring in the supreme court an action in the name, and on behalf, of the people of the state of New York against such professional fund raiser, fund raising counsel, commercial co-venturer, professional solicitor, and any other person who has participated or is about to participate in such solicitation or collection by employing such device, scheme, artifice, false representation or promise, to enjoin such professional fund raiser, fund raising counsel, commercial co-venturer, professional solicitor, or other person from continuing such solicitation or collection or engaging therein or doing any acts in furtherance thereof, or to cancel any registration statement previously filed with the secretary.

6. Whenever the attorney general has determined to commence an action under this article, he may present to any justice of the supreme court, before beginning such action, an application in writing for an order directing the person or persons mentioned in the application to appear before the justice of the supreme court or referee designated in such order and answer such questions as may be put to them or to any of them, or to produce such papers, documents and books concerning the practices to which the action which he has determined to bring relates, and it shall be the duty of the justice of the supreme court to whom such application for the order is made to grant such application. The application for such order made by the attorney general may simply show upon his information and belief that the testimony of such person or persons is material and necessary. The provisions of the Civil Practice Law and Rules relating to an application for an

order for the examination of witnesses before the commencement of an action and the method of proceeding on such examination, shall not apply except as herein prescribed. The order shall be granted by the justice of the supreme court to whom the application has been made with such preliminary injunction or stay as may appear to such justice to be proper and expedient and shall specify the time when and place where the witnesses are required to appear. The justice or referee may adjourn such examination from time to time and witnesses must attend accordingly. The testimony of each witness must be subscribed by him and all must be filed in the office of the clerk of the county in which such order for examination is filed. The order for such examination must be signed by the justice making it and service of a copy thereof with an endorsement by the attorney general signed by him or his deputy, to the effect that the person named therein is required to appear and be examined at the time and place and before the justice or referee specified in such endorsement, shall be sufficient notice for the attendance of witnesses. Such endorsement may contain a clause requiring such person to produce at such examination all books, papers and documents in his possession or under his control relating to the subject of such examination. The order shall be served upon the person named in the endorsement aforesaid by showing him the original order and delivering to and leaving with him at the same time a copy thereof, endorsed as above provided, and by paying or tendering to him the fee allowed by law to witnesses subpoenaed to attend trials of civil actions in any court of record in this state.

7. In addition to any other action authorized by law, the attorney general may bring an action or special proceeding in the supreme court on behalf of the secretary to recover any civil penalties assessed by the secretary.

8. Nothing contained in section 177 of this article shall prevent, limit, restrict, impede or delay the attorney general from instituting, at any time, any action or proceeding authorized by the provisions of this article or any other appropriate law, as he may deem necessary.

§175-a. Application of article. This article shall not be construed to limit or restrict the exercise of the powers or the performance of the duties of the attorney general or district attorney which they otherwise are authorized to exercise or perform under any other provision of law.

§176. Advisory council. The Advisory Council on Charities Registration is continued. It shall advise the secretary and make recommendations with respect to the operation and administration of this article with the objective of assuring maximum simplicity in the conformance of charitable organizations with the provisions of this article. The council shall consist of not less than five or more than ten members. The members of the advisory council now in office shall continue to hold office for the remainder of the terms to which they were appointed and thereafter until their successors are appointed. The secretary shall designate the chairman of the council and may appoint additional and successor members and fix their terms of office. The members shall serve without compensation but shall be allowed their actual and necessary expenses incurred in the performance of their duties hereunder.

§177. Administration and enforcement by secretary of state. 1. The secretary shall make rules and regulations necessary for the administration of this article.

2. Upon a finding by the secretary that any person has committed or is committing a violation of subdivision one, two, five, six, seven, or eight of section 172-d of this article, or has failed or is failing to comply with section 172-b of this article, the secretary may:

(a) revoke, suspend or deny a registration of a charitable organization or professional fund raiser or professional solicitor or fund raising counsel or deny or revoke a claim of exemption or issue an order directing a charitable organization or professional fund raiser or professional solicitor or fund raising counsel or commercial co-venturer to cease and desist specified fund raising activities; and

(b) assess a civil penalty against the violator of not more than $1,000 for each act or omission constituting a violation and an additional penalty of not more than $100 for each day during which such violation continues. Prior to assessing a civil penalty, the secretary shall notify the violator in writing by certified mail to its last known business address that a civil penalty will be assessed pursuant to this section unless the violation is cured within 30 days of the date of the mailing of the notice.

3. The secretary shall, before denying, revoking or suspending any registration or exemption, or issuing a cease and desist order or assessing a civil penalty, notify the applicant or registrant in writing and provide an opportunity for a hearing on a record in reference thereto in accordance with such rules as the secretary may promulgate to effectuate the purposes of this article. Such written notice may be served by personal delivery to the applicant or registrant or by registered or certified mail to its last known business address. Hearings must be requested within 20 days of receipt of the notice from the secretary. Any hearing shall be held within 30 days of the receipt of the request by the secretary, at such time and place as the secretary shall prescribe. The secretary, or the secretary's designee may issue subpoenas in accordance with the Civil Practice Law and Rules, compel the attendance of witnesses at the hearing, administer oaths, take proof and make determinations of relevant facts. The respondent may appear at the hearing and may cross-examine all witnesses and produce evidence on his or her behalf. The secretary or the secretary's designee shall not be bound by the rules of evidence during the conduct of the hearing. A final determination shall be made by the secretary or the secretary's designee within 10 days of the conclusion of the hearing. The secretary shall serve a copy of such determination or order upon the registrant or applicant personally or by registered or certified mail at his or her last known business address.

4. The administrative remedies provided by this article shall not be applicable to any violation of this article which was the subject of any action or proceeding brought by the attorney general.

NEW YORK CODES, RULES AND REGULATIONS
TITLE 19
PARTS 800-805

Part 800	General
Part 801	Professional Fund Raiser and Fund Raising Counsel
Part 802	Professional Solicitors
Part 803	Charitable Organizations
Part 804	Annual Report of Charitable Organization
Part 805	Hearings

PART 800
GENERAL

§800.1. Definitions. The following words and phrases as used in this Chapter, shall mean the following:

(a) Pledge. A promise to donate money or property of any kind or of any value.

(b) Direct public support. Contributions received from individuals, foundations, estates, trusts, associations and businesses.

(c) Indirect public support. Contributions received from affiliates, United Ways and other fund raising agencies.

(d) Government grants. Contributions received from federal, state or local government agencies. A payment from a government agency is a contribution if its primary purpose is to enable the grantee to provide a service to, or maintain a facility for, the direct benefit of the public. A government payment to serve the direct and immediate needs of the grantor must be classified as program service revenue or other revenue.

(e) Program activities. The organized, essential activities necessary to achieve the purposes and goals for which the organization exists and to honor its public pledges.

(f) Program service revenue. The fees and revenues earned by a charitable organization for services it provides as part of its program activities.

(g) Multi-purpose activity. An informational effort that includes an appeal for financial support or that is designed to elicit such support.

(h) Public information combined with fund raising expense. The program activity expense portion of a multi-purpose activity.

(i) Payments to affiliates. Quota-support, dues payments, or allocations of joint fund raising campaign proceeds made to affiliates for unspecified purposes.

(j) Services to affiliates. The category used to report expenses incurred in providing goods and services to affiliates meeting the requirements of subdivision (g) of section 804.3 of this Chapter.

(k) Total program activity expense. The summation of all program activity expenses.

(l) Management and general activities. The activities of a charitable organization which relate to the overall direction of the organization, general recordkeeping, business management, budgeting, general board activities and related purposes, but not directly attributable to its program or fund raising activities.

(m) Fund raising activities. All activities that constitute an appeal for financial support.

(n) Functional expense category. The program activities, management and general activities, and fund raising activities constitute the functional categories for reporting expenses.

(o) Current unrestricted fund. The fund that accounts for all resources over which the governing board has discretionary control, without restriction, to use in carrying on the operations of the organization excepting unrestricted amounts invested in land, building and equipment used by the organization to carry on its purposes.

(p) Current restricted fund. The fund that accounts for those resources which are currently available for use but are expendable only for the operating purposes specified by the donor or grantor.

(q) Land, building and equipment fund. The fund that is used to account for the net investment in fixed assets held for use by the organization and, in addition, used to account for the unexpended resources contributed specifically for the purpose of acquiring or replacing such land, buildings, or equipment. Mortgages or other liabilities relating to these assets are also included in this fund.

(r) Endowment fund. The fund that accounts for the principal amount of contributions, gifts and bequests accepted with the donor's stipulation that the principal be maintained intact in perpetuity, until the occurrence of a specified event or for a specified period, and that only the income from investment thereof be expended either for general purposes or for purposes specified by the donor.

(s) Depreciation and/or amortization. A system of accounting which aims to distribute the cost or other basic value of tangible capital assests, less salvage (if any), over the estimated life of the unit in a systematic and rational manner. It is a process of allocation, not of valuation. Depreciation for the year is the portion of the total charge under such a system that is allocated to the year. Although the allocation may properly take into account occurrences during the year, it is not intended to be a measurement of the effect of all such occurrences.

(t) Membership dues. Membership dues shall be considered as contributions for reporting purposes to the extent that they do not provide any substantial benefit to the member. A substantial benefit is a benefit commensurate in value to the amount paid. If the membership dues provide the member with a benefit commensurate in value to the amount paid, such payments shall be considered other revenue for reporting purposes and shall be reported as such.

(u) Access to contributions. The physical control, handling or possession of any cash or legal instrument, regardless of to whom payable, if such cash or legal instrument consititute a contribution or donation. Access to contributions is present if there is any signature authority over an escrow account or bank account in which contributions or donations have or will be deposited.

(v) Books and records shall include, but not be limited to:

(1) general ledger and journal;
(2) cash receipts and disbursement journals;
(3) payroll register and earnings records;
(4) voucher register;
(5) sales and purchase journals where applicable;
(6) purchase requisitions, purchase orders, invoices and receiving reports;
(7) deposit slips and receipts, bank statements, checkbooks, cancelled checks, and savings bank pass

books; and

(8) time records and schedules substantiating expense allocations.

(w) Public Education Expense. A program activity expense category restricted to materials and activities that are problem oriented rather than agency oriented. This includes any activity that informs people what they can or should do about a problem as opposed to what an organization can or does do through available services.

(x) Public Relations Expense. A management and general expense category that includes all material associated with the dissemination of information relating to the organization's service(s). Such material is agency oriented, rather than problem oriented.

(y) Chapter. Any subdivision of a charitable organization where the subdivision solicits contributions in its own name.

§800.2. Consent to use of name. (a) A written consent required by section 174-d of article 7-A of the Executive Law shall expressly state that consent is thereby granted to use the signer's name for the purpose of soliciting contributions for the named charitable organization.

(b) A written consent under section 174-d of article 7-A of the Executive Law shall be required when, in a fund raising appeal, a professional fund raiser, professional solicitor or commercial co-venturer uses the name of a second charitable organization in any way for any reason, if the second charitable organization is not a party to the fund raising contract.

(c) A written consent under section 174-d of article 7-A of the Executive Law shall be required when, in a fund raising appeal, a charitable organization uses the name of a second charitable organization which is not otherwise an active and consenting party to the fund raising effort.

PART 801
PROFESSIONAL FUND RAISER AND FUND RAISING COUNSEL

§801.1. Registration of Professional Fund Raiser. A professional fund raiser registering under section 173 of article 7-A of the Executive Law shall file with the Secretary of State, on the forms prescribed therefor, the following information:

(a) The name and address of the professional fund raiser;

(b) The telephone number of the professional fund raiser;

(c) The address of its principal office, if any, in the State of New York;

(d) The type of business organization under which the professional fund raiser operates;

(e) In the case of a sole proprietorship, the name and address of the individual sole proprietor;

(f) In the case of a partnership, the names and addresses of the partners;

(g) In the case of a corporation, the names and addresses of the directors and officers;

(h) The names and adresses of the charitable or other organizations with which the professional fund raiser has contracted to act as a professional fund raiser, the period covered by the agreement, and a brief description of the fund raising activities to be conducted under each contract;

(i) Whether the professional fund raiser employs any professional solicitors;

(j) Whether the professional fund raiser is registered as a professional fund raiser with any other State or local agencies;

(k) Whether such other registration has ever been denied, revoked, suspended or cancelled;

(l) Whether any official disciplinary or legal action has ever been taken or is currently pending against the professional fund raiser or any of its principals, officers or directors in relation to any fund raising activity;

(m) Whether the professional fund raiser or any of its principals, officers or directors have ever been or are now associated with any charitable or other organizations with which the professional fund raiser has contracted to act as a professional fund raiser; and

(n) Whether the professional fund raiser or any of its principals, officers or directors have ever been or are now associated with any other professional fund raiser, commercial co-venturer or fund raising counsel.

(o) List all other names under which the professional fund raiser may be known. Do not include clients' name.

§801.2 Registration of Fund Raising Counsel. A fund raising counsel registered under section 173 of article 7-A of the Executive Law shall file with the Secretary of State, on the forms prescribed therefor, the following information:

(a) The name and address of the fund raising counsel;

(b) The telephone number of the fund raising counsel;

(c) The address of its principal office, if any, in the State of New York;

(d) The type of business organization under which the fund raising counsel operates;

(e) In the case of a sole proprietorship, the name and address of the individual sole proprietor;

(f) In the case of a partnership, the names and addresses of the partners;

(g) In the case of a corporation, the names and addresses of the directors and officers;

(h) The names and addresses of the charitable organizations with which the fund raising counsel has contracted to act as a fund raising counsel, the periods covered by the agreement and a brief description of the services to be provided under each of the contracts;

(i) Whether the counsel or any of its principals or employees:

(1) solicit as that term is defined in section 171a of article 7-a of the Executive Law;

(2) have access to contributions or other receipts from a solicitation; or

(3) have authority to pay expenses associated with a solicitation.

(j) Whether the fund raising counsel is registered as a professional fund raiser or fund raising counsel with any other State or local agencies;

(k) Whether such registration has ever deen denied, revoked, suspended or cancelled;

(l) Whether any official disciplinary or legal action has ever been taken or is currently pending against the professional fund raising counsel or any of its principals, officers or directors in relation to any fund raising activity;

(m) Whether the fund raising counsel or any of its principals, officers or directors have ever been or are now associated with any charitable or other organizations with

which the fund raising counsel has contracted to act as a fund raising counsel; and

(n) Whether the fund raising counsel or any of its principals, officers or directors have ever been or are now associated with any other professional fund raiser, commercial co-venturer or fund raising counsel.

§801.3. False representations. A professional fund raiser or professional solicitor shall not represent or imply that he or she is an officer, employee, member or volunteer of the organization for which the fund raising is being conducted.

§801.4. Contracts with professional fund raisers and fund raising counsels. (a) Contracts filed with the Secretary of State must include the following:

(1) The names, addresses, and N.Y.S. registration number of both parties to the contract;

(2) The dated signatures of both parties to the contract;

(3) The beginning and expiration dates of the contract;

(4) A copy of the oral presentation to be used, if any, and a copy of the tickets to be sold or given away, if any;

(5) The terms of the contract, including a clear description of the services to be performed by the professional fund raiser or fund raising counsel; and

(6) A clear statement of the financial arrangement between the parties.

(b) A clear statement of the financial arrangement between the parties shall include, if applicable, a statement of:

(1) the percentage of the total funds collected on behalf of the charitable organization which shall be retained by the professional fund raiser for purposes other than the exclusive benefit of the not-for-profit organization;

(2) the fixed fee to be received by the professional fund raiser or fund raising counsel;

(3) all contractual expenses to be incurred by the professional fund raiser or fund raising counsel but charged to the not-for-profit or subsequently deducted from the gross receipts. Such list shall contain specific dollar amounts or projected estimates of these costs; or

(4) the costs per unit for the services to be provided and the projected number of units to be provided.

(c) A renewal or extension of a contract must comply with the provisions of this section, as well as with article 7-A of the Executive Law.

(d) No contract will be accepted or acknowledged by the Secretary of State unless the contract complies with article 7-A of the Executive Law and with this Chapter.

§801.5. Interim statements and closing statements for professional fund raisers. (a) An interim or closing statement shall include the following items:

(1) The period covered by the statement;

(2) Gross receipts during the period;

(3) Itemized expenses incurred during the period including professional fund raiser's remuneration;

(4) Total expenses incurred during the period; and

(5) The amount and the disposition of the balance.

(b) For a contract whose term is longer than one year, an interim statement shall be filed by the professional fund raiser within 30 days of the contract's anniversary date.

PART 802
PROFESSIONAL SOLICITORS

§802.1. Registration of Professional Solicitor. (a) A professional solicitor registered under Section 173-b of Article 7-A of the Executive Law shall file with the Secretary of State, on the form prescribed therefor, the following information:

(1) The name and address of the solicitor;

(2) The telephone number of the solicitor;

(3) The solicitor's principal address, if any, in New York State;

(4) Whether the solicitor is authorized by any other State or local agencies to solicit contributions for charitable or other organizations;

(5) Whether such other authority has ever been denied, cancelled, suspended or revoked;

(6) Whether any official disciplinary or legal action has been taken or is pending against the solicitor in relation to any fund raising activity; and

(7) Information concerning the solicitor's past and present employment as a professional solicitor, professional fund raiser, fund raising counsel or commercial co-venturer.

(b) A professional solicitor's registration statement shall be kept current during its effective period. Changes shall be made by the professional solicitor by filing an amendment with the Secretary of State within 20 days after any change in the information previously filed with the Secretary of State.

PART 803
CHARITABLE ORGANIZATIONS

§803.1. Registration of charitable organizations. In addition to the information required by the Executive Law, section 172, a registration statement shall contain the past registration history of the organization, including the previous dates registered, the previous registration number and the name under which the organization was registered.

§803.2. Re-registration of charitable organization. When a charitable organization's registration has been cancelled and that organization is required to be registered, the organization must file a Charities Re-Registration Statement form. No re-registration shall be effective until all outstanding reports and fees have been settled. The information contained in the re-registration statement shall be the same as the information contained in a registration statement.

§803.3 Annual financial report — copies for the public. The report a charitable organization furnishes the public upon request under the provisions of section 174-b of article 7-A of the Executive Law must be a copy of the filing made to the Secretary of State.

PART 804
ANNUAL REPORT OF CHARITABLE ORGANIZATION

§804.1. General. The basic filing reports are:

(a) The DOS 497, Annual Financial Report (Charitable Organization);

(b) The IRS 990 or 990PF; and
(c) The notes to the above-listed financial statements.

§804.2. Reporting contributions, program service revenue and other revenue. (a) The annual report shall contain a schedule showing the total amounts of contributions received from each of the following principal sources:
(1) direct public support;
(2) indirect public support; and
(3) government grants.
(b) Special reporting requirements for certain contributions:
(1) Pledges. (i) Pledges shall be reported as contributions to the extent they are deemed collectible as of the end of the organization's fiscal year in which the pledge is made.
(ii) If a pledge specifically indicates in writing, that payment will be made in a subsequent fiscal year, the amount of the pledge shall be reported by the organization in its balance sheet as support designated for future periods.
(2) Donated property shall be recorded at its fair market value as of the date of the gift. The method used for valuation must be objective and measurable and must be clearly described in the notes to the annual report. Donated property does not include cash or donated services. Donated property which cannot be reported in accordance with the above standard shall be otherwise identified and explained in the notes to the annual report.
(3) Donated services are not to be recorded as a revenue or expense. However, donated services may be reported in the notes to the annual report. Donated services include free personal or professional services, as well as the use of material, equipment or facilities at no charge or at substantially less than the fair rental value.
(c) Special reporting requirements for affiliates. Each affiliate shall report the amount it received from its related affiliates and the amount it contributed to its related affiliates. Payments to an affiliate which are for specific purposes must be classified and shown in the statement of functional expenses in the annual report. Payments for unspecified purposes must be reported separately as payments to affiliates. The notes to the annual report must clearly disclose the basis on which all amounts were received from or contributed to affiliates.
(d) All program service revenue shall be reported. A schedule identifying the program-service activities that produced such revenue, as well as the amounts produced, shall be included in the annual report.
(e) All income and revenue, other than contributions and program service revenue, shall be reported net of directly related expenses. The amounts shall be reported on a separate schedule. In addition to describing the activities which produced the income or revenue, the schedule shall include, for each activity, the following information:
(1) the gross income;
(2) the expenses; and
(3) the net income.

§804.3. Reporting expenses. (a) The nature and amount of expenses assigned to program activities, management and general activities, and fund raising activities shall be in accordance with the classification and standards of reporting prescribed in this Chapter.

(b) Expenses attributed to one function are to be reported as expenses of that functional category.
(c) Expenses which pertain to more than one function shall be allocated to separate functional categories based on procedures that determine, as accurately as possible, the portion of cost related to each function.
(d) Each organization shall report its program activity expenses under such program activity categories as shall properly describe its activities.
(e) Expenses relating to management and general activities shall be reported under the functional category, management and general.
(f) Expenses relating to fund raising activities shall be reported under the functional category, fund raising.
(g) Expenses incurred in providing goods or services to affiliates may be reported as services to affiliates only if both of the following conditions are met:
(1) The goods or services provided are not related to the program services conducted by the reporting organization (for example, when a local organization incurs expenses in the production of a solicitation film for the state or national organization, the expenses are not related to the program services of the local organization); and
(2) The costs involved are not management and general expenses or fund raising expenses of the reporting organization (for example, when a local organization furnishes a copy of its mailing list to the state or national organization, the expense of preparing the copy provided may be reported as services to affiliates, but not expenses of preparing and maintaining the local organization's master list).

(h) The expenses incurred in each functional category may be reported using the following designated categories or any other expenses categories which accurately disclose the expenses of the organization:
(1) grants and allocations;
(2) specific assistance to individuals;
(3) benefits paid to or for members;
(4) compensation of officers, directors, and trustees;
(5) other salaries and wages;
(6) pension plan contributions;
(7) other employee benefits;
(8) payroll taxes;
(9) professional fund raising fees;
(10) accounting fees;
(11) legal fees;
(12) supplies;
(13) telephone;
(14) postage and shipping;
(15) occupancy;
(16) equipment rental and maintenance;
(17) printing and publications;
(18) travel;
(19) conferences, conventions and meetings;
(20) interest;
(21) depreciation, depletion and amortization; and
(22) other expenses.
(i) Multi-purpose activities:
(1) The expenses of multi-purpose activities may be allocated in a reasonable manner between program-activities expenses and fund raising expenses if the following three conditions are met:
(i) The multi-purpose activity includes a program message that advocates that the recipient take a specific ac-

tion or describes specific programs from which the recipient can receive a benefit through participation.

(ii) The subjects or actions advocated by the program message are consistent with the purpose(s) for which the organization exists.

(iii) The same program message is used, in some significant manner, in other program activities in which there was no appeal for funds.

(2) If all of the above conditions are not met, all expenses of the activity must be charged to fund raising.

(3) If the expenses are to be allocated, the following reporting procedures must be followed:

(i) The program related expenses of the multi-purpose activity shall be reported in the program expense category, "public information combined with fund raising."

(ii) All other expenses of the multi-purpose activity shall be reported as a fund raising expense.

(iii) A description of each multipurpose activity, the total expenses of the activity, the amount and the percentage of those expenses attributed to "public information combined with fund raising" and the amount and the percentage of those expenses attributed to fund raising must be set forth and the basis used for the allocation explained in the annual report, including a separate supporting schedule.

§804.4. Special schedules relating to professional fund raisers. The annual report shall include a separate schedule setting forth the following information:

(a) The name and address of every professional fund raiser employed by the reporting organization during the fiscal year;

(b) The beginning and ending date of each contract with each professional fund raiser;

(c) A brief description of the campaign, drive or event;

(d) Total contributions raised by the solicitation;

(e) The total amount paid to the professional fund raiser;

(f) The total of all other expenses the reporting organization incurred in the solicitation;

(g) Total expenses of the solicitation; and

(h) The net proceeds of the solicitation.

§804.5. Special schedules relating to fund raising counsels. The annual report shall include a separate schedule setting forth the following information:

(a) The names and address of every fund raising counsel employed by the reporting organization during the fiscal year;

(b) The beginning and ending date of each contract with each fund raising counsel;

(c) A brief description of the counseling services provided; and

(d) Total amount paid to the fund raising counsel.

§804.6. Special schedule relating to commercial co-venturers. The annual report shall include a separate schedule setting forth the following information:

(a) The name and address of each firm with which the charitable organization has had a co-venture agreement during the past fiscal year, including those agreements for sales or events that will take place in the next fiscal year;

(b) The beginning and ending date for each agreement;

(c) A brief description of each sale or event held or to be held;

(d) The financial terms and conditions of each agreement; and

(e) Whether or not each commercial co-venture has provided the charitable organization with an interim report and final accounting as required by the Executive Law, section 173-a.

§804.7. Acceptability of other reports. If an organization is required to file an annual report with another governmental agency, the Secretary of State, in his/her discretion, may accept a copy of such report, or a portion thereof, in lieu of all or a part of the annual report required to be filed pursuant to this Part, if the report, or the portion thereof, complies with the requirements of this Part, and if it is physically separable from all educational or promotional material.

§804.8. Extension of time to file annual report. An application for an extension of time for filing an annual report must be made in writing to the Secretary of State prior to the date the report is due. Such extension may be requested on either the letterhead of the organization or on a duplicate copy of the Federal extension of time.

PART 805
HEARINGS

§805.1. General. Except as this Part may otherwise provide, hearings shall be initiated and conducted in accordance with articles 3 and 5 of the State Administrative Procedure Act and in accordance with Part 400 of this Title.

Revisions to Article 7-A of the Executive Law. Matter underscored is new; matter in brackets [ ] is old law to be omitted.

Section 1. Subdivisions 1 and 5 of section 171-a of the executive law are amended to read as follows:

1. Charitable organizations. Any benevolent, philanthropic, patriotic, or eleemosynary person or one purporting to be such or law enforcement support organization as defined in subdivision eleven of this section.

5. Professional solicitor. Any person who is employed or retained for compensation by a professional fund raiser to solicit contributions for charitable purposes or for the purposes of any law enforcement support organization from persons in this state.

S 2. Section 171-a of the executive law is amended by adding a new subdivision 11 to read as follows.

11. Law enforcement support organization. Any organization, association, union or conference of or purporting to be of current or former law enforcement officers, including, without limitation, peace officers and police officers as defined in subdivisions thirty-three and thirty-four of section 1.20 of the criminal procedure law, sheriffs, deputy sheriffs, detectives, investigators or constables of any auxiliary or affiliate of such an organization, assoication, union or conference composed of one or more such organizations.

S 3. Paragraph (b) of subdivision 2 of section 172-a of the executive law is amended to read as follows:

(b) Fraternal, patriotic, social, alumni, law enforcement support organizations and historical societies chartered by the New York state board of regents when solicitation of contributions is confined to their membership.

S 4. Subdivision 2 of section 172-a of the executive law is amended by adding a new paragraph (i) to read as follows:

(i) Any police department, sheriff's department or other governmental law enforcement agency.

S 5. Subdivisions 2, 3, 4 and 10 of section 172-d of the executive law are amended to read as follows:

2. Engage in any fraudulent or illegal act, device, scheme, artifice to defraud or for obtaining money or property by means of a false pretense, representation or promise, transaction or enterprise in connection with any solicitation for charitable purposes or on behalf of any law enforcement support organization, any solicitation or collection of funds or other property for a charitable organization, any commercial co-venture, or with the registration, reporting and disclosure provisions of this article. The term "fraud" or "fraudulent" as used herein shall include those acts which may be characterized as misleading or deceptive including but not limited to those acts covered by the term "fraud" or "fraudulent" under subdivision twelve of section sixty-three of this chapter. To establish fraud neither intent to defraud nor injury need to be shown; or

3. Use or intend to use false or materially misleading advertising or promotional material in connection with any solicitation for charitable purposes or for the purposes of any law enforcement support organization or with any commercial co-venture; or

4. Fail to apply contributions in a manner substantially consistent with the solicitation for charitable purposes or for the purposes of any law enforcement support organization or the registration statement of the charitable organization or the purposes expressed therein; or

10. Solicit contributions for a charitable purpose or for the purposes of any law enforcement support organization without either being a registered charitable organization, if required to be registered, or having a written contract or agreement with a charitable organization or registered charitable organization if required to be registered, authorizing solicitation on its behalf; or

S 6. Subdivision 2 of section 173-b of the executive law is renumbered subdivision 3 and a new subdivision 2 is added to read as follows:

2. Limitations upon professional solicitors for law enforcement support organizations. No person or professional solicitor, in the course of soliciting or collecting funds on behalf of any law enforcementsupport organization, shall engage in any acts prohibited by subdivision seventeen of section one hundred seventy-two-d of this article, or by paragraph (h) of subdivision two of section one hundred seventy-five of this article,

provided, however, that no criminal liability shall attach to any law enforcement support organization or its officers because of the activities of any professional solicitor employed on behalf of such organization.

S 7. Paragraphs (e) and (g) of subdivision 2 and 3 of section 175 of the executive law are amended to read as follows:

(e) (i) has failed or is failing to apply the funds solicited from the public in a manner substantially consistent with its charitable purposes or the solicitation for charitable purposes or has engaged in repeated fraudulent or illegal activities, acts or conduct in connection with the solicitation for charitable purposes; (ii) or, in the case of a law enforcement support organization, has failed or is failing to apply the funds solicited from the public in a manner substantially consistent with the purposes of the solicitation or has engaged in repeated fraudulent or illegal activities, acts or conduct in connection with the solicitation for purposes of the law enforcement support organization;

(g) has used or intends to use false or materially misleading advertising or promotional material in connection with any solicitation for charitable purposes or for the purposes of any law enforcement support organization or with any commercial co-venture or fails to disclose the information required to be disclosed pursuant to section one hundred seventy-four-b of this article.

3. Upon a showing by the attorney general in an application for an injunction that any person engaged in the solicitation or collection of funds for charitable purposes or for the purposes of any law enforcement support organization, either as an individual or as a member of a copartnership, or as an officer of a corporation or as an agent for some other person, or copartnership or corporation, has been convicted in this state or elsewhere of a felony or of a misdemeanor involving the misappropriation, misapplication or misuse of the money or property of another, and who has not, subsequent to such conviction, received executive pardon therefor or a certificate of good conduct from the parole board, the supreme court, after a hearing, may enjoin such person from engaging in any solicitation or collection of funds for charitable purposes or for the purposes of any law enforcement support organization.

S 8. Subdivision 2 of section 175 of the executive law is amended by adding a new paragraph (h) to read as follows:

(h) is a law enforcement support organization and is employing or about to employ, or there is employed or about to be employed, in any solicitation or collection of funds or other property for such organization, any device, scheme or artifice to defraud or for obtaining money or property by means of a false pretense, representation or promise which shall include, without limitation, making any of the following representations: (i) that professional fund raisers or solicitors are police officers or employees of any law enforcement agency, (ii) that funds collected will be used to aid widows and children of police officers slain in the line of duty or for any other charitable program unless the organization is actually engaged in such a program, (iii) that contributors will receive special benefits from police officers, and (iv) that contributions are tax deductible as a charitable contribution or as a business expense unless they so qualify under the applicable provisions of the internal revenue code.

S 9. The executive law is amended by adding a new section 175-b to read as follows:

S 175-b. Municipal option. Nothing contained in this article shall be construed to prevent any municipality from adopting or enacting any local law, ordinance or regulation imposing more restrictive requirements for the solicitation of contributions for law enforcement support organizations, provided, however, that nothing permitted by this section shall be construed to modify or be inconsistent with the legal standards in this article that are applicable to individuals and organizations other than law enforcement support organizations and professional fund raisers and solicitors which are employed by such law enforcement support organizations even when such other individuals and organizations act jointly and together with such law enforcement support organizations.

Revisions to Article 7-A of the Executive Law. Matter underscored is new; matter in brackets [ ] is old law to be omitted

S 29. Section 173 of the executive law is amended to read as follows:

S 173. Professional fund raisers, commercial co-venturers and fund raising counsel. 1. Registration and bond required. No person shall act as a professional fund raiser or fund raising counsel before he has registered with the secretary or after the expiration or cancellation of such registration or any renewal thereof. Applications for registration and re-registration shall be in writing, under oath, in the form prescribed by the secretary and shall be accompanied by an annual fee in the sum of [two] eight hundred dollars. A professional fund raiser shall at the time of making application, file with, and have approved by, the secretary a bond. In said bond, the filer shall be the principal obligor, in the sum of ten thousand dollars, with one or more sureties whose liability in the aggregate as such sureties will at least equal the said sum. The said bond which may be in the form of a rider to a larger blanket liability bond shall run to the secretary for the use of the state and to any person who may have a cause of action against the obligor of said bond for any malfeasance or misfeasance in the conduct of such solicitation. Registration or re-registration when effected shall be for a period of one year, or a part thereof, expiring on the thirty-first day of August, and may be renewed upon written application, under oath, in the form prescribed by the secretary and the filing of the bond and the fee prescribed herein for additional one year periods. Applications for registration and re-registration and bonds, when filed with the secretary, shall become public records in the office of the secretary. If there is any material change in the information provided in any such application for registration and re-registration, the applicant or registrant shall notify the secretary in writing within twenty days of such change.

2. Books and records. A professional fund raiser, commercial co-venturer and fund raising counsel shall maintain accurate and current books and records of all activities [as such while required to be registered under subdivision one of this section] conducted pursuant to contracts required under section one hundred seventy-three-a of this article; and, until at least three years shall have elapsed after the end of the effective period of the [registration] contract to which they relate, he shall keep such books and records in his office available for inspection and examination by the secretary or the attorney general or their duly authorized representatives. Provided, however, that any such books and records obtained by the secretary or the attorney general shall not be available to the public for inspection.

3. Violations. Any person who wilfully violates the provisions of this section is guilty of a misdemeanor.

S 30. Subdivision 1 of section 173-a of the executive law, is amended to read as follows:

1. No person shall act as a professional fund raiser, fund raising counsel or commercial co-venturer before he has a written contract with the charitable organization or other person benefitting from his services. A true and correct copy of each contract entered into between a professional fund raiser or fund raising counsel and a charitable organization shall be filed by the professional fund raiser or fund raising counsel who is a party thereto with the secretary within ten days after it is made. When the services to be performed under such contracts include the oral solicitation of funds from the public, such oral presentations shall be deemed to be part of the contract and shall be reduced to a writing which in the case of a professional fund raiser shall be filed with the secretary

by the registrant at the time such contracts are filed. If there is any change in the presentation filed with the secretary, the registrant shall notify the secretary in writing within five days of such change. No services shall be performed under such a contract until the professional fund raiser shall have received an acknowledgement from the secretary of the receipt of a copy of such contract and such contract shall have been on file with the secretary for at least fifteen days. True and correct copies of such contracts shall be kept on file in the offices of the charitable organization and the professional fund raiser [or], fund raising counsel or commercial co-venturer during the term thereof and until the expiration of a period of three years subsequent to the date the solicitation of contributions provided for therein actually terminates. Within ninety days after the termination of any such contract, the professional fund raiser shall file a closing statement with the secretary disclosing gross receipts, and all expenditures incurred in the performance of the contract. In the event that a contract term is longer than a one year period, the professional fund raiser shall file an interim statement, at least annually. Willful violation of this section shall be a misdemeanor.

S 31. Subdivision 1 of section 173-b of the executive law is amended to read as follows:

1. Registration required. No person shall act as a professional solicitor in the employ of a professional fund raiser required to register pursuant to section one hundred seventy-three of this article before he has registered with the secretary or after the expiration or cancellation of such registration or any renewal thereof. Application for registration or re-registration shall be in writing, under oath, in the form prescribed by the secretary and shall be accompanied by a fee in the sum of [twenty] eighty dollars. Such registration or re-registration when effected shall be for a period of one year, or a part thereof, expiring on the thirty-first day of August, and may be renewed upon written application, under oath, in the form prescribed by the secretary and the payment of the fee prescribed herein, for additional one year periods. Applications for registration and re-registration, when filed with the secretary, shall become public records in the office of the secretary.

S 32. Subdivision 1 of section 174-a of the executive law is amended to read as follows:

1. Whenever a charitable organization contracts with a professional fund raiser [or], fund raising counsel or commercial-coventurer, the charitable organization shall have the right to cancel the contract without cost, penalty, or liability for a period of fifteen days following the date on which said contract is filed with the secretary pursuant to the provisions of this article. Any provision in the contract that is intended to waive this right of cancellation shall be void and unenforceable.

S 33. Subdivision 6 of section 174-a of the executive law is amended to read as follows:

6. The failure of a professional fund raiser or commercial co-venturer to immediately discontinue solicitation in accordance with the provisions of this article within fifteen days of the cancellation of the contract shall be deemed to be a continuing fraud upon the people of the state of New York. In addition to all other remedies provided by law the attorney general may bring an action to enjoin the violation of the provisions of this section.

Senior ARONSON, et al., Defendants Below, Appellants,

v.

Harry LEWIS, Plaintiff Below, Appellee.

Supreme Court of Delaware.

Submitted: Nov. 14, 1983.

Decided: March 1, 1984.

Stockholder brought derivative action against corporation and its board of directors. The Court of Chancery denied defendants' motion to dismiss, 466 A.2d 375, and interlocutory appeal was granted. The Supreme Court, Moore, J., held that: (1) a stockholder's demand upon a board of directors to redress an alleged wrong to the corporation can be excused as futile only where facts are alleged with particularity which create a reasonable doubt that directors' action was entitled to protections of business judgment rule, and (2) stockholder failed to make demand, and to allege facts with particularity indicating that demand would be futile.

Reversed and remanded with instructions.

1. Corporations ⇐206(4), 320(5)

Futility of a stockholder's demand upon a board of directors to redress an alleged wrong to the corporation is gauged by circumstances existing at commencement of derivative suit; therefore, motion to dismiss such a suit by corporation and its directors did not establish board hostility and futility of demand. Chancery Court Rule 23.1, Del. C.Ann.

2. Corporations ⇐307

Existence and exercise of statutory power of directors, rather than shareholders, to manage business and affairs of corporation carries with it certain fundamental fiduciary obligations to corporation and its shareholders. 8 Del.C. § 141(a).

3. Corporations ⇐207½

Nature of derivative action is twofold: first, it is equivalent of suit by shareholders to compel corporation to sue; and second, it is suit by corporation, asserted by shareholders on its behalf, against those liable to it.

4. Corporations ⇐310(1)

"Business judgment rule" is a presumption that in making a business decision directors of corporation acted on an informed basis, in good faith and in honest belief that action taken was in best interests of company.

See publication Words and Phrases for other judicial constructions and definitions.

5. Corporations ⇐310(1), 320(11)

Under business judgment rule, judgment of directors of corporation in making business decision will be respected by the courts absent an abuse of discretion; burden is on party challenging decision to establish facts rebutting presumption.

6. Corporations ⇐310(1)

Protections of business judgment rule can be claimed only by disinterested directors whose conduct otherwise meets tests of business judgment; directors can neither appear on both sides of a transaction nor expect to derive any personal financial benefit from it in sense of self-dealing, as opposed to a benefit which devolves upon corporation or all stockholders generally, and thus, if such director interest is present, and transaction is not approved by a majority consisting of disinterested directors, then business judgment rule has no application whatever in determining demand futility in derivative action. 8 Del.C. § 144(a)(1).

7. Corporations ⇐310(1)

To invoke protection of business judgment rule, directors have duty to inform themselves, prior to making a business decision, of all material information reasonably available to them; having become so informed, they must then act with requisite care in discharge of their duties.

8. Corporations ⇐310(1)

Under business judgment rule, director liability is predicated upon concepts of gross negligence.

9. Corporations ⇐310(1)

Business judgment rule operates only in context of director action; technically speaking, it has no role where directors have either abdicated their functions, or absent a conscious decision, failed to act.

10. Corporations ⇐310(1)

A conscious decision on part of directors to refrain from acting may be a valid exercise of business judgment and enjoy protections of business judgment rule.

11. Corporations ⇐206(4)

Where officers and directors are under an influence which sterilizes their discretion, they cannot be considered proper persons to conduct litigation on behalf of corporation; thus, a stockholder's demand upon a board of directors, prior to filing of derivative suit, to redress an alleged wrong to corporation would be excused as futile. Chancery Court Rule 23.1, Del.C.Ann.

12. Corporations ⇐206(4)

Board approval of a challenged transaction does not automatically connote "hostile interest" and "guilty participation" by directors, or some other form of sterilizing influence upon them, so as to excuse demand in derivative action as futile. Chancery Court Rule 23.1, Del.C.Ann.

13. Corporations ⇐206(4)

In determining demand futility in derivative action, court of chancery in proper exercise of its discretion must decide whether, under the particularized facts alleged, a reasonable doubt is created that directors are disinterested and independent, and challenged transaction was otherwise the product of a valid exercise of business judgment; as to the latter inquiry, court does not assume that transaction is a wrong to the corporation requiring corrective steps by the board; rather, alleged wrong is substantively reviewed against factual background alleged in complaint, and as to the former inquiry, court reviews factual allegations to decide whether they raise a reasonable doubt, as a threshold matter, that protections of business judgment rule are available to the board. Chancery Court Rule 23.1, Del.C.Ann.

14. Corporations ⇐206(4)

Mere threat of personal liability for approving a questioned transaction, standing alone, is insufficient to challenge, in context of determination of demand futility in a derivative action, either the independence or disinterestedness of directors, although in rare cases a transaction may be so egregious on its face that board approval cannot meet test of business judgment, and a substantial likelihood of director liability therefore exists.

15. Corporations ⇐206(4)

In derivative action, court of chancery, in exercise of its sound discretion, must be satisfied that a plaintiff has alleged facts with particularity which, taken as true, support a reasonable doubt that challenged transaction was product of a valid exercise of business judgment; only in that context is presuit demand upon board to redress alleged wrongs to corporation excused as futile. Chancery Court Rule 23.1, Del.C. Ann.

16. Corporations ⇐320(5, 7)

Stockholder's claim, based on a director's 47% stock ownership and that director's personal selection of each other director, that director dominated and controlled board did not allege facts with sufficient particularity which created a reasonable doubt that directors' actions were entitled to protections of business judgment rule; therefore, stockholder's failure to make presuit demand on board to redress alleged wrongs to corporation was not excused as futile. Chancery Court Rule 23.1, Del.C.Ann.

17. Corporations ⇐206(4)

In context of issue whether, in derivative action, demand on board of directors to redress alleged wrong to corporation is ex-

cused as futile, proof of majority ownership of company does not strip directors of presumptions of independence, that their acts have been taken in good faith and in best interests of corporation; there must be coupled with allegation of control such facts as would demonstrate that through personal or other relationships the directors are beholden to the controlling person. Chancery Court Rule 23.1, Del.C.Ann.

18. Corporations ⇐211(5)

In context of determining whether, in derivative action, presuit demand on board of directors to redress an alleged wrong to corporation is excused as futile, a plaintiff charging domination and control of one or more directors must allege particularized facts manifesting a direction of corporate conduct in such a way as to comport with wishes or interests of corporation or persons doing the controlling. Chancery Court Rule 23.1, Del.C.Ann.

19. Corporations ⇐211(5)

In order to excuse, as futile, prederivative suit demand on board of directors to redress alleged wrong to corporation, a plaintiff charging domination and control of one or more directors need only allege specific facts; he need not plead evidence. Chancery Court Rule 23.1, Del.C.Ann.

20. Corporations ⇐206(4)

Mere directorial approval of a transaction, absent particularized facts supporting a breach of fiduciary duty claim, or otherwise establishing lack of independence or disinterestedness of majority of directors, is insufficient to excuse, as futile, prederivative suit demand on board of directors to redress alleged wrong to corporation. Chancery Court Rule 23.1, Del.C.Ann.

21. Corporations ⇐320(7)

Stockholder, in charging in derivative action that his failure to make presuit demand on board of directors for redress of alleged wrong to corporation was excused as futile, failed to allege facts sufficient to render demand futile on charge that employment agreement which board approved was corporate waste, and thus failed to create a reasonable doubt that board's action was protected by business judgment rule. Chancery Court Rule 23.1, Del.C.Ann.

22. Corporations ⇐206(4)

Stockholder's claim in derivative action that his failure to make presuit demand on board of directors for redress of alleged wrong to corporation was excused as futile failed to allege facts sufficient to render demand futile on ground that directors otherwise would have had to sue themselves, thereby placing conduct of litigation in hostile hands and preventing its effective prosecution. Chancery Court Rule 23.1, Del.C. Ann.

On certification of interlocutory appeal from Court of Chancery under Supreme Court Rule 42(c). Reversed and remanded.

William T. Quillen (argued), Robert K. Payson, Peter M. Sieglaff, Potter, Anderson & Corroon, Wilmington; and Allan M. Pepper, Michael D. Braff, Kaye, Scholer, Fierman, Hays & Handler, New York City, for appellants.

Joseph A. Rosenthal (argued), Morris & Rosenthal, P.A., Wilmington; and Irving Bizar, Pincus, Ohrenstein, Bizar, D'Alessandro & Solomon, New York City, for appellee.

Before McNEILLY, MOORE and CHRISTIE, JJ.

MOORE, Justice:

In the wake of *Zapata Corp. v. Maldonado*, Del.Supr., 430 A.2d 779 (1981), this Court left a crucial issue unanswered: when is a stockholder's demand upon a board of directors, to redress an alleged wrong to the corporation, excused as futile prior to the filing of a derivative suit? We granted this interlocutory appeal to the defendants, Meyers Parking System, Inc. (Meyers), a Delaware corporation, and its directors, to review the Court of Chancery's denial of their motion to dismiss this action, pursuant to Chancery Rule 23.1, for the

plaintiff's failure to make such a demand or otherwise demonstrate its futility.[1] The Vice Chancellor ruled that plaintiff's allegations raised a "reasonable inference" that the directors' action was unprotected by the business judgment rule. Thus, the board could not have impartially considered and acted upon the demand. See *Lewis v. Aronson*, Del.Ch., 466 A.2d 375, 381 (1983).

We cannot agree with this formulation of the concept of demand futility. In our view demand can only be excused where facts are alleged with particularity which create a reasonable doubt that the directors' action was entitled to the protections of the business judgment rule. Because the plaintiff failed to make a demand, and to allege facts with particularity indicating that such demand would be futile, we reverse the Court of Chancery and remand with instructions that plaintiff be granted leave to amend the complaint.

I.

The issues of demand futility rest upon the allegations of the complaint. The plaintiff, Harry Lewis, is a stockholder of Meyers. The defendants are Meyers and its ten directors, some of whom are also company officers.

In 1979, Prudential Building Maintenance Corp. (Prudential) spun off its shares of Meyers to Prudential's stockholders. Prior thereto Meyers was a wholly owned subsidiary of Prudential. Meyers provides parking lot facilities and related services throughout the country. Its stock is actively traded over-the-counter.

This suit challenges certain transactions between Meyers and one of its directors, Leo Fink, who owns 47% of its outstanding stock. Plaintiff claims that these transactions were approved only because Fink personally selected each director and officer of Meyers.[2]

Prior to January 1, 1981, Fink had an employment agreement with Prudential which provided that upon retirement he was to become a consultant to that company for ten years. This provision became operable when Fink retired in April 1980.[3] Thereafter, Meyers agreed with Prudential to share Fink's consulting services and reimburse Prudential for 25% of the fees paid Fink. Under this arrangement Meyers paid Prudential $48,332 in 1980 and $45,832 in 1981.

On January 1, 1981, the defendants approved an employment agreement between Meyers and Fink for a five year term with provision for automatic renewal each year thereafter, indefinitely. Meyers agreed to pay Fink $150,000 per year, plus a bonus of 5% of its pre-tax profits over $2,400,000. Fink could terminate the contract at any time, but Meyers could do so only upon six months' notice. At termination, Fink was to become a consultant to Meyers and be paid $150,000 per year for the first three years, $125,000 for the next three years, and $100,000 thereafter for life. Death benefits were also included. Fink agreed to devote his best efforts and substantially his entire business time to advancing Meyers' interests. The agreement also provided

1. Chancery Rule 23.1, similar to Fed.R.Civ.P. 23.1, provides in pertinent part:

> In a derivative action brought by 1 or more shareholders or members to enforce a right of a corporation or of an unincorporated association, the corporation or association having failed to enforce a right which may properly be asserted by it, the complaint shall allege that the plaintiff was a shareholder or member at the time of the transaction of which he complains or that his share of membership thereafter devolved on him by operation of law. The complaint *shall* also *allege with particularity* the efforts, if any, made by the plaintiff to obtain the action he desires from the directors or comparable authority *and the reasons for his failure to obtain the action or for not making the effort.* Del.Ch.Ct.R. 23.1 (Emphasis added).

2. The Court of Chancery stated that Fink had been chief executive officer of Prudential prior to the spin-off and thereafter became chairman of Meyers' board. This was not alleged in the complaint. *Lewis*, 466 A.2d at 379.

3. The trial court stated that Fink "changed his status with Prudential building from employee to consultant". *Lewis*, 466 A.2d at 379.

that Fink's compensation was not to be affected by any inability to perform services on Meyers' behalf. Fink was 75 years old when his employment agreement with Meyers was approved by the directors. There is no claim that he was, or is, in poor health.

Additionally, the Meyers board approved and made interest-free loans to Fink totalling $225,000. These loans were unpaid and outstanding as of August 1982 when the complaint was filed. At oral argument defendants' counsel represented that these loans had been repaid in full.

The complaint charges that these transactions had "no valid business purpose", and were a "waste of corporate assets" because the amounts to be paid are "grossly excessive", that Fink performs "no or little services", and because of his "advanced age" cannot be "expected to perform any such services". The plaintiff also charges that the existence of the Prudential consulting agreement with Fink prevents him from providing his "best efforts" on Meyers' behalf. Finally, it is alleged that the loans to Fink were in reality "additional compensation" without any "consideration" or "benefit" to Meyers.

The complaint alleged that no demand had been made on the Meyers board because:

> 13. ... such attempt would be futile for the following reasons:
>
> (a) All of the directors in office are named as defendants herein and they have participated in, expressly approved and/or acquiesced in, and are personally liable for, the wrongs complained of herein.
>
> (b) Defendant Fink, having selected each director, controls and dominates every member of the Board and every officer of Meyers.
>
> (c) Institution of this action by present directors would require the defendant-directors to sue themselves, thereby placing the conduct of this action in hostile hands and preventing its effective prosecution.

Complaint, at ¶ 13.

The relief sought included the cancellation of the Meyers-Fink employment contract and an accounting by the directors, including Fink, for all damage sustained by Meyers and for all profits derived by the directors and Fink.

II.

Defendants moved to dismiss for plaintiff's failure to make demand on the Meyers board prior to suit, or to allege with factual particularity why demand is excused. See Del.Ch.Ct.R. 23.1, supra.

After recounting the allegations, the trial judge noted that the demand requirement of Rule 23.1 is a rule of substantive right designed to give a corporation the opportunity to rectify an alleged wrong without litigation, and to control any litigation which does arise. *Lewis*, 466 A.2d at 380. According to the Vice Chancellor, the test of futility is "whether the Board, at the time of the filing of the suit, could have impartially considered and acted upon the demand". *Id.* at 381.

As part of this formulation, the trial judge stated that interestedness is one factor affecting impartiality, and indicated that the business judgment rule is a potential defense to allegations of director interest, and hence, demand futility. *Id.* However, the court observed that to establish demand futility, a plaintiff need not allege that the challenged transaction could never be deemed a product of business judgment. *Id.* Rather, the Vice Chancellor maintained that a plaintiff "must only allege facts which, if true, show that there is a reasonable inference that the business judgment rule is not applicable for purposes of considering a pre-suit demand pursuant to Rule 23.1". *Id.* The court concluded that this transaction permitted such an inference. *Id.* at 384–86.

[1] Upon these formulations, the Court of Chancery addressed the plaintiff's argu-

ments as to the futility of demand. *Id.* at 381–84. The trial judge correctly noted that futility is gauged by the circumstances existing at the commencement of a derivative suit. This disposed of plaintiff's argument that defendants' motion to dismiss established board hostility and the futility of demand. *Id.* at 381.

The Vice Chancellor then dealt with plaintiff's contention that Fink, as a 47% shareholder of Meyers, dominated and controlled each director, thereby making demand futile. *Id.* at 381–83. Plaintiff also argued that Fink's interest, when combined with the shareholdings of four other defendants, amounted to 57.5% of Meyers' outstanding shares. *Id.* at 381. After noting the presumptions under the business judgment rule that a board's actions are taken in good faith and in the best interests of the corporation, the Court of Chancery ruled that mere board approval of a transaction benefiting a substantial, but non-majority, shareholder will not overcome the presumption of propriety. *Id.* at 382. Specifically, the court observed that:

> A plaintiff, to properly allege domination of the Board, particularly domination based on ownership of less than a majority of the corporation's stock, in order to excuse a pre-suit demand, must allege ownership plus other facts evidencing control to demonstrate that the Board could not have exercised its independent business judgment.

Id.

As to the combined 57.5% control claim, the court stated that there were no factual allegations regarding the alignment of the four directors with Fink, such as a claim that they were beneficiaries of the Meyers-Fink agreement. *Id.* at 382, 383. Because it was not alleged in the complaint, the court rejected plaintiff's argument that, as evidence of alignment with Fink, two of the directors have "similar" compensation agreements with Meyers. *Id.* at 383.

Turning to plaintiff's allegations of board approval, participation in, and/or acquiescence in the wrong, the trial court focused on the underlying transaction to determine whether the board's action was wrongful and not protected by the business judgment rule. *Id.* [citing *Dann v. Chrysler,* Del.Ch., 174 A.2d 696 (1961)]. The Vice Chancellor indicated that if the underlying transaction supported a reasonable inference that the business judgment rule did not apply, then the directors who approved the transaction were potentially liable for a breach of their fiduciary duty, and thus, could not impartially consider a stockholder's demand. *Id.*

The trial court then stated that board approval of the Meyers-Fink agreement, allowing Fink's consultant compensation to remain unaffected by his ability to perform any services, may have been a transaction wasteful on its face. *Id.* [citing *Fidanque v. American Maracaibo Co.,* Del.Ch., 92 A.2d 311 (1952)]. Consequently, demand was excused as futile, because the Meyers' directors faced potential liability for waste and could not have impartially considered the demand. *Id.* at 384.

III.

The defendants make two arguments, one policy-oriented and the other, factual. First, they assert that the demand requirement embraces the policy that directors, rather than stockholders, manage the affairs of the corporation. They contend that this fundamental principle requires the strict construction and enforcement of Chancery Rule 23.1. Second, the defendants point to four of plaintiff's basic allegations and argue that they lack the factual particularity necessary to excuse demand. Concerning the allegation that Fink dominated and controlled the Meyers board, the defendants point to the absence of any facts explaining how he "selected each director". With respect to Fink's 47% stock interest, the defendants say that absent other facts this is insufficient to indicate domination and control. Regarding the claim of hostility to the plaintiff's suit, because defendants would have to sue themselves, the latter assert that this bootstrap argument ignores the possibility that the directors have other

alternatives, such as cancelling the challenged agreement. As for the allegation that directorial approval of the agreement excused demand, the defendants reply that such a claim is insufficient, because it would obviate the demand requirement in almost every case. The effect would be to subvert the managerial power of a board of directors. Finally, as to the provision guaranteeing Fink's compensation, even if he is unable to perform any services, the defendants contend that the trial court read this out of context. Based upon the foregoing, the defendants conclude that the plaintiff's allegations fall far short of the factual particularity required by Rule 23.1.

IV.

A.

[2, 3] A cardinal precept of the General Corporation Law of the State of Delaware is that directors, rather than shareholders, manage the business and affairs of the corporation. 8 *Del.C.* § 141(a). Section 141(a) states in pertinent part:

> "The *business and affairs* of a corporation organized under this chapter *shall be managed by or under the direction* of a board of directors except as may be otherwise provided in this chapter or in its certificate of incorporation."

8 *Del.C.* § 141(a) (Emphasis added). The existence and exercise of this power carries with it certain fundamental fiduciary obligations to the corporation and its shareholders.[4] *Loft, Inc. v. Guth*, Del.Ch., 2 A.2d 225 (1938), *aff'd*, Del.Supr., 5 A.2d 503 (1939). Moreover, a stockholder is not powerless to challenge director action which results in harm to the corporation. The machinery of corporate democracy and the derivative suit are potent tools to redress the conduct of a torpid or unfaithful management. The derivative action developed in equity to enable shareholders to sue in the corporation's name where those in control of the company refused to assert a claim belonging to it. The nature of the action is two-fold. First, it is the equivalent of a suit by the shareholders to compel the corporation to sue. Second, it is a suit by the corporation, asserted by the shareholders on its behalf, against those liable to it.

By its very nature the derivative action impinges on the managerial freedom of directors.[5] Hence, the demand requirement of Chancery Rule 23.1 exists at the threshold, first to insure that a stockholder exhausts his intracorporate remedies, and

4. The broad question of structuring the modern corporation in order to satisfy the twin objectives of managerial freedom of action and responsibility to shareholders has been extensively debated by commentators. *See, e.g.*, Fischel, The Corporate Governance Movement, 35 Vand.L.Rev. 1259 (1982); Dickstein, Corporate Governance and the Shareholders' Derivative Action: Rules and Remedies for Implementing the Monitoring Model, 3 Cardozo L.Rev. 627 (1982); Haft, Business Decisions by the New Board: Behavioral Science and Corporate Law, 80 Mich.L.Rev. 1 (1981); Dent, The Revolution in Corporate Governance, The Monitoring Board, and The Director's Duty of Care, 61 B.U.L.Rev. 623 (1981); Moore, Corporate Officer & Director Liability: Is Corporate Behavior Beyond the Control of Our Legal System? 16 Capital U.L.Rev. 69 (1980); Jones, Corporate Governance: Who Controls the Large Corporation? 30 Hastings L.J. 1261 (1979); Small, The Evolving Role of the Director in Corporate Governance, 30 Hastings L.J. 1353 (1979).

5. Like the broader question of corporate governance, the derivative suit, its value, and the methods employed by corporate boards to deal with it have received much attention by commentators. *See, e.g.*, Brown, Shareholder Derivative Litigation and the Special Litigation Committee, 43 U.Pitt.L.Rev. 601 (1982); Coffee and Schwartz, The Survival of the Derivative Suit: An Evaluation and a Proposal for Legislative Reform, 81 Colum.L.Rev. 261 (1981); Shnell, A Procedural Treatment of Derivative Suit Dismissals by Minority Directors, 609 Calif.L.Rev. 885 (1981); Dent, The Power of Directors to Terminate Shareholder Litigation: The Death of the Derivative Suit? 75 N.W.U.L. Rev. 96 (1980); Jones, An Empirical Examination of the Incidence of Shareholder Derivative and Class Action Lawsuits, 1971–1978, 60 B.U. L.Rev. 306 (1980); Comment, The Demand and Standing Requirements in Stockholder Derivative Actions, 44 U.Chi.L.Rev. 168 (1976); Dykstra, The Revival of the Derivative Suit, 116 U.Pa.L.Rev. 74 (1967); Note, Demand on Directors and Shareholders as a Prerequisite to a Derivative Suit, 73 Harv.L.Rev. 729 (1960).

then to provide a safeguard against strike suits. Thus, by promoting this form of alternate dispute resolution, rather than immediate recourse to litigation, the demand requirement is a recognition of the fundamental precept that directors manage the business and affairs of corporations.

[4, 5] In our view the entire question of demand futility is inextricably bound to issues of business judgment and the standards of that doctrine's applicability. The business judgment rule is an acknowledgment of the managerial prerogatives of Delaware directors under Section 141(a). See *Zapata Corp. v. Maldonado*, 430 A.2d at 782. It is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company. *Kaplan v. Centex Corp.*, Del.Ch., 284 A.2d 119, 124 (1971); *Robinson v. Pittsburgh Oil Refinery Corp.*, Del.Ch., 126 A. 46 (1924). Absent an abuse of discretion, that judgment will be respected by the courts. The burden is on the party challenging the decision to establish facts rebutting the presumption. See *Puma v. Marriott*, Del.Ch., 283 A.2d 693, 695 (1971).

The function of the business judgment rule is of paramount significance in the context of a derivative action. It comes into play in several ways—in addressing a demand, in the determination of demand futility, in efforts by independent disinterested directors to dismiss the action as inimical to the corporation's best interests, and generally, as a defense to the merits of the suit. However, in each of these circumstances there are certain common principles governing the application and operation of the rule.

[6] First, its protections can only be claimed by disinterested directors whose conduct otherwise meets the tests of business judgment. From the standpoint of interest, this means that directors can neither appear on both sides of a transaction nor expect to derive any personal financial benefit from it in the sense of self-dealing, as opposed to a benefit which devolves upon the corporation or all stockholders generally. *Sinclair Oil Corp. v. Levien*, Del.Supr., 280 A.2d 717, 720 (1971); *Cheff v. Mathes*, Del.Supr., 199 A.2d 548, 554 (1964); *David J. Greene & Co. v. Dunhill International, Inc.*, Del.Ch., 249 A.2d 427, 430 (1968). See also 8 *Del.C.* § 144. Thus, if such director interest is present, and the transaction is not approved by a majority consisting of the disinterested directors, then the business judgment rule has no application whatever in determining demand futility. See 8 *Del.C.* § 144(a)(1).

[7, 8] Second, to invoke the rule's protection directors have a duty to inform themselves, prior to making a business decision, of all material information reasonably available to them. Having become so informed, they must then act with requisite care in the discharge of their duties. While the Delaware cases use a variety of terms to describe the applicable standard of care, our analysis satisfies us that under the business judgment rule director liability is predicated upon concepts of gross negligence.[6] See Veasey & Manning, *Codified Stan-*

6. While the Delaware cases have not been precise in articulating the standard by which the exercise of business judgment is governed, a long line of Delaware cases holds that director liability is predicated on a standard which is less exacting than simple negligence. *Sinclair Oil Corp. v. Levien*, Del.Supr., 280 A.2d 717, 722 (1971), *rev'g*, Del.Ch., 261 A.2d 911 (1969) ("fraud or gross overreaching"); *Getty Oil Co. v. Skelly Oil Co.*, Del.Supr., 267 A.2d 883, 887 (1970), *rev'g*, Del.Ch., 255 A.2d 717 (1969) ("gross and palpable overreaching"); *Warshaw v. Calhoun*, Del.Supr., 221 A.2d 487, 492-93 (1966) ("bad faith ... or a gross abuse of discretion"); *Moskowitz v. Bantrell*, Del.Supr., 190 A.2d 749, 750 (1963) ("fraud or gross abuse of discretion"); *Penn Mart Realty Co. v. Becker*, Del.Ch., 298 A.2d 349, 351 (1972) ("directors may breach their fiduciary duty ... by being grossly negligent"); *Kors v. Carey*, Del.Ch., 158 A.2d 136, 140 (1960) ("fraud, misconduct or abuse of discretion"); *Allaun v. Consolidated Oil Co.*, Del.Ch., 147 A. 257, 261 (1929) ("reckless indifference to or a deliberate disregard of the stockholders").

dard—Safe Harbor or Uncharted Reef? 35 Bus.Law. 919, 928 (1980).

[9, 10] However, it should be noted that the business judgment rule operates only in the context of director action. Technically speaking, it has no role where directors have either abdicated their functions, or absent a conscious decision, failed to act.[7] But it also follows that under applicable principles, a conscious decision to refrain from acting may nonetheless be a valid exercise of business judgment and enjoy the protections of the rule.

The gap in our law, which we address today, arises from this Court's decision in *Zapata Corp. v. Maldonado.* There, the Court defined the limits of a board's managerial power granted by Section 141(a) and restricted application of the business judgment rule in a factual context similar to this action. *Zapata Corp. v. Maldonado,* 430 A.2d at 782–86, *rev'g, Maldonado v. Flynn,* Del.Ch., 413 A.2d 1251 (1980).

By way of background, this Court's review in *Zapata* was limited to whether an independent investigation committee of disinterested directors had the *power* to cause the derivative action to be dismissed. Preliminarily, it was noted in *Zapata* that "[d]irectors of Delaware corporations derive their managerial decision making power, which encompasses decisions whether to initiate, or refrain from entering, litigation, from 8 *Del.C.* § 141(a)". *Zapata,* 430 A.2d at 782 (footnotes omitted). In that context, this Court observed that the business judgment rule has no relevance to corporate decision making until *after a decision has been made. Id.* In *Zapata,* we stated that a shareholder does not possess an independent individual right to continue a derivative action. Moreover, where demand on a board has been made and refused, we apply the business judgment rule in reviewing the board's refusal to act pursuant to a stockholder's demand. *Id.* at 784 & n. 10. Unless the business judgment rule does not protect the refusal to sue, the shareholder lacks the legal managerial power to continue the derivative action, since that power is terminated by the refusal. *Id.* at 784. We also concluded that where demand is excused a shareholder possesses the ability to initiate a derivative action, but the right to prosecute it may be terminated upon the exercise of applicable standards of business judgment. *Id.* The thrust of *Zapata* is that in either the demand-refused or the demand-excused case, the board still retains its Section 141(a) managerial authority to make decisions regarding corporate litigation. Moreover, the board may delegate its managerial authority to a committee of independent disinterested directors. *Id.* at 786. See 8 *Del.C.* § 141(c). Thus, even in a demand-excused case, a board has the power to appoint a committee of one or more independent disinterested directors to determine whether the derivative action should be pursued or dismissal sought. *Zapata,* 430 A.2d at 786. Under *Zapata,* the Court of Chancery, in passing on a committee's motion to dismiss a derivative action in a demand excused case, must apply a two-step test. First, the court must inquire into the independence and good faith of the committee and review the reasonableness and good faith of the committee's investigation. *Id.* at 788. Second, the court must apply its own independent business judgment to decide whether the motion to dismiss should be granted. *Id.* at 789.

After *Zapata* numerous derivative suits were filed without prior demand upon boards of directors. The complaints in such actions all alleged that demand was excused because of board interest, approval or acquiescence in the wrongdoing. In any event, the *Zapata* demand-excused/de-

7. Although questions of director liability in such cases have been adjudicated upon concepts of business judgment, they do not in actuality present issues of business judgment. See *Graham v. Allis-Chalmers Manufacturing Co.,* Del.Supr., 188 A.2d 125 (1963); *Kelly v. Bell,* Del.Ch., 254 A.2d 62 (1969), *aff'd,* Del.Supr., 266 A.2d 878 (1970); *Lutz v. Boas,* Del.Ch., 171 A.2d 381 (1961). See also Arsht, *Fiduciary Responsibilities of Directors, Officers & Key Employees,* 4 Del.J.Corp.L. 652, 659 (1979).

mand-refused bifurcation, has left a crucial issue unanswered: when is demand futile and, therefore, excused?

[11] Delaware courts have addressed the issue of demand futility on several earlier occasions. *See Sohland v. Baker,* Del. Supr., 141 A. 277, 281–82 (1927); *McKee v. Rogers,* Del.Ch., 156 A. 191, 193 (1931); *Miller v. Loft,* Del.Ch., 153 A. 861, 862 (1931); *Fleer v. Frank H. Fleer Corp.,* Del.Ch., 125 A. 411, 414 (1924); *Harden v. Eastern States Public Service Co.,* Del.Ch., 122 A. 705, 707 (1923); *Ellis v. Penn Beef Co.,* Del.Ch., 80 A. 666, 668 (1911). *Cf. Mayer v. Adams,* Del.Supr., 141 A.2d 458, 461 (1958) (minority demand on majority shareholders). The rule emerging from these decisions is that where officers and directors are under an influence which sterilizes their discretion, they cannot be considered proper persons to conduct litigation on behalf of the corporation. Thus, demand would be futile. *See, e.g., McKee v. Rogers,* Del.Ch., 156 A. 191, 192 (1931) (holding that where a defendant controlled the board of directors, "[i]t is manifest then that there can be no expectation that the corporation would sue him, and if it did, it can hardly be said that the prosecution of the suit would be entrusted to proper hands"). *But see, e.g., Fleer v. Frank H. Fleer Corp.,* Del.Ch., 125 A. 411, 415 (1924) ("[w]here the demand if made would be directed to the particular individuals who themselves are the alleged wrongdoers and who therefore would be invited to sue themselves, the rule is settled that a demand and refusal is not requisite"); *Miller v. Loft, Inc.,* Del.Ch., 153 A. 861, 862 (1931) ("if by reason of hostile interest or guilty participation in the wrongs complained of, the directors cannot be expected to institute suit, . . . no demand upon them to institute suit is requisite").

[12] However, those cases cannot be taken to mean that any board approval of a challenged transaction automatically connotes "hostile interest" and "guilty participation" by directors, or some other form of sterilizing influence upon them. Were that so, the demand requirements of our law would be meaningless, leaving the clear mandate of Chancery Rule 23.1 devoid of its purpose and substance.

The trial court correctly recognized that demand futility is inextricably bound to issues of business judgment, but stated the test to be based on allegations of fact, which, if true, "show that there is a reasonable inference" the business judgment rule is not applicable for purposes of a pre-suit demand. *Lewis,* 466 A.2d at 381.

The problem with this formulation is the concept of reasonable inferences to be drawn against a board of directors based on allegations in a complaint. As is clear from this case, and the conclusory allegations upon which the Vice Chancellor relied, demand futility becomes virtually automatic under such a test. Bearing in mind the presumptions with which director action is cloaked, we believe that the matter must be approached in a more balanced way.

[13] Our view is that in determining demand futility the Court of Chancery in the proper exercise of its discretion must decide whether, under the particularized facts alleged, a reasonable doubt is created that: (1) the directors are disinterested and independent and (2) the challenged transaction was otherwise the product of a valid exercise of business judgment. Hence, the Court of Chancery must make two inquiries, one into the independence and disinterestedness of the directors and the other into the substantive nature of the challenged transaction and the board's approval thereof. As to the latter inquiry the court does not assume that the transaction is a wrong to the corporation requiring corrective steps by the board. Rather, the alleged wrong is substantively reviewed against the factual background alleged in the complaint. As to the former inquiry, directorial independence and disinterestedness, the court reviews the factual allegations to decide whether they raise a reasonable doubt, as a threshold matter, that the protections of the business judgment rule are available to the board.

Certainly, if this is an "interested" director transaction, such that the business judgment rule is inapplicable to the board majority approving the transaction, then the inquiry ceases. In that event futility of demand has been established by any objective or subjective standard.[8] *See, e.g., Bergstein v. Texas Internat'l Co.*, Del.Ch., 453 A.2d 467, 471 (1982) (because five of nine directors approved stock appreciation rights plan likely to benefit them, board was interested for demand purposes and demand held futile). This includes situations involving self-dealing directors. *See Sinclair Oil Corp. v. Levien*, Del.Supr., 280 A.2d 717 (1971); *Sterling v. Mayflower*, Del.Supr., 93 A.2d 107 (1952); *Trans World Airlines, Inc. v. Summa Corp.*, Del.Ch., 374 A.2d 5 (1977); *David J. Greene & Co. v. Dunhill International, Inc.*, Del.Ch., 249 A.2d 427 (1968).

[14, 15] However, the mere threat of personal liability for approving a questioned transaction, standing alone, is insufficient to challenge either the independence or disinterestedness of directors, although in rare cases a transaction may be so egregious on its face that board approval cannot meet the test of business judgment, and a substantial likelihood of director liability therefore exists. *See Gimbel v. Signal Cos., Inc.*, Del.Ch., 316 A.2d 599, *aff'd*, Del.Supr., 316 A.2d 619 (1974); *Cottrell v. Pawcatuck Co.*, Del.Supr., 128 A.2d 225 (1956). In sum the entire review is factual in nature. The Court of Chancery in the exercise of its sound discretion must be satisfied that a plaintiff has alleged facts with particularity which, taken as true, support a reasonable doubt that the challenged transaction was the product of a valid exercise of business judgment. Only in that context is demand excused.

8. We recognize that drawing the line at a majority of the board may be an arguably arbitrary dividing point. Critics will charge that we are ignoring the structural bias common to corporate boards throughout America, as well as the other unseen socialization processes cutting against independent discussion and decisionmaking in the boardroom. The difficulty with structural bias in a demand futile case is simply one of establishing it in the complaint for purposes of Rule 23.1. We are satisfied that discretionary review by the Court of Chancery of complaints alleging specific facts pointing to bias on a particular board will be sufficient for determining demand futility.

B.

Having outlined the legal framework within which these issues are to be determined, we consider plaintiff's claims of futility here: Fink's domination and control of the directors, board approval of the Fink-Meyers employment agreement, and board hostility to the plaintiff's derivative action due to the directors' status as defendants.

[16] Plaintiff's claim that Fink dominates and controls the Meyers' board is based on: (1) Fink's 47% ownership of Meyers' outstanding stock, and (2) that he "personally selected" each Meyers director. Plaintiff also alleges that mere approval of the employment agreement illustrates Fink's domination and control of the board. In addition, plaintiff argued on appeal that 47% stock ownership, though less than a majority, constituted control given the large number of shares outstanding, 1,245,745.

[17] Such contentions do not support any claim under Delaware law that these directors lack independence. In *Kaplan v. Centex Corp.*, Del.Ch., 284 A.2d 119 (1971), the Court of Chancery stated that "[s]tock ownership alone, at least when it amounts to less than a majority, is not sufficient proof of domination or control". *Id.* at 123. Moreover, in the demand context even proof of majority ownership of a company does not strip the directors of the presumptions of independence, and that their acts have been taken in good faith and in the best interests of the corporation. There must be coupled with the allegation of control such facts as would demonstrate that through personal or other relationships the directors are beholden to the controlling person. *See Mayer v. Adams*, Del.Ch., 167 A.2d 729, 732, *aff'd*, Del.Supr., 174 A.2d 313 (1961). To date the principal decisions deal-

ing with the issue of control or domination arose only after a full trial on the merits. Thus, they are distinguishable in the demand context unless similar particularized facts are alleged to meet the test of Chancery Rule 23.1. *See e.g., Kaplan,* 284 A.2d at 123; *Chasin v. Gluck,* Del.Ch., 282 A.2d 188 (1971); *Greene v. Allen,* Del.Ch., 114 A.2d 916 (1955); *Loft, Inc. v. Guth,* Del.Ch., 2 A.2d 225, 237 (1938), *aff'd,* Del.Supr., 5 A.2d 503 (1939).

The requirement of director independence inhers in the conception and rationale of the business judgment rule. The presumption of propriety that flows from an exercise of business judgment is based in part on this unyielding precept. Independence means that a director's decision is based on the corporate merits of the subject before the board rather than extraneous considerations or influences. While directors may confer, debate, and resolve their differences through compromise, or by reasonable reliance upon the expertise of their colleagues and other qualified persons, the end result, nonetheless, must be that each director has brought his or her own informed business judgment to bear with specificity upon the corporate merits of the issues without regard for or succumbing to influences which convert an otherwise valid business decision into a faithless act.

Thus, it is not enough to charge that a director was nominated by or elected at the behest of those controlling the outcome of a corporate election. That is the usual way a person becomes a corporate director. It is the care, attention and sense of individual responsibility to the performance of one's duties, not the method of election, that generally touches on independence.

[18, 19] We conclude that in the demand-futile context a plaintiff charging domination and control of one or more directors must allege particularized facts manifesting "a direction of corporate conduct in such a way as to comport with the wishes or interests of the corporation (or persons) doing the controlling". *Kaplan,* 284 A.2d at 123. The shorthand shibboleth of "dominated and controlled directors" is insufficient. In recognizing that *Kaplan* was decided after trial and full discovery, we stress that the plaintiff need only allege specific facts; he need not plead evidence. Otherwise, he would be forced to make allegations which may not comport with his duties under Chancery Rule 11.[9]

Here, plaintiff has not alleged any facts sufficient to support a claim of control. The personal-selection-of-directors allegation stands alone, unsupported. At best it is a conclusion devoid of factual support. The causal link between Fink's control and approval of the employment agreement is alluded to, but nowhere specified. The director's approval, alone, does not establish control, even in the face of Fink's 47% stock ownership. *See Kaplan v. Centex Corp.,* 284 A.2d at 122, 123. The claim that Fink is unlikely to perform any services under the agreement, because of his age, and his conflicting consultant work with Prudential, adds nothing to the control claim.[10] Therefore, we cannot conclude that the

9. Chancery Rule 11 provides:

Every pleading of a party represented by an attorney shall be signed by a least 1 attorney of record in his individual name, whose address shall be stated. A party who is not represented by an attorney shall sign his pleading and state his address. Except when otherwise specifically provided by statute or rule, pleadings need not be verified or accompanied by affidavit. The signature of an attorney constitutes a certificate by him that he has read the pleading; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay. If a pleading is not signed or is signed with intent to defeat the purpose of this rule, it may be stricken as sham and false and the action may proceed as though the pleading had not been served. For a willful violation of this rule an attorney may be subjected to appropriate disciplinary action. Similar action may be taken if scandalous or indecent matter is inserted. Del.Ch.Ct.R. 11.

10. Plaintiff made no legal argument that the "best efforts" provision of the agreement prohibited dual consultant duties, thereby demonstrating that the contract's approval evidenced control or was otherwise wrongful.

complaint factually particularizes any circumstances of control and domination to overcome the presumption of board independence, and thus render the demand futile.

C.

Turning to the board's approval of the Meyers-Fink employment agreement, plaintiff's argument is simple: all of the Meyers directors are named defendants, because they approved the wasteful agreement; if plaintiff prevails on the merits all the directors will be jointly and severally liable; therefore, the directors' interest in avoiding personal liability automatically and absolutely disqualifies them from passing on a shareholder's demand.

[20] Such allegations are conclusory at best. In Delaware mere directorial approval of a transaction, absent particularized facts supporting a breach of fiduciary duty claim, or otherwise establishing the lack of independence or disinterestedness of a majority of the directors, is insufficient to excuse demand.[11] Here, plaintiff's suit is premised on the notion that the Meyers-Fink employment agreement was a waste of corporate assets. So, the argument goes, by approving such waste the directors now face potential personal liability, thereby rendering futile any demand on them to bring suit. Unfortunately, plaintiff's claim falls in its initial premise. The complaint does not allege particularized facts indicating that the agreement is a waste of corporate assets. Indeed, the complaint as now drafted may not even state a cause of action, given the directors' broad corporate power to fix the compensation of officers.[12]

In essence, the plaintiff alleged a lack of consideration flowing from Fink to Meyers, since the employment agreement provided that compensation was not contingent on Fink's ability to perform any services. The bare assertion that Fink performed "little or no services" was plaintiff's conclusion based solely on Fink's age and the *existence* of the Fink-Prudential employment agreement. As for Meyers' loans to Fink, beyond the bare allegation that they were made, the complaint does not allege facts indicating the wastefulness of such arrangements. Again, the mere existence of such loans, given the broad corporate powers conferred by Delaware law, does not even state a claim.[13]

[21] In sustaining plaintiff's claim of demand futility the trial court relied on *Fidanque v. American Maracaibo Co.*, Del. Ch., 92 A.2d 311, 321 (1952), which held that a contract providing for payment of consulting fees to a retired president/director was a waste of corporate assets. *Id.* In *Fidanque*, the court found after trial that the contract and payments were in reality compensation for past services. *Id.* at 320. This was based upon facts not present here: the former president/director was a 70 year old stroke victim, neither the agreement nor the record spelled out his consulting duties at all, the consulting salary equalled the individual's salary when he was president and general manager of the corporation, and the contract was silent as to continued employment in the event that the retired president/director again became incapacitated and unable to perform his duties. *Id.* at 320–21. Contrasting the facts of *Fidanque* with the complaint here, it is apparent that plaintiff has not alleged

11. See also *In re Kauffman Mutual Fund Actions*, 479 F.2d 257, 265 (1st Cir.1973); *Greenspun v. Del E. Webb*, 634 F.2d 1204, 1210 (9th Cir.1980); *Grossman v. Johnson*, 674 F.2d 115, 124 (1st Cir.1982); *Lewis v. Curtis*, 671 F.2d 779, 785 (3d Cir.1982); *Lewis v. Graves*, 701 F.2d 245, 248 (2d Cir.1983).

12. 8 *Del.C.* § 122(5) provides that "[e]very corporation created under this chapter shall have the power to appoint such officers and agents as the business of the corporation requires and to pay or otherwise provide for them suitable compensation". 8 *Del.C.* § 122(5).

13. Plaintiff's allegation ignores 8 *Del.C.* § 143 which expressly authorizes interest-free loans to "any officer or employee of the corporation ... whenever, in the judgment of the directors, such loan ... may reasonably be expected to benefit the corporation." 8 *Del.C.* § 143.

facts sufficient to render demand futile on a charge of corporate waste, and thus create a reasonable doubt that the board's action is protected by the business judgment rule. *Cf. Beard v. Elster,* Del.Supr., 160 A.2d 731 (1960); *Lieberman v. Koppers Company Line, Inc.,* Del.Ch., 149 A.2d 756, *aff'd, Lieberman v. Becker,* Del.Supr., 155 A.2d 596 (1959).

D.

[22] Plaintiff's final argument is the incantation that demand is excused because the directors otherwise would have to sue themselves, thereby placing the conduct of the litigation in hostile hands and preventing its effective prosecution. This bootstrap argument has been made to and dismissed by other courts. *See, e.g., Lewis v. Graves,* 701 F.2d 245, 248–49 (2d Cir.1983); *Heit v. Baird,* 567 F.2d 1157, 1162 (1st Cir. 1977); *Lewis v. Anselmi,* 564 F.Supp., 768, 772 (S.D.N.Y.1983). Its acceptance would effectively abrogate Rule 23.1 and weaken the managerial power of directors. Unless facts are alleged with particularity to overcome the presumptions of independence and a proper exercise of business judgment, in which case the directors could not be expected to sue themselves, a bare claim of this sort raises no legally cognizable issue under Delaware corporate law.

V.

In sum, we conclude that the plaintiff has failed to allege facts with particularity indicating that the Meyers directors were tainted by interest, lacked independence, or took action contrary to Meyers' best interests in order to create a reasonable doubt as to the applicability of the business judgment rule. Only in the presence of such a reasonable doubt may a demand be deemed futile. Hence, we reverse the Court of Chancery's denial of the motion to dismiss, and remand with instructions that plaintiff be granted leave to amend his complaint to bring it into compliance with Rule 23.1 based on the principles we have announced today.

• • •

REVERSED AND REMANDED.



STATE of Delaware, Plaintiff,

v.

John A. COOLEY, Defendant.

Superior Court of Delaware,
New Castle County.

Submitted: May 25, 1983.
Decided: July 22, 1983.

After initial charge against defendant of criminally negligent homicide had been dismissed upon determination suppressing evidence which State had certified to be essential, and affirmance of suppression order by the Supreme Court, 457 A.2d 352, State reindicted defendant for criminally negligent homicide, and defendant moved to dismiss. The Superior Court, New Castle County, Bifferato, J., held that as State had twice certified that suppressed evidence was "essential" to prosecution, and order suppressing evidence was affirmed by Supreme Court, State could not reprosecute defendant for same charge, especially in light of two and one-half-year delay in bringing defendant to trial.

Motion granted.

1. Criminal Law ⇐1078

State has no absolute right to appeal pretrial suppression order until state certifies to court that suppressed evidence is essential to prosecution of case, and court, acting upon state's certification, dismisses action. 10 Del.C. § 9902(b, c).

DRAFT

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made this _____ day of _____, 1989, by and between The Humane Society of the United States, a not-for-profit corporation organized and existing under the laws of the State of Delaware and qualified to do business in the District of Columbia (the "Society"), and Paul G. Irwin, an individual residing in Gaithersburg, Maryland (the "Employee").

WITNESSETH:

WHEREAS, the Employee has served as the Executive Vice President/Treasurer of the Society for the past thirteen (13) years;

WHEREAS, the Employee has significantly contributed to the considerable growth which the Society has experienced in its income, operations and stature during the period of his employment;

WHEREAS, the Society recognizes the unique qualifications and contributions of the Employee and desires to secure the services of the Employee on an exclusive basis for an extended period of time on the terms and conditions set forth herein; and

WHEREAS, the Employee is prepared to commit such services in return for specific arrangements on compensation

and other benefits on the terms and conditions set forth herein; and

WHEREAS, the Board of Directors of the Society has approved this Agreement and authorized its execution,

NOW THEREFORE, in consideration of the promises and covenants in the agreement, and other valuable consideration, the receipt and sufficiency of which is acknowledged, the Society and the Employee agree as follows:

ARTICLE 1.

EMPLOYMENT AND DUTIES

1.1. Term of Employment. The Society agrees to continue the employment of the Employee and the Employee agrees to continue in the service of the Society as its Executive Vice President/Treasurer until January 1, 1997. During such period, he shall faithfully perform all of the duties of his employment.

1.2. Scope of Employment. As Executive Vice President/Treasurer of the Society, the Employee shall have responsibility for the daily oversight and management of the Society's financial affairs. The Employee shall also assist the President and Chief Executive in the management of the Society and its fund-raising activities. The Employee shall have such additional duties as may from time to time be determined by the Board of Directors of the Society (the

"Board"). The Employee agrees to exert his best efforts and to devote his full time and attention to such duties, subject to the direction and control of the Board.

ARTICLE 2.

COMPENSATION

2.1. Compensation. In consideration for his services the Society shall pay the Employee no less than the salary and the other compensation benefits set forth in this Article 2 (collectively the "Compensation").

2.2. Salary. The Society shall pay the Employee a salary of no less than $105,000 per Contract Year, as hereinafter defined, or such higher amount as shall be agreed upon by the Board. The Employee's salary shall be reviewed annually by the Board. The salary shall be payable in equal monthly installments throughout the Contract Year, or in such other manner as the Board of Directors and Employee may mutually agree. For purposes of this Agreement, "Contract Year" means each twelve month period of the term hereof, commencing on the effective date of this Agreement and on each anniversary date thereof.

2.3. Deferred Compensation.

(a) The Society shall provide the Employee with deferred compensation by contributing on his behalf to the Society's Deferred Compensation Plan with Aetna Life Insur-

ance and Annuity Company the sum of $7,000 per Contract Year, or such higher amount as agreed upon by the Board. The Employee's entitlements to such deferred compensation shall be governed by the terms of the Aetna Plan.

(b) The Society shall also continue to fully maintain the Defined Contribution Deferred Compensation and Salary Continuation Plan, dated _____, with the Connecticut Mutual Life Insurance Company for the benefit of the Employee in accordance with currently effective agreements and procedures, as per the attached.

(c) The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.3, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(d) For so long as the Employee continues in the employ of the Society, the right of the Employee to the deferred compensation shall not be affected by any change of duty or position or by any temporary leave of absence approved by the Board.

2.4. Insurance.

(a) The Society shall, on behalf of the Employee and his family members, continue to provide the medical, dental, hospitalization, disability insurance in accordance with its standard policies for its full-time employees; and

the life insurance described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof. The Society shall pay all premiums due on said policies promptly. The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.4, provided that any such policy is immediately replaced with similar policy with benefits equivalent to those of its full time employees.

(b) The Society shall also, on behalf of the Employee, provide the group life insurance coverage described in Exhibit A in accordance with its standard policy.

2.5. Pension. In each Contract Year throughout the term hereof, the Society shall also, on behalf of the Employee, contribute to the Society's employee retirement plan in accordance with its presently effective standard policy or such other policy which provides no loss of present or future benefit or entitlement to the Employee or any family member.

ARTICLE 3.

EXPENSES

The Society acknowledges that the successful conduct of its affairs requires the Employee to expend money for travel, board, meals and other business expenses in the discharge of his duties. The Society shall promptly pay for

normal and reasonable expenses upon presentation of statements, accounts or other appropriate documentation as required by the Society's accounting policies. The Society acknowledges that it is in its interests and to its benefit for the Employee's wife to accompany him on his travels from time to time on the Society's behalf. Accordingly, the Society shall similarly promptly pay for his wife's travel, board, meals and other business expenses upon presentation of statements, accounts, or other appropriate documentation as required by the Society's accounting policies for such travel when approved in advance, in writing, by the Chairman of the Board.

ARTICLE 4.

TERMINATION OF EMPLOYEE

4.1. Voluntary Termination by Employee.

(a) If the Employee desires to voluntarily terminate his employment under this Agreement, and resign his offices and positions as Vice President and Treasurer of the Society before the completion of the term hereof, he shall provide the Chairman of the Board with at least three months' prior written notice.

(b) The Society shall further execute all documents and take all other actions necessary or desirable to

transfer and assign to the Employee or his assigns promptly all accrued Compensation benefits hereunder.

4.2. Termination by Society Without Cause.

(a) If the Society terminates the employee without Cause (as defined in Article 4.3 hereof) before the completion of the term hereof, the Society shall continue to pay to the Employee his total annual Compensation then due under Article 2 hereof for a period of one year after the date of termination. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns all accrued compensation benefits hereunder. Thereafter, the Employee shall be entitled to an annual annuity payment equal to the regular retirement pension benefit the Employee would have received had he remained in the employ of the Society until age 65, in accordance with established Society policies. The amount of the annual annuity will be based on the pensionable salary of the Employee at the time of termination, and will begin at the point when compensation due the employee, as described in Article 4.1(b), one year after termination, and the Society will fund the annuity through an independent commercial carrier. This annuity shall be paid until the death of the Employee.

(b) In addition, the Society shall, on behalf of the Employee, continue to provide for one year to coincide with 4.2(b), medical, dental, and hospitalization coverage

benefits as more particularly described in Article 2, equal to those in force at the time of termination.

(c) In the event of a change of control of the Board of the Society, resulting from any merger, consolidation, takeover, or other reorganization of the Society, the employee may, at his sole option, terminate his employment hereunder. In such event, his termination shall be deemed to be a termination without cause, and the employee shall be entitled to all the benefits described in this Article 4.2.

4.3. Termination by Society for Cause.

(a) If the Society terminates the Employee for Cause under this Agreement before the completion of the term hereof, it shall immediately provide the employee with a written statement identifying the basis for such termination.

(b) In the event the Employee contests the termination, the matter shall be submitted immediately to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully.

(c) The decision of the arbitrator shall fix the rights and obligations of the Employee as set forth in Article 7.4 hereof.

(d) For purposes of this Article 4.3, "Cause" shall include but not be limited to violation by the Employee of the non-competition covenants under Article 6 of

this Agreement, fraud, willful misappropriation of funds, theft, the bringing of disrepute on the Society, embezzlement by the Employee against the Society, and unethical business acts, related in any way with the Employee's capacity as Vice President or Treasurer of the Society.

ARTICLE 5.

DISABILITY OR DEATH OF EMPLOYEE

5.1. Disability. If the Employee, by reason of physical or mental disability, ~~as determined by the Board of Directors~~, is unable to perform all his duties as Executive Vice President/Treasurer, the Society may terminate his employment by serving him with thirty (30) days' prior written notice. If the Society terminates the employment of the Employee, ~~the Society shall pay the Employee the sum of Two Thousand Five Hundred Dollars ($2,500) for each month after termination until he reaches~~ the age of 65 years or until his death, whichever is earlier. The Society may satisfy this obligation by providing the Employee with an annuity policy which pays such amounts in addition to the life and disability insurance already provided for in Article 2 hereof. In the event of any dispute between the parties regarding termination under this Article, such dispute shall be immediately submitted to arbitration in accordance with Article 7.4 hereof, in which both parties

agree to participate fully. Pending the outcome of the arbitration, the Employee shall have the rights set forth in this Article 5.1 and in Article 7.4 hereof. The Employee waives any claim of medical privilege with respect to any dispute concerning his physical or medical disability.

5.2. Death of Employee. In the event the Employee dies before January 1, 1997 while still in the employ of the Society, the Society shall pay and provide to the widow of the Employee the Compensation described in Article 2 hereof for a period of six (6) months from the date of death.

5.3. Other Compensation. Additionally, in the event of the disability or death of the Employee as provided above, the Society shall execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee, his widow, or his personal representative, as the case may be, all accrued Compensation benefits hereunder (including, without limitation, deferred compensation) to which the Employee would be entitled as of the date of such disability or death.

ARTICLE 6.

NONCOMPETITION

The Employee agrees that during the term of his employment by the Society under this Agreement and for a period of two (2) years following any voluntary resignation of his

employment with the Society, he shall not directly or indirectly manage, operate, control, be employed by, be an officer or director of, participate in, contract with, or be connected in any capacity or in any manner with any animal welfare or environmental organization which directly or indirectly competes with the Society without the prior written approval of the Board. Furthermore, the Employee agrees not to disclose or cause to be disclosed any proprietary information concerning the Society and the Employee agrees that upon termination of his employment with the Society he will return to the Society all proprietary information within his possession. The restrictions set forth in this Article 6 and the remedies set forth in Article 7.4 of this Agreement shall survive the termination of this Agreement and shall continue in full force and effect for the periods of time provided for herein.

ARTICLE 7.

MISCELLANEOUS

7.1 Notices. Any notice required under this Agreement shall be in writing and shall be served personally upon the person to whom notice is directed or may be delivered by registered or certified mail, return receipt requested, postage prepaid, at least thirty (30) days before the effective date of the action to which said notice is given, un-

less a different period of notice is expressly set forth under any provision of this Agreement. Notice to the Society shall be deemed made on the date of personal delivery to the Secretary of the Society at the address set forth below or, in the case of mailing, when posted to the Secretary at said address. Notice from the Society to the Employee shall be duly authorized by the Board of the Society. Notice to the Employee shall be effective upon the date of personal delivery to the Employee at the address set forth below, or in the case of mailing, upon the date posted.

7.2. Successors and Assigns. This Agreement is binding upon the parties hereto, and their heirs, executors, administrators, successors and assigns. The rights of the Employee under this Agreement may not be assigned, except to his widow, personal representative, or other surviving beneficiary in the event of death. In the event of any merger, consolidation, or other reorganization involving the Society, this Agreement shall continue in full force and effect and become an obligation of the Society's successor or successors.

7.3. Remedies Cumulative. In the event of breach of any provisions of this Agreement, the aggrieved party shall be entitled to seek and pursue all legal, equitable, and compensatory relief and remedies, including reasonable attorney's fees. The remedies herein provided shall be cumulative and no one shall be construed as exclusive of any

other or of any remedy provided by law. Failure to exercise any remedy at any time shall not operate as a waiver of the right of said person to exercise any remedy for the same or subsequent default at any time thereafter.

7.4. Arbitration of Disputes.

(a) Any controversy or claim arising out of, or relating to this Agreement, or the breach hereof, shall be settled by arbitration in the District of Columbia in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction.

(b) Where the controversy or claim relates to termination of employment for Cause under Article 4.2 or for disability under Article 5.1, the Employee shall receive the benefits described in the aforesaid Articles pending the outcome of the arbitration.

(c) In the event the Society terminates employment because of Cause or disability and such action is challenged but upheld by the arbitration, the Employee shall have no right to receive Compensation or other benefits for any period after the arbitration determination, except for Compensation rights and benefits already accrued or vested. If the Employee's termination for disability is upheld, the Employee shall continue to have the rights set forth in Article 5.1 hereof and any other right to Compensation and benefits already accrued or vested.

(d) In the event that the Society's claim of Cause or disability is not upheld by arbitration, the Society shall have all the obligations set forth in Article 4.2 as if the Employee had been terminated without Cause. In addition, if the Society's claim of disability is not upheld by arbitration, the Society shall retroactively pay the Employee the difference between the $2,500 monthly payments made to the Employee and the Compensation described in Article 2 herein from the date of termination to the date of the arbitration determination.

7.5. Governing Law. This Agreement and the rights and obligations shall be governed by and construed in accordance with the laws of the District of Columbia.

7.6. Severability. The invalidity or unenforceability of any part of this Agreement shall not affect the validity and enforceability of the remainder thereof. If any one or more of the provisions of this Agreement shall, for any reason, be held to be overbroad and otherwise unenforceable for any reason, it shall be construed so as to be enforceable to the extent compatible with the applicable law as it then stands.

7.7. Counsel. The Society and the Employee each hereby acknowledges that said party has been represented in the negotiation and consummation of this Agreement by separate counsel.

7.8. Entire Agreement. This Agreement and its exhibit constitute the entire agreement of the parties. This Agreement shall supercede any prior employment agreements between the parties. This Agreement may not be changed, modified or amended except by mutual written agreement of the parties.

7.9. Effective Date. This Agreement is deemed effective as of January 1, 1989. All payments due hereunder shall be made retroactive to the effective date.

IN WITNESS WHEREOF, the Employee and the Society, by its duly-authorized officer or director, have caused this Agreement to be executed on the day and year first above written.

SOCIETY

The Humane Society of the United States
National Headquarters
2100 L Street, N.W.
Washington, D. C. 20037

By: _____
Chairman of the Board of Directors

EMPLOYEE

13109 Chestnut Oak Drive
Gaithersburg, Maryland 20878

_____
John A. Hoyt

EXHIBIT A

Paul G. Irwin

Compensation - 1989

Salary	$105,000
Aetna Life Insurance and Annuity Company Deferred Compensation Plan	7,000
Connecticut Mutual Life Defined Contribution Deferred Compensation and Salary Continuation Plan Policy No. 3762191. Annual premium paid by Society	2,877
Manhattan Life Insurance, Policy No. 8605294. Annual premium paid by Society	2,700
Connecticut Mutual Disability, Policy No. 3533078. Annual premium paid by Society	345
Hospital, medical, and dental insurance Annual premimum paid by Society	3,713

The Society shall also make the contributions on the Employee's behalf required to maintain his present entitlements under the Society's Pension Plan, Group Life Insurance, and Group Disability Insurance policies.

DRAFT

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made this _____ day of _____, 1989, by and between The Humane Society of the United States, a not-for-profit corporation organized and existing under the laws of the State of Delaware and qualified to do business in the District of Columbia (the "Society"), and John A. Hoyt, an individual residing in Germantown, Maryland (the "Employee").

WITNESSETH:

WHEREAS, the Employee has served as the President and Chief Executive Officer of the Society for the past nineteen (19) years;

WHEREAS, the Society's income, operations and stature have grown considerably during the Employee's tenure and under his active direction;

WHEREAS, the Society recognizes the unique qualifications and contributions of the Employee and desires to secure the services of the Employee on an exclusive basis for an extended period of time on the terms and conditions set forth herein;

WHEREAS, the Employee is prepared to commit such services in return for specific arrangements on compensation and other benefits on the terms and conditions set forth herein; and

WHEREAS, the Board of Directors of the Society has approved this Agreement and authorized its execution,

NOW THEREFORE, in consideration of the promises and covenants in the agreement, and other valuable consideration, the receipt and sufficiency of which is acknowledged, the Society and the Employee agree as follows:

ARTICLE 1.

EMPLOYMENT AND DUTIES

1.1. Term of Employment. The Society agrees to continue the employment of the Employee and the Employee agrees to continue in the service of the Society as its President and Chief Executive Officer until January 1, 1997. During such period, he shall faithfully perform all of the duties of his employment.

1.2. Scope of Employment. As President and Chief Executive Officer of the Society, the Employee shall act as the operating head of the Society and hold the primary responsibility for conducting its affairs in an efficient and effective manner and for implementing the programs, fundraising, and other events and activities of the Society. The Employee shall have such additional duties as may from time to time be determined by the Board of Directors of the Society (the "Board"). The Employee agrees to exert his best efforts and to devote his full time and attention to

such duties, subject to the direction and control of the Board.

ARTICLE 2.

COMPENSATION

2.1. Compensation. In consideration for his services the Society shall pay the Employee no less than the salary and the other compensation benefits set forth in this Article 2 (collectively the "Compensation").

2.2. Salary. The Society shall pay the Employee a salary of no less than $113,000 per Contract Year, as hereinafter defined, or such higher amount as shall be agreed upon by the Board. The Employee's salary shall be reviewed annually by the Board. The salary shall be payable in equal monthly installments throughout the Contract Year, or in such other manner as the Board of Directors and Employee may mutually agree. For purposes of this Agreement, "Contract Year" means each twelve month period of the term hereof, commencing on the effective date of this Agreement and on each anniversary date thereof.

2.3. Deferred Compensation.

(a) The Society shall provide the Employee with deferred compensation by contributing on his behalf to the Society's Deferred Compensation Plan with Aetna Life Insurance and Annuity Company the sum of $5,000 per Contract

Year, or such higher amount as agreed upon by the Board. The Employee's entitlements to such deferred compensation shall be governed by the terms of the Aetna Plan.

(b) The Society shall also continue to fully maintain the Defined Contribution Deferred Compensation and Salary Continuation Plan, dated _____, with the Connecticut Mutual Life Insurance Company for the benefit of the Employee in accordance with currently effective agreements and procedures, as per the attached.

(c) The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.3, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(d) For so long as the Employee continues in the employ of the Society, the right of the Employee to the deferred compensation shall not be affected by any change of duty or position or by any temporary leave of absence approved by the Board.

2.4. Insurance.

(a) The Society shall, on behalf of the Employee and his family members, continue to provide the medical, dental, hospitalization, disability insurance in accordance with its standard policies for its full-time employees; and the life insurance described in Exhibit A attached hereto

and by this reference incorporated herein and made a part hereof. The Society shall pay all premiums due on said policies promptly. The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.4, provided that any such policy is immediately replaced with similar policy with benefits equivalent to those of its full time employees.

(b) The Society shall also, on behalf of the Employee, provide the group life insurance coverage described in Exhibit A in accordance with its standard policy.

2.5. Pension. In each Contract Year throughout the term hereof, the Society shall also, on behalf of the Employee, contribute to the Society's employee retirement plan in accordance with its presently effective standard policy or such other policy which provides no loss of present or future benefit or entitlement to the Employee or any family member.

2.6. Housing. During each Contract Year or part thereof throughout the term of this Agreement, the Employee and his family members shall be entitled to occupy the house owned by the Society located at 14670 Seneca Road, Germantown, Maryland (the "Germantown Property") on a rent-free basis. The Employee shall only be responsible for paying monthly utility charges. The Society will be responsible for all other costs relating to the Germantown Property, including all normal maintenance charges as set forth

by the Board. In the event that the Employee ceases to reside at the Germantown Property during the Contract Year, the salary paid to him under Article 2.2 shall be increased by an amount equal to the then current imputed rental value of the property as determined in accordance with Exhibit A hereto for that Contract Year or part thereof, as applicable.

The fair rental value of the Germantown property shall be established, year to year, by a qualified real estate appraiser selected by the Board, and his opinion shall be binding.

ARTICLE 3.

EXPENSES

The Society acknowledges that the successful conduct of its affairs requires the Employee to expend money for travel, board, meals and other business expenses in the discharge of his duties. The Society shall promptly pay for normal and reasonable expenses upon presentation of statements, accounts or other appropriate documentation as required by the Society's accounting policies. The Society acknowledges that it is in its interests and to its benefit for the Employee's wife to accompany him on his travels from time to time on the Society's behalf. Accordingly, the Society shall similarly promptly pay for his wife's travel,

board, meals and other business expenses upon presentation of statements, accounts, or other appropriate documentation as required by the Society's accounting policies for such travel when approved in advance, in writing, by the Chairman of the Board.

ARTICLE 4.

TERMINATION OF EMPLOYEE

4.1. Voluntary Termination by Employee.

(a) If the Employee desires to voluntarily terminate his employment under this Agreement, and resign his offices and positions as President and Chief Executive Officer of the Society before the completion of the term hereof, he shall provide the Chairman of the Board with at least three months' prior written notice.

(b) The Society shall ~~further~~ execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns promptly all accrued Compensation benefits hereunder.

4.2. Termination by Society Without Cause.

(a) If the Society terminates the employee without Cause (as defined in Article 4.3 hereof) before the completion of the term hereof, the Society shall continue to pay to the Employee his total annual Compensation then due under Article 2 hereof for a period of one year after the

date of termination. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns all accrued compensation benefits hereunder. Thereafter, the Employee shall be entitled to an annual annuity payment equal to the regular retirement pension benefit the Employee would have received had he remained in the employ of the Society until age 65, in accordance with established Society policies. The amount of the annual annuity will be based on the ~~pensionable salary~~ of the Employee at the time of termination, and will begin at the point when compensation due the employee, as described in Article 4.1(b), one year after termination, and the Society will fund the annuity through an independent commercial carrier. This annuity shall be paid until the death of the Employee.

(b) In addition, the Society shall, on behalf of the Employee, continue to provide for one year to coincide with 4.2(b), medical, dental, and hospitalization coverage benefits as more particularly described in Article 2, equal to those in force at the time of termination.

(c) In the event of a change of control of the Board of the Society, resulting from any merger, consolidation, takeover, or other reorganization of the Society, the employee may, at his sole option, terminate his employment hereunder. In such event, his termination shall be

deemed to be a termination without cause, and the employee shall be entitled to all the benefits described in this Article 4.2.

4.3. Termination by Society for Cause.

(a) If the Society terminates the Employee for Cause under this Agreement before the completion of the term hereof, it shall immediately provide the employee with a written notice. ~~statement identifying the basis for such termination.~~

(b) In the event the Employee contests the termination, the matter shall be submitted immediately to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully.

(c) The decision of the arbitrator shall fix the rights and obligations of the Employee as set forth in Article 7.4 hereof.

(d) For purposes of this Article 4.3, "Cause" shall include but not be limited to violation by the Employee of the non-competition covenants under Article 6 of this Agreement, fraud, willful misappropriation of funds, theft, the bringing of disrepute on the Society, embezzlement by the Employee against the Society, and unethical business acts, related in any way with the Employee's capacity as President or Chief Executive Officer of the Society.

malfeasance

ARTICLE 5.

DISABILITY OR DEATH OF EMPLOYEE

5.1. Disability. If the Employee, by reason of physical or mental disability, ~~as determined by the Board of Directors~~, is unable to perform all his duties as President or Chief Executive Officer, the Society may terminate his employment by serving him with thirty (30) days' prior written notice. ~~If the Society terminates the employment of the Employee, the Society shall pay the Employee the sum of Two Thousand Five Hundred Dollars ($2,500) for each month~~ after termination until he reaches the age of 65 years or until his death, whichever is earlier. The Society may satisfy this obligation by providing the Employee with an annuity policy which pays such amounts in addition to the life and disability insurance already provided for in Article 2 hereof. In the event of any dispute between the parties regarding termination under this Article, such dispute shall be immediately submitted to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully. Pending the outcome of the arbitration, the Employee shall have the rights set forth in this Article 5.1 and in Article 7.4 hereof. The Employee waives any claim of medical privilege with respect to any dispute concerning his physical or medical disability.

5.2. Death of Employee. In the event the Employee dies before January 1, 1997 while still in the employ of the Society, the Society shall pay and provide to the widow of the Employee the Compensation described in Article 2 hereof, including the right to reside in the Germantown Property, for a period of six (6) months from the date of death.

5.3. Other Compensation. Additionally, in the event of the disability or death of the Employee as provided above, the Society shall execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee, his widow, or his personal representative, as the case may be, all accrued Compensation benefits hereunder (including, without limitation, deferred compensation) to which the Employee would be entitled as of the date of such disability or death.

ARTICLE 6.

NONCOMPETITION

The Employee agrees that during the term of his employment by the Society under this Agreement and for a period of two (2) years following any voluntary resignation of his employment with the Society, he shall not directly or indirectly manage, operate, control, be employed by, be an officer or director of, participate in, contract with, or be connected in any capacity or in any manner with any animal

welfare or environmental organization which directly or indirectly competes with the Society without the prior written approval of the Board. Furthermore, the Employee agrees not to disclose or cause to be disclosed any proprietary information concerning the Society and the Employee agrees that upon termination of his employment with the Society he will return to the Society all proprietary information within his possession. The restrictions set forth in this Article 6 and the remedies set forth in Article 7.4 of this Agreement shall survive the termination of this Agreement and shall continue in full force and effect for the periods of time provided for herein.

ARTICLE 7.

MISCELLANEOUS

7.1 Notices. Any notice required under this Agreement shall be in writing and shall be served personally upon the person to whom notice is directed or may be delivered by registered or certified mail, return receipt requested, postage prepaid, at least thirty (30) days before the effective date of the action to which said notice is given, unless a different period of notice is expressly set forth under any provision of this Agreement. Notice to the Society shall be deemed made on the date of personal delivery to the Secretary of the Society at the address set forth below

or, in the case of mailing, when posted to the Secretary at said address. Notice from the Society to the Employee shall be duly authorized by the Board of the Society. Notice to the Employee shall be effective upon the date of personal delivery to the Employee at the address set forth below, or in the case of mailing, upon the date posted.

7.2. Successors and Assigns. This Agreement is binding upon the parties hereto, and their heirs, executors, administrators, successors and assigns. The rights of the Employee under this Agreement may not be assigned, except to his widow, personal representative, or other surviving beneficiary in the event of death. In the event of any merger, consolidation, or other reorganization involving the Society, this Agreement shall continue in full force and effect and become an obligation of the Society's successor or successors.

7.3. Remedies Cumulative. In the event of breach of any provisions of this Agreement, the aggrieved party shall be entitled to seek and pursue all legal, equitable, and compensatory relief and remedies, including reasonable attorney's fees. The remedies herein provided shall be cumulative and no one shall be construed as exclusive of any other or of any remedy provided by law. Failure to exercise any remedy at any time shall not operate as a waiver of the right of said person to exercise any remedy for the same or subsequent default at any time thereafter.

7.4. Arbitration of Disputes.

(a) Any controversy or claim arising out of, or relating to this Agreement, or the breach hereof, shall be settled by arbitration in the District of Columbia in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction.

(b) Where the controversy or claim relates to termination of employment for Cause under Article 4.2 or for disability under Article 5.1, the Employee shall, in addition to receiving the benefits described in the aforesaid Articles, be permitted to continue to reside at the Germantown Property pending the outcome of the arbitration.

(c) In the event the Society terminates employment because of Cause or disability and such action is challenged but upheld by the arbitration, the Employee shall then vacate the Germantown Property within 30 days. The Board may extend the time for good cause. Further, if the claim of Cause is upheld, the Employee shall have no right to receive Compensation or other benefits for any period after the arbitration determination, except for Compensation rights and benefits already accrued or vested. If the Employee's termination for disability is upheld, the Employee shall continue to have the rights set forth in Article 5.1 hereof and any other right to Compensation and benefits already accrued or vested.

(d) In the event that the Society's claim of Cause or disability is not upheld by arbitration, the Society shall have all the obligations set forth in Article 4.2 as if the Employee had been terminated without Cause. In addition, if the Society's claim of disability is not upheld by arbitration, the Society shall retroactively pay the Employee the difference between the ~~$2,500 monthly pay~~ ments made to the Employee and the Compensation described in Article 2 herein from the date of termination to the date of the arbitration determination.

7.5. Governing Law. This Agreement and the rights and obligations shall be governed by and construed in accordance with the laws of the District of Columbia.

7.6. Severability. The invalidity or unenforceability of any part of this Agreement shall not affect the validity and enforceability of the remainder thereof. If any one or more of the provisions of this Agreement shall, for any reason, be held to be overbroad and otherwise unenforceable for any reason, it shall be construed so as to be enforceable to the extent compatible with the applicable law as it then stands.

7.7. Counsel. The Society and the Employee each hereby acknowledges that said party has been represented in the negotiation and consummation of this Agreement by separate counsel.

7.8. Entire Agreement. This Agreement and its exhibit constitute the entire agreement of the parties. This Agreement shall supercede any prior employment agreements between the parties. This Agreement may not be changed, modified or amended except by mutual written agreement of the parties.

7.9. Effective Date. This Agreement is deemed effective as of January 1, 1989. All payments due hereunder shall be made retroactive to the effective date.

IN WITNESS WHEREOF, the Employee and the Society, by its duly-authorized officer or director, have caused this Agreement to be executed on the day and year first above written.

SOCIETY

The Humane Society of the United States
National Headquarters
2100 L Street, N.W.
Washington, D. C. 20037

By: _____
Chairman of the Board of Directors

EMPLOYEE

14670 Seneca Road
Germantown, Maryland 20874

_____
John A. Hoyt

EXHIBIT A

John A. Hoyt

Compensation - 1989

Salary	$113,000
Aetna Life Insurance and Annuity Company Deferred Compensation Plan	5,000
Connecticut Mutual Life Defined Contribution Deferred Compensation and Salary Continuation Plan Policy No. 324952. Annual premium paid by Society	4,196
Manhattan Life Insurance, Policy No. 8605293. Annual premium paid by Society	4,000
Germantown residence (Computed annual rent for 1989)	18,000
Massachusetts Casualty Disability, Policy No. 151343. Annual premium paid by Society	913
Hospital, medical, and dental insurance Annual premimum paid by Society	3,713

The Society shall also make the contributions on the Employee's behalf required to maintain his present entitlements under the Society's Pension Plan, Group Life Insurance, and Group Disability Insurance policies.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made this ___ day of _____, 1989, by and between The Humane Society of the United States, a not-for-profit corporation organized and existing under the laws of the State of Delaware and qualified to do business in the District of Columbia (the "Society"), and Paul G. Irwin, an individual residing in Gaithersburg, Maryland (the "Employee").

WITNESSETH:

WHEREAS, the Employee has served as the Executive Vice President/Treasurer of the Society for the past thirteen (13) years; and is currantly 1976?

WHEREAS, the Employee has significantly contributed to the considerable growth which the Society has experienced in its income, operations and stature during the period of his employment;

WHEREAS, the Society recognizes the unique qualifications and contributions of the Employee and desires to secure the services of the Employee on an exclusive basis for an extended period of time on the terms and conditions set forth herein;

WHEREAS, the Employee is prepared to commit such services in return for specific arrangements on compensation and other benefits on the terms and conditions set forth herein; and

WHEREAS, the Board of Directors of the Society has approved and authorized the entry into of this Agreement with the Employee for this purpose.

NOW THEREFORE, in consideration of the foregoing and the promises and covenants herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Society and the Employee agree as follows:

what about Brightwater?

ARTICLE 1.

EMPLOYMENT AND DUTIES

1.1. Term of Employment. The Society agrees to continue to employ the Employee and the Employee agrees to continue in the service of the Society as its Executive Vice President/Treasurer until January 1, 1997, and during such period, to promptly and faithfully perform all of the duties which pertain to such employment.

1.2. Scope of Employment. As Executive Vice President/Treasurer of the Society, the Employee shall have responsibility for the daily oversight and management of the Society's financial affairs. The Employee shall also assist the President and Chief Executive in the management of the Society and its fund raising activities. The Employee shall have such additional duties as may from time to time be determined by the Board of Directors of the Society (the "Board"). The Employee agrees to exert his best efforts and to devote his full time and attention to such duties. In the performance of his duties, the Employee shall be subject to the direction and control of the Board.

~~1.3. Acting Chief Executive Officer. In the event that before January 1, 1997, John A. Hoyt relinquishes his position as Chief Executive Officer and continues as President of the Society, the Employee shall, at the Board's discretion, succeed to that position and act as Chief Executive Officer until that date. The Employee shall exercise all the powers and perform all the duties required of the Chief Executive Officer. In such event, the Employee shall also continue in the position of Executive Vice President/Treasurer unless and until a successor is duly appointed. Otherwise, all the provisions of this Agreement including, without limitation, those pertaining to compensation, shall continue to apply to the Employee and his employment unless the parties otherwise mutually agree.~~

ARTICLE 2.

COMPENSATION

2.1. Compensation. In consideration for his services under Article 1, the Society shall pay the Employee no less than the salary and other compensation benefits as set forth in this Article 2 (collectively the "Compensation").

2.2. Salary. The Society shall pay the Employee a salary of no less than $105,000 per Contract Year, as hereinafter defined, or such higher amount as shall be agreed upon by the Board. The Employee's salary shall be reviewed annually by the Board. The salary shall be payable in equal monthly installments throughout the Contract Year, or in such other manner as to which the ~~Society~~ Board and Employee may mutually agree from time to time. For purposes of this Agreement, "Contract Year" shall mean each twelve month period of the term hereof, commencing on the effective date of this Agreement and on each anniversary date thereof.

2.3. Deferred Compensation.

(a) The Society shall provide the Employee with deferred compensation by contributing on his behalf to the Society's Deferred Compensation Plan with Aetna Life Insurance and Annuity Company the sum of $7,000 per Contract Year, or such higher amount as agreed upon by the Board. The Employee's entitlements to such deferred compensation shall be determined and governed by the terms of the Aetna Plan.

(b) The Society shall also continue to fully maintain the Defined Contribution Deferred Compensation and Salary Continuation Plan with the Connecticut Mutual Life Insurance Company for the benefit of the Employee in accordance with currently effective procedures.

(c) The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.3, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(d) For so long as the Employee continues in the employ of the Society, the right of the Employee to the deferred compensation shall not be affected by any change of duty or position or by any temporary leave of absence approved by the Board.

2.4. Insurance.

(a) The Society shall, on behalf of the Employee and his family members, continue to provide the medical, dental, hospitalization, disability insurance in accordance with the standard policies for its full time employees, and life insurance listed in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof. The Society shall pay all premiums due on said policies promptly. The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.4, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(b) The Society shall also, on behalf of the Employee, provide the group life insurance coverage described in Exhibit A in accordance with its standard policy.

2.5. Pension. In each Contract Year throughout the term hereof, the Society shall also, on behalf of the Employee, contribute to the Society's employee retirement plan in accordance with its presently effective standard policy or such other policy which provides no loss of present or future benefit or entitlement to the Employee or any family member.

ARTICLE 3.

EXPENSES

The Society acknowledges that the successful conduct of its affairs requires the Employee to expend money for travel, board, meals and other business expenses in the discharge of his duties. The Society shall promptly pay for all such expenses upon presentation of statements, accounts or other appropriate documentation in the manner required by the Society's accounting polices. The Society also acknowledges that it is in its interests and to its benefit

for the Employee's wife to accompany him on his travels from time to time on the Society's behalf. Accordingly, the Society shall similarly pay for his wife's travel, board, meals and other business expenses upon presentation of statements, accounts or other appropriate documentation in the manner required by the Society's accounting policies for such travel when approved by the President.

ARTICLE 4.

TERMINATION OF EMPLOYEE

4.1. Voluntary Termination by Employee.

(a) If the Employee desires to terminate voluntarily his employment under this Agreement, and resign his offices and positions as Vice President and Treasurer of the Society at any time prior to the completion of the term hereof, he shall provide the Chairman of the Board with at least three months prior written notice.

(b) In such event, the Society, after termination of his employment, shall pay promptly to the Employee one-half (equal to six months) of the total annual Compensation due Employee during that entire Contract Year in accordance with Article 2 hereof. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns promptly all accrued Compensation benefits hereunder. In consideration therefor, the Employee shall make himself reasonably available during this six month period following termination to consult with the Society for purposes of assisting in the smooth transition in the Society's executive management.

4.2. Termination by Society Without Cause.

(a) If the Society ~~desires to~~ terminates without Cause, as defined in Article 4.3 hereof, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, ~~it shall provide the Employee with at least three months prior written notice.~~

(b) In such event, the Society shall continue to pay to the Employee his total annual Compensation then due under Article 2 hereof for a period of one year after the date of termination. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns all accrued Compensation benefits hereunder. Thereafter, the Employee shall be entitled to an annual annuity payment equal to the regular retirement pension benefit the Employee would have received had he remained in the employ of the Society until age 65 in accordance with established Society policies. The amount of the annual annuity will be based on the pensionable salary of the Employee at the time of termination, and the Society will fund the annuity through an independent commercial carrier. This annuity shall be due and payable until the death of the Employee.

(c) In addition, the Society shall, on behalf of the Employee, continue to provide until the Employee's death medical, dental, and hospitalization coverage benefits as more particularly described in Article 2, equal to those in force at the time of termination.

(d) In the event of a change of the control of the Board of the Society, resulting from any merger, consolidation, takeover, or other reorganization of the Society, the Employee may, at his sole option, terminate his employment hereunder. In such event, termination shall be deemed to be a termination without Cause, and the Employee shall be entitled to all the benefits described in this Article 4.2.

4.3. Termination by Society for Cause.

(a) If the Society desires to terminate, for Cause, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, it shall immediately provide the Employee with a written statement detailing the facts constituting the basis for such termination with Cause, as well as a summation and copies of all evidence upon which it has relied in determining the existence of Cause.

(b) In such event, the issue of the existence of Cause for termination shall be immediately submitted to arbitration in accordance with Article 8.4 hereof, in which both parties agree to participate fully.

(c) Pending the outcome of the arbitration, the Society shall continue to pay the Employee his total annual Compensation then due under Article 2 of this Agreement, and the Employee shall be entitled to all other benefits of employment. Upon the outcome of the arbitration, the rights and obligations of the Employee shall be as set forth in Article 7 hereof.

(d) For purposes of this Article 4.3, "Cause" shall mean fraud, willful misappropriation of funds, theft, or embezzlement by the Employee against the Society, unethical business acts or practices by the Employee in his capacity as Vice President or Treasurer of the Society, or violation by the Employee of the non-competition covenants under Article 7 of this Agreement.

ARTICLE 5.

DISABILITY OR DEATH OF EMPLOYEE

5.1. Disability. If the Employee, by reason of physical or mental disability, is unable to continue to perform all of the duties of his employment as Executive Vice President/Treasurer for a continuous period of six months, the Society may terminate his employment by serving him with thirty (30) days' prior written notice. If the Society so terminates the employment of the Employee, the Society shall pay the Employee the sum of two thousand five hundred dollars ($2,500) for each month after termination until he reaches the age of ~~65~~ 60 years or until his death, whichever is earlier, provided that the Society may satisfy the obligation by providing the Employee with an annuity policy which will pay such amounts in addition to the life and disability insurance already provided for in Article 2 hereof. In the event of a dispute between the parties in relation to any termination under this Article, the dispute shall be immediately submitted to arbitration in accordance with Article 8.4 hereof,

in which both parties agree to participate fully. Pending the outcome of the arbitration, the Employee shall have the rights set forth in this Article 5.1 and Article 7.4 hereof.

5.2. Death of Employee. In the event of the death of the Employee prior to January 1, 1997 while still in the employment of the Society shall pay and provide to the widow of the Employee the Compensation described in Article 2 hereof for a period of one (1) year following the date of his death.

5.3. Other Compensation. Additionally, in the event of the disability or death of the Employee as provided above, the Society shall execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee, his widow, or his personal representative, as the case may be, all accrued Compensation benefits hereunder (including, without limitation, deferred compensation) to which the Employee would be entitled as of the date of such disability or death.

ARTICLE 6.
CONSULTANCY

Since this is something that must be mutually agreed to at a later time should it even be in contract?

6.1. Consultancy. After completing his term as an officer of the Society on January 1, 1997, as set forth in Article 1 hereof, the Employee may, by mutual agreement of the parties hereto, continue to be employed by the Society as a consultant. Such consultancy shall be for a period of five (5) years and may be extended by mutual agreement of the parties hereto. As a consultant, the Employee's duties shall focus primarily on providing assistance to his successor officer or officers of the Society to ensure a smooth executive management transition and to maintain existing funding relationships and to develop further funding sources for the Society. During this period of consultancy, the Employee shall devote such time and provide such advice and assistance as is reasonably necessary to perform these duties. In the performance of such duties, the Employee shall continue to be subject to the direction and control of the Board. In consideration for his consulting services hereunder, the Society shall pay the Employee an annual salary equal to the

annual pension amount to which he will be entitled at age 65, and shall continue to provide the Compensation, other than salary and deferred compensation, as more particularly described in Article 2 hereof.

6.2. No Consultancy. In the event the Employee does not continue to be employed by the Society as a consultant pursuant to Article 6.1, the Employee shall be entitled to all benefits hereunder as a retired employee of the Society. Further, ~~after the retirement of the Employee~~, the Society shall make such additional ~~payments~~ contributions to the pension fund for the benefit of the Employee to ensure that at age 65, the Employee will be entitled to maximum pension benefits as though he had retired from the Society at that age. ~~In consideration therefor, the Employee agrees that during the entire period that the Society is making such additional payments, he shall comply with the noncompetition obligations as forth in Article 7 hereof.~~

ARTICLE 7.

NONCOMPETITION

The Employee agrees that during the term of any employment of him by the Society under this Agreement and for a period of two (2) years following any voluntary resignation of his employment with the Society, he shall not directly or indirectly manage, operate, control, be employed by, be an officer or director of, participate in, contract with, or be connected in any capacity or in any manner with any ~~national~~ animal welfare organization which directly or indirectly competes with the Society without the prior written approval of the Chairman of the Board. Furthermore, the Employee agrees not to disclose or cause to be disclosed any proprietary information concerning the Society and the Employee agrees that upon termination of his employment with the Society he will return to the Society all proprietary information within his possession. The restrictions set forth in this Article 8 and the remedies set forth in

Article 8.4 of this Agreement shall survive the termination of this Agreement and shall continue in full force and effect for the periods of time provided for herein.

ARTICLE 8.

MISCELLANEOUS

8.1. Notices. Any notice required to be given under this Agreement shall be made in writing and shall be served upon the person to whom notice is given personally or may be delivered by registered or certified mail, return receipt requested, postage prepaid, at least thirty (30) days prior to the effective date of the action to which said notice is given, unless a different period of notice is expressly set forth under any provision of this Agreement. Notice to the Society shall be accomplished upon the date of personal delivery to the Secretary of the Society at the address set forth below or shall be effective in the case of mailing, when directed to the Secretary of said address, upon the date deposited in the United States Mail. Notice from the Society to the Employee shall be duly authorized by the Board of the Society. Notice to the Employee shall be effective upon the date of personal delivery to the Employee at the address set forth below, or in the case of mailing, upon date of deposit in the United States Mail when directed to said address.

8.2. Successors and Assigns. This Agreement shall be binding upon the parties hereto, and their heirs, executors, administrators, successors and assigns. The rights of the Employee under this Agreement may not be assigned, except to his widow or personal representative or other survivor in the event of his death. In the event of any merger, consolidation, or other reorganization involving the Society, this Agreement shall continue in full force and effect and become an obligation of the Society's successor or successors.

8.3. Remedies Cumulative. In the event of breach of any provisions of this Agreement, the aggrieved party shall be entitled to seek and pursue all legal, equitable, and compensatory relief and remedies, including reasonable attorney's

fees. The remedies herein provided shall be cumulative and no one shall be construed as exclusive of any other or of any remedy provided by law. Failure to exercise any remedy at any time shall not operate as a waiver of the right of said person to exercise any remedy for the same or subsequent default at any time thereafter.

8.4. Arbitration of Disputes.

(a) Any controversy or claim arising out of, or relating to this Agreement, or the breach hereof, shall be settled by arbitration in the District of Columbia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction.

(b) Where the controversy or claim relates to any termination of employment for Cause under Article 4.2 or for disability under Article 5.1, the Employee shall receive the benefits described in the aforesaid Articles pending the outcome of the arbitration. Further, if the claim of Cause is upheld, the Employee shall have no right to receive Compensation or other benefits for the period after the arbitration determination, except for Compensation rights and benefits already accrued or vested.

(c) In the event that the Society's claim of the existence of Cause is upheld by the arbitration, the Employee shall have no right to receive Compensation or other benefits for any period after the arbitration determination, except for Compensation rights and benefits already accrued or vested. If the Employee's termination for disability is upheld, the Employee shall continue to have the rights set forth in Article 5.1 hereof and any other right to Compensation and benefits already accrued or vested.

(d) In the event that the Society's claim of Cause or disability is not upheld by arbitration, the Society shall have all of the obligations set forth in Article 4.2 as if the Employee had been terminated without Cause. In addition, if the

Society's claim of disability is not upheld by arbitration, the Society shall retroactively pay the Employee the difference between the $2,500 monthly payments made to the Employee and the Compensation described in Article 2 herein from the date of the wrongful termination of his employment to the date of the arbitration determination.

8.5. Expenses. The Society shall pay, or reimburse as the case may be, expenses such as attorneys' fees and other costs reasonably incurred by or on behalf of the Employee in connection with the preparation, execution, amendment, termination, interpretation, application, and enforcement of this Agreement.

8.6. Governing Law. This Agreement and the rights and obligations shall be governed by and construed in accordance with the laws of the District of Columbia.

8.7. Severability. The invalidity or unenforceability of any part of this Agreement shall not affect the validity and enforceability of the remainder thereof. If any one or more of the provisions of this Agreement shall, for any reason, be held to be overbroad and otherwise unenforceable for any reason, it shall be construed so as to be enforceable to the extent compatible with the applicable law as it then stands.

8.8. Counsel. The Society and the Employee each hereby acknowledges that said party independently has retained and has been represented in the negotiation and consummation of this Agreement by separate counsel.

8.9. Taxation. The Society and the Employee hereby agree to take all actions possible to minimize any adverse tax consequences to the Employee under the provisions of this Agreement.

8.10. Entire Agreement. This Agreement and its exhibit constitute the entire agreement of the parties. This Agreement shall supercede any prior employment agreements between the parties. This Agreement may not be changed, modified or amended except by mutual written agreement of the parties.

8.11. Effective Date. This Agreement is deemed effective as of January 1, 1989. All payments due hereunder shall be made retroactive to the effective date.

IN WITNESS WHEREOF, the Employee and the Society, by its duly-authorized officer, have caused this Agreement to be executed on the day and year first above written.

SOCIETY

The Humane Society of the United States
National Headquarters
2100 L Street, N.W.
Washington, D.C. 20037

By:_____

Chairman of the Board of Directors

EMPLOYEE

13109 Chestnut Oak Drive
Gaithersburg, Maryland 20878

_____
Paul G. Irwin

EXHIBIT A

Paul G. Irwin

Compensation - 1989

Salary	$105,000
Aetna Life Insurance and Annuity Company Deferred Compensation Plan	$7,000
Connecticut Mutual Life Defined Contribution Deferred Compensation and Salary Continuation Plan Policy No. 3762191. Annual premium paid by Society	$2,877
Manhattan Life Insurance, Policy No. 8605294. Annual premium paid by Society	$2,700
Connecticut Mutual Disability Insurance Policy No. 3533078. Annual premium paid by Society	$345
Hospital, medical, and dental insurance Annual premium paid by Society	$3,713

The Society shall also make the contributions on the Employee's behalf required to maintain his present entitlements under the Society's Pension Plan, Group Life Insurance, and Group Disability Insurance policies.

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made this ___ day of _____, 1989, by and between The Humane Society of the United States, a not-for-profit corporation organized and existing under the laws of the State of Delaware and qualified to do business in the District of Columbia (the "Society"), and John A. Hoyt, an individual residing in Germantown, Maryland (the "Employee").

WITNESSETH:

WHEREAS, the Employee has served as the President and Chief Executive Officer of the Society for the past nineteen (19) years;

WHEREAS, the Society's income, operations and stature have grown considerably during the Employee's tenure and under his active direction;

WHEREAS, the Society recognizes the unique qualifications and contributions of the Employee and desires to secure the services of the Employee on an exclusive basis for an extended period of time on the terms and conditions set forth herein;

WHEREAS, the Employee is prepared to commit such services in return for specific arrangements on compensation and other benefits on the terms and conditions set forth herein; and

WHEREAS, the Board of Directors of the Society has approved and authorized the entry into of this Agreement with the Employee for this purpose;

NOW THEREFORE, in consideration of the foregoing and the promises and covenants herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Society and the Employee agree as follows:

EXHIBIT A

John A. Hoyt

Compensation - 1989 Sec. 89

Salary	$113,000
Aetna Life Insurance and Annuity Company Deferred Compensation Plan	$5,000
Connecticut Mutual Life Defined Contribution Deferred Compensation and Salary Continuation Plan Policy No. 324952. Annual premium paid by Society	$4,196
Manhattan Life Insurance, Policy No. 8605293. Annual premium paid by Society	$4,000
Germantown residence (Imputed annual rent for 1989)	$18,000
Massachusetts Casualty Disability, Policy No. 151343. Annual premium paid by Society	$913
Hospital, medical, and dental insurance Annual premium paid by Society	$3,713
	148,822

The Society shall also make the contributions on the Employee's behalf required to maintain his present entitlements under the Society's Pension Plan, Group Life Insurance, and Group Disability Insurance policies.

ARTICLE 1.

EMPLOYMENT AND DUTIES

1.1. Term of Employment. The Society agrees to continue to employ the Employee and the Employee agrees to continue in the service of the Society as its President and Chief Executive Officer until ~~January 1, 1997~~ Dec. 31, 1996, and during such period, to promptly and faithfully perform all of the duties which pertain to such employment.

1.2. Scope of Employment.

(a) As President and Chief Executive Officer of the Society, the Employee shall act as the operating head of the Society and hold the primary responsibility for conducting its affairs in an efficient and effective manner and for implementing the programs, fund-raising, and other events and activities of the Society. The Employee shall have such additional duties as may from time to time be determined by the Board of Directors of the Society (the "Board"). The Employee agrees to exert his best efforts and to devote his full time and attention to such duties. In the performance of his duties, the Employee shall be subject to the direction and control of the Board.

~~(b) Notwithstanding the foregoing, upon his completion of 25 years of service as President and Chief Executive Officer of the Society on January 1, 1995, the Employee, with the prior approval of the Board, may relinquish his position as Chief Executive Officer but continue to serve the Society as its President through January 1, 1997. As President for this period, the Employee's duties shall focus primarily on fund-raising for the Society and providing assistance to his successor Chief Executive Officer of the Society to ensure a smooth executive management transition. During this period, the Employee shall devote such time and provide such advice and assistance as is reasonably necessary to perform these duties. In the performance of all such duties, the Employee shall continue to be subject to the direction and control of the Board.~~

ARTICLE 2.

COMPENSATION

2.1. Compensation. In consideration for his services under Article 1, the Society shall pay the Employee no less than the salary and other compensation benefits as set forth in this Article 2 (collectively the "Compensation").

2.2. Salary. The Society shall pay the Employee a salary of no less than $113,000 per Contract Year, as hereinafter defined, or such higher amount as shall be agreed upon by the Board. The Employee's salary shall be reviewed annually by the Board. The salary shall be payable in equal monthly installments throughout the Contract Year, or in such other manner as to which the ~~Society~~ Board of Directors and Employee may mutually agree from time to time. For purposes of this Agreement, "Contract Year" shall mean each twelve month period of the term hereof, commencing on the effective date of this Agreement and on each anniversary date thereof.

2.3. Deferred Compensation.

(a) The Society shall provide the Employee with deferred compensation by contributing on his behalf to the Society's Deferred Compensation Plan with Aetna Life Insurance and Annuity Company the sum of $5,000 per Contract Year, or such higher amount as agreed upon by the Board. The Employee's entitlements to such deferred compensation shall be determined and governed by the terms of the Aetna Plan.

(b) The Society shall also continue to fully maintain the Defined Contribution Deferred Compensation and Salary Continuation Plan, dated xxx, with the Connecticut Mutual Life Insurance Company for the benefit of the Employee in accordance with currently effective agreements and procedures, as per the attached.

(c) The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.3, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(d) For so long as the Employee continues in the employ of the Society, the right of the Employee to the deferred compensation shall not be affected by any change of duty or position or by any temporary leave of absence approved by the Board.

2.4. Insurance. Is 2.4 in compliance with the law?

(a) The Society shall, on behalf of the Employee and his family members, continue to provide the medical, dental, hospitalization, disability insurance in accordance with its standard policies for its full-time employees, and the life insurance described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof. The Society shall pay all premiums due on said policies promptly. The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.4, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(b) The Society shall also, on behalf of the Employee, provide the group life insurance coverage described in Exhibit A in accordance with its standard policy.

2.5. Pension. In each Contract Year throughout the term hereof, the Society shall also, on behalf of the Employee, contribute to the Society's employee retirement plan in accordance with its presently effective standard policy or such other policy which provides no loss of present or future benefit or entitlement to the Employee or any family member.

2.6. Housing. During each Contract Year or part thereof throughout the term of this Agreement, the Employee and his family members shall be entitled to occupy that house owned by the Society located at 14670 Seneca Road, Germantown, Maryland (the "Germantown Property") on a rent-free basis. The Employee shall only be responsible for paying monthly utility charges on the Germantown Property. The Society will be responsible for all other costs relating to the Germantown Property, including

taxes

~~without limitation~~, all normal maintenance charges. In the event that the Employee ceases to reside at the Germantown Property during the Contract Year, the salary paid to him under Article 2.2 shall be increased by an amount equal to the then current imputed rental value of the property as determined in ~~accordance with Exhibit A hereto~~ for that Contract Year or part thereof, as applicable.

ARTICLE 3.

EXPENSES

The Society acknowledges that the successful conduct of its affairs requires the Employee to expend money for travel, board, meals and other business expenses in the discharge of his duties. The Society shall promptly pay for normal & reasonable ~~all such~~ expenses upon presentation of statements, accounts or other appropriate documentation in the manner required by the Society's accounting polices. The Society also acknowledges that it is in its interests and to its benefit for the Employee's wife to accompany him on his travels from time to time on the Society's behalf. Accordingly, the Society shall similarly promptly pay for his wife's travel, board, meals and other business expenses upon presentation of statements, accounts, or other appropriate documentation in the manner required by the Society's accounting policies for such travel when approved in advance, in writing, by the Chairman of the Board.

ARTICLE 4.

TERMINATION OF EMPLOYEE

4.1. Voluntary Termination by Employee.

(a) If the Employee desires to terminate voluntarily his employment under this Agreement, and resign his offices and positions as President and Chief Executive Officer of the Society at any time prior to the completion of the term hereof, he shall provide the Chairman of the Board with at least three months prior written notice.

and in the absence of the employee receiving remuneration from other employment and while maintaining compliance with Article 6,

(b) In such event, the Society, after termination of his employment, shall pay promptly to the Employee one-half (equal to six months) of the total annual Compensation due Employee during that entire Contract Year in accordance with Article 2 hereof. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns promptly all accrued Compensation benefits hereunder. In consideration therefor, the Employee shall make himself reasonably available during this six month period following termination to consult with the Society for purposes of assisting in the smooth transition in the Society's executive management.

2 — why 2?

4.2. Termination by Society Without Cause.

(a) If the Society desires to terminate, without Cause, as defined in Article 4.3 hereof, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, ~~it shall provide the Employee with at least three months prior written notice.~~

(b) ~~In such event,~~ the Society shall continue to pay to the Employee his total annual Compensation then due under Article 2 hereof for a period of one year after the date of termination. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns all accrued Compensation benefits hereunder. Thereafter, the Employee shall be entitled to an annual annuity payment equal to the regular retirement pension benefit the Employee would have received had he remained in the employ of the Society until age 65, in accordance with established Society policies. The amount of the annual annuity will be based on the pensionable salary of the Employee at the time of termination, and the Society will fund the annuity through an independent commercial carrier. This annuity shall be due ~~and payable~~ paid until the death of the Employee.

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and will begin at the point when compensation due the employee, as described in Article 4.1(b), one year after termination,

for one year to coincide with 4.2 (b)

(c) In addition, the Society shall, on behalf of the Employee, continue to provide ~~until his death~~ medical, dental, and hospitalization coverage benefits as more particularly described in Article 2, equal to those in force at the time of termination.

(d) In the event of a change of the control of the Board of the Society, resulting from any merger, consolidation, takeover, or other reorganization of the Society, the Employee may, at his sole option, terminate his employment hereunder. In such event, his termination shall be deemed to be a termination without Cause, and the Employee shall be entitled to all the benefits described in this Article 4.2.

get top benefits instead of 6 mo.

4.3. Termination by Society for Cause.

(a) If the Society desires to terminate, for Cause, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, it shall immediately provide the Employee with a written statement detailing the facts constituting the basis for such termination with Cause, as well as a summation and copies of all evidence upon which it has relied in determining the existence of Cause.

(b) In ~~such event~~ the event that the employee wishes to contest the termination, the ~~issue of the existence of Cause for termination~~ shall be immediately submitted to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully.

(c) ~~Pending the outcome of the arbitration, the~~ Society shall ~~continue to pay the Employee his total annual Compensation then due under Article 2 of this Agreement, and the Employee shall be entitled to all other benefits of employment. Upon the outcome of the~~ arbitration, the rights and obligations of the Employee ~~shall~~ be as set forth in Article 7.4 hereof.

(d) For purposes of this Article 4.3, "Cause" shall ~~mean~~ include but not be limited to fraud, willful misappropriation of funds, theft, or embezzlement by the Employee against the Society, unethical business acts malfeasance or ~~et~~ other practices by the Employee in his capacity as

President or Chief Executive Officer of the Society, or violation by the Employee of the non-competition covenants under Article 6 of this Agreement.

ARTICLE 5.

DISABILITY OR DEATH OF EMPLOYEE

5.1. Disability. If the Employee, by reason of physical or mental disability, is unable to continue to perform all of the duties of his employment as President or Chief Executive Officer ~~for a continuous period of six months~~, the Society may terminate his employment by serving him with thirty (30) days' prior written notice. If the Society so terminates the employment of the Employee, the ~~Society shall pay the~~ Employee the sum of two thousand five hundred dollars ($2,500) ~~for each month after~~ termination until he reaches the age of 65 years ~~or until his~~ death, whichever is earlier. The Society may satisfy this obligation by providing the Employee with an annuity policy which will pay such amounts in addition to the life and disability insurance already provided for in Article 2 hereof. In the event of any dispute between the parties regarding termination under this Article, such dispute shall be immediately submitted to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully. Pending the outcome of the arbitration, the Employee shall have the rights set forth in this Article 5.1 and in Article 7.4 hereof.

5.2. Death of Employee. In the event of the death of the Employee prior to January 1, 1997 while still in the employ~~ment~~ of the Society, the Society shall pay and provide to the widow of the Employee the Compensation described in Article 2 hereof, including the right to reside in the Germantown Property, for a period of one (1) year from the date of his death.

5.3. Other Compensation. Additionally, in the event of the disability or death of the Employee as provided above, the Society shall execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee, his widow, or his personal representative, as the case may be,

all accrued Compensation benefits hereunder (including, without limitation, deferred compensation) to which the Employee would be entitled as of the date of such disability or death.

ARTICLE 6.

NONCOMPETITION

The Employee agrees that during the term of his employment by the Society under this Agreement and for a period of two (2) years following any voluntary resignation of his employment with the Society, he shall not directly or indirectly manage, operate, control, be employed by, be an officer or director of, participate in, contract with, or be connected in any capacity or in any manner with any ~~national~~ animal welfare or environmental organization which directly or indirectly competes with the Society without the prior written approval of the ~~Chairman of the~~ Board. Furthermore, the Employee agrees not to disclose or cause to be disclosed any proprietary information concerning the Society and the Employee agrees that upon termination of his employment with the Society he will return to the Society all proprietary information within his possession. The restrictions set forth in this Article 6 and the remedies set forth in Article 7.4 of this Agreement shall survive the termination of this Agreement and shall continue in full force and effect for the periods of time provided for herein.

ARTICLE 7.

MISCELLANEOUS

7.1. Notices. Any notice required to be given under this Agreement shall be made in writing and shall be served upon the person to whom notice is given personally or may be delivered by registered or certified mail, return receipt requested, postage prepaid, at least thirty (30) days prior to the effective date of the action to which said notice is given, unless a different period of notice is expressly set forth under any provision of this Agreement. Notice to the Society shall be accomplished upon the date of personal delivery to the Secretary of the Society at the address set forth below or shall be effective in the case of mailing, when directed to the Secretary of said address, upon the

does this need to be in contract? ask Jake

date deposited in the United States Mail. Notice from the Society to the Employee shall be duly authorized by the Board of the Society. Notice to the Employee shall be effective upon the date of personal delivery to the Employee at the address set forth below, or in the case of mailing, upon date of deposit in the United States Mail when directed to said address.

7.2. Successors and Assigns. This Agreement shall be binding upon the parties hereto, and their heirs, executors, administrators, successors and assigns. The rights of the Employee under this Agreement may not be assigned, except to his widow, personal representative, or other surviving beneficiary in the event of his death. In the event of any merger, consolidation, or other reorganization involving the Society, this Agreement shall continue in full force and effect and become an obligation of the Society's successor or successors.

7.3. Remedies Cumulative. In the event of breach of any provisions of this Agreement, the aggrieved party shall be entitled to seek and pursue all legal, equitable, and compensatory relief and remedies, including reasonable attorney's fees. The remedies herein provided shall be cumulative and no one shall be construed as exclusive of any other or of any remedy provided by law. Failure to exercise any remedy at any time shall not operate as a waiver of the right of said person to exercise any remedy for the same or subsequent default at any time thereafter.

7.4. Arbitration of Disputes.

(a) Any controversy or claim arising out of, or relating to this Agreement, or the breach hereof, shall be settled by arbitration in the District of Columbia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction.

(b) Where the controversy or claim relates to any termination of employment for Cause under Article 4.2 or for disability under Article 5.1, the Employee shall, in addition to

receiving the benefits described in aforesaid Articles, be permitted to continue to reside at the Germantown Property pending the outcome of the arbitration.

(c) In the event that the Society's claim of the existence of Cause or disability is upheld by the arbitration, the Employee shall then promptly vacate the Germantown Property. Further, if the claim of Cause is upheld, the Employee shall have no right to receive Compensation or other benefits for any period after the arbitration determination, except for Compensation rights and benefits already accrued or vested. If the Employee's termination for disability is upheld, the Employee shall continue to have the rights set forth in Article 5.1 hereof and any other right to Compensation and benefits already accrued or vested.

(d) In the event that the Society's claim of Cause or disability is not upheld by arbitration, the Society shall have all of the obligations set forth in Article 4.2 as if the Employee had been terminated without Cause. In addition, if the Society's claim of disability is not upheld by arbitration, the Society shall retroactively pay the Employee the difference between the $2,500 monthly payments made to the Employee and the Compensation described in Article 2 herein from the date of the wrongful termination of his employment to the date of the arbitration determination.

7.5. Expenses. The Society shall pay, or reimburse as the case may be, expenses such as attorneys' fees and other costs reasonably incurred by or on behalf of the Employee in connection with the preparation, execution, amendment, termination, interpretation, application, and enforcement of this Agreement.

7.6. Governing Law. This Agreement and the rights and obligations shall be governed by and construed in accordance with the laws of the District of Columbia.

7.7. Severability. The invalidity or unenforceability of any part of this Agreement shall not affect the validity and enforceability of the remainder thereof. If any one or more of the provisions of this Agreement shall, for any reason, be held

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made this ___ day of _____, 1989, by and between The Humane Society of the United States, a not-for-profit corporation organized and existing under the laws of the State of Delaware and qualified to do business in the District of Columbia (the "Society"), and John A. Hoyt, an individual residing in Germantown, Maryland (the "Employee").

WITNESSETH:

WHEREAS, the Employee has served as the President and Chief Executive Officer of the Society for the past nineteen (19) years;

WHEREAS, the Society's income, operations and stature have grown considerably during the Employee's tenure and under his active direction;

WHEREAS, the Society recognizes the unique qualifications and contributions of the Employee and desires to secure the services of the Employee on an exclusive basis for an extended period of time on the terms and conditions set forth herein;

WHEREAS, the Employee is prepared to commit such services in return for specific arrangements on compensation and other benefits on the terms and conditions set forth herein; and

WHEREAS, the Board of Directors of the Society has approved and authorized the entry into of this Agreement with the Employee for this purpose.

NOW THEREFORE, in consideration of the foregoing and the promises and covenants herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Society and the Employee agree as follows:

ARTICLE 1.

EMPLOYMENT AND DUTIES

1.1. Term of Employment. The Society agrees to continue to employ the Employee and the Employee agrees to continue in the service of the Society as its President and Chief Executive Officer until January 1, 1997, and during such period, to promptly and faithfully perform all of the duties which pertain to such employment.

1.2. Scope of Employment.

(a) As President and Chief Executive Officer of the Society, the Employee shall act as the operating head of the Society and hold the primary responsibility for conducting its affairs in an efficient and effective manner and for implementing the programs, fund-raising, and other events and activities of the Society. The Employee shall have such additional duties as may from time to time be determined by the Board of Directors of the Society (the "Board"). The Employee agrees to exert his best efforts and to devote his full time and attention to such duties. In the performance of his duties, the Employee shall be subject to the direction and control of the Board.

(b) Notwithstanding the foregoing, upon his completion of 25 years of service as President and Chief Executive Officer of the Society on January 1, 1995, the Employee, with the prior approval of the Board, may relinquish his position as Chief Executive Officer but continue to serve the Society as its President through January 1, 1997. As President for this period, the Employee's duties shall focus primarily on fund-raising for the Society and providing assistance to his successor Chief Executive Officer of the Society to ensure a smooth executive management transition. During this period, the Employee shall devote such time and provide such advice and assistance as is reasonably necessary to perform these duties. In the performance of all such duties, the Employee shall continue to be subject to the direction and control of the Board.

ARTICLE 2.

COMPENSATION

2.1. Compensation. In consideration for his services under Article 1, the Society shall pay the Employee no less than the salary and other compensation benefits as set forth in this Article 2 (collectively the "Compensation").

2.2. Salary. The Society shall pay the Employee a salary of no less than $113,000 per Contract Year, as hereinafter defined, or such higher amount as shall be agreed upon by the Board. The Employee's salary shall be reviewed annually by the Board. The salary shall be payable in equal monthly installments throughout the Contract Year, or in such other manner as to which the ~~Society~~ Board of Directors and Employee may mutually agree from time to time. For purposes of this Agreement, "Contract Year" shall mean each twelve month period of the term hereof, commencing on the effective date of this Agreement and on each anniversary date thereof.

2.3. Deferred Compensation.

(a) The Society shall provide the Employee with deferred compensation by contributing on his behalf to the Society's Deferred Compensation Plan with Aetna Life Insurance and Annuity Company the sum of $5,000 per Contract Year, or such higher amount as agreed upon by the Board. The Employee's entitlements to such deferred compensation shall be determined and governed by the terms of the Aetna Plan.

(b) The Society shall also continue to fully maintain the Defined Contribution Deferred Compensation and Salary Continuation Plan with the Connecticut Mutual Life Insurance Company for the benefit of the Employee in accordance with currently effective agreements and procedures. (specify)

(c) The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.3, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(d) For so long as the Employee continues in the employ of the Society, the right of the Employee to the deferred compensation shall not be affected by any change of duty or position or by any temporary leave of absence approved by the Board.

2.4. Insurance.

(a) The Society shall, on behalf of the Employee and his family members, continue to provide the medical, dental, hospitalization, disability insurance in accordance with its standard policies for its full-time employees, and the life insurance described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof. The Society shall pay all premiums due on said policies promptly. The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.4, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(b) The Society shall also, on behalf of the Employee, provide the group life insurance coverage described in Exhibit A in accordance with its standard policy.

2.5. Pension. In each Contract Year throughout the term hereof, the Society shall also, on behalf of the Employee, contribute to the Society's employee retirement plan in accordance with its presently effective standard policy or such other policy which provides no loss of present or future benefit or entitlement to the Employee or any family member.

2.6. Housing. During each Contract Year or part thereof throughout the term of this Agreement, the Employee and his family members shall be entitled to occupy that house owned by the Society located at 14670 Seneca Road, Germantown, Maryland (the "Germantown Property") on a rent-free basis. The Employee shall only be responsible for paying monthly utility charges on the Germantown Property. The Society will be responsible for all other costs relating to the Germantown Property, including,

without limitation, all maintenance charges. In the event that the Employee ceases to reside at the Germantown Property during the Contract Year, the salary paid to him under Article 2.2 shall be increased by an amount equal to the then current imputed rental value of the property as determined in accordance with Exhibit A hereto for that Contract Year or part thereof, as applicable.

ARTICLE 3.

EXPENSES

The Society acknowledges that the successful conduct of its affairs requires the Employee to expend money for travel, board, meals and other business expenses in the discharge of his duties. The Society shall promptly pay for normal and reasonable ~~all such~~ expenses upon presentation of statements, accounts or other appropriate documentation in the manner required by the Society's accounting polices. The Society also acknowledges that it is in its interests and to its benefit for the Employee's wife to accompany him on his travels from time to time on the Society's behalf. Accordingly, the Society shall similarly if approved in advance in writing promptly pay for his wife's travel, board, meals and other business expenses upon presentation of statements, accounts, or other appropriate documentation in the manner required by the Society's accounting policies for such travel when approved by the Chairman of the Board.

ARTICLE 4.

TERMINATION OF EMPLOYEE

4.1. Voluntary Termination by Employee.

(a) If the Employee desires to terminate voluntarily his employment under this Agreement, and resign his offices and positions as President and Chief Executive Officer of the Society at any time prior to the completion of the term hereof, he shall provide the Chairman of the Board with at least three months prior written notice.

(b) In such event, the Society, after termination of his employment, shall pay promptly to the Employee one-half (equal to six months) of the total annual Compensation due Employee during that entire Contract Year in accordance with Article 2 hereof. and in absence of other employment. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns promptly all accrued Compensation benefits hereunder. In consideration therefor, the Employee shall make himself reasonably available during this six month period following termination to consult with the Society for purposes of assisting in the smooth transition in the Society's executive management.

4.2. Termination by Society Without Cause.

(a) If the Society desires to terminate, without Cause, as defined in Article 4.3 hereof, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, ~~it shall provide the Employee with at least three months prior written notice.~~

~~(b) In such event,~~ the Society shall continue to pay to the Employee his total annual Compensation then due under Article 2 hereof for a period of one year after the date of termination. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns all accrued Compensation benefits hereunder. Thereafter, the Employee shall be entitled to an annual annuity payment equal to the regular retirement pension benefit the Employee would have received had he remained in the employ of the Society until age 65, in accordance with established Society policies. The amount of the annual annuity will be based on the pensionable salary of the Employee at the time of termination, and the Society will fund the annuity through an independent commercial carrier. This annuity shall be due and payable until the death of the Employee.

7 Sec. 89

one year after termination

(c) In addition, the Society shall, on behalf of the Employee, continue to provide ~~until his death~~ medical, dental, and hospitalization coverage benefits as more particularly described in Article 2, equal to those in force at the time of termination.

(d) In the event of a change of the control of the Board of the Society, resulting from any merger, consolidation, takeover, or other reorganization of the Society, the Employee may, at his sole option, terminate his employment hereunder. In such event, his termination shall be deemed to be a termination without Cause, and the Employee shall be entitled to all the benefits described in this Article 4.2.

4.3. Termination by Society for Cause.

(a) If the Society desires to terminate, for Cause, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, it shall immediately provide the Employee with a written statement detailing the facts constituting the basis for such termination with Cause, ~~as well as a summation and copies of all evidence upon which it has relied in determining the existence of Cause.~~

(b) ~~In such event~~, In the event the employee contests the termination, the issue of the existence of Cause for termination shall be immediately submitted to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully.

(c) ~~Pending the outcome of the arbitration, the Society shall continue to pay the Employee his total annual Compensation then due under Article 2 of this Agreement, and the Employee shall be entitled to all other benefits of employment.~~ Upon the outcome of the arbitration, the rights and obligations of the Employee shall be as set forth in Article 7.4 hereof.

(d) For purposes of this Article 4.3, "Cause" shall ~~mean~~ include but not be limited to fraud, willful misappropriation of funds, theft, or embezzlement, malfeasance by the Employee against the Society, unethical business acts or practices by the Employee in his capacity as

President or Chief Executive Officer of the Society, or violation by the Employee of the non-competition covenants under Article 6 of this Agreement.

ARTICLE 5.

DISABILITY OR DEATH OF EMPLOYEE

5.1. Disability. If the Employee, by reason of physical or mental disability, is unable to continue to perform all of the duties of his employment as President or Chief Executive Officer in estimation of Board of Directors ~~for a continuous period of six months~~, the Society may terminate his employment by serving him with thirty (30) days' prior written notice. If the Society so terminates the employment of the Employee, the Society shall pay the Employee the sum of two thousand five hundred dollars ($2,500) for each month after termination until he reaches the age of 65 years or until his death, whichever is earlier. The Society may satisfy this obligation by providing the Employee with an annuity policy which will pay such amounts in addition to the life and disability insurance already provided for in Article 2 hereof. In the event of any dispute between the parties regarding termination under this Article, such dispute shall be immediately submitted to arbitration in accordance with Article 7.4 hereof, in which both parties agree to participate fully. Pending the outcome of the arbitration, the Employee shall have the rights set forth in this Article 5.1 and in Article 7.4 hereof.

5.2. Death of Employee. In the event of the death of the Employee prior to January 1, 1997 while still in the employment of the Society, the Society shall pay and provide to the widow of the Employee the Compensation described in Article 2 hereof, including the right to reside in the Germantown Property, for a period of one (1) year from the date of his death.

5.3. Other Compensation. Additionally, in the event of the disability or death of the Employee as provided above, the Society shall execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee, his widow, or his personal representative, as the case may be,

all accrued Compensation benefits hereunder (including, without limitation, deferred compensation) to which the Employee would be entitled as of the date of such disability or death.

ARTICLE 6.

NONCOMPETITION

The Employee agrees that during the term of his employment under this Agreement by the Society and for a period of two (2) years following any voluntary resignation of his employment with the Society, he shall not directly or indirectly manage, operate, control, be employed by, be an officer or director of, participate in, contract with, or be connected in any capacity or in any manner with any ~~national~~ animal welfare or environmental organization which directly or indirectly competes with the Society without the prior written approval of the Chairman of the Board. Furthermore, the Employee agrees not to disclose or cause to be disclosed any proprietary information concerning the Society and the Employee agrees that upon termination of his employment with the Society he will return to the Society all proprietary information within his possession. The restrictions set forth in this Article 6 and the remedies set forth in Article 7.4 of this Agreement shall survive the termination of this Agreement and shall continue in full force and effect for the periods of time provided for herein.

ARTICLE 7.

MISCELLANEOUS

7.1. Notices. Any notice required to be given under this Agreement shall be made in writing and shall be served upon the person to whom notice is given personally or may be delivered by registered or certified mail, return receipt requested, postage prepaid, ~~at least thirty (30) days prior to the effective date of the action to which said notice is given, unless a different period of notice is expressly set forth under any provision of this Agreement.~~ Notice to the Society shall be accomplished upon the date of personal delivery to the Secretary of the Society at the address set forth below or shall be effective in the case of mailing, when directed to the Secretary of said address, upon the

date deposited in the United States Mail. Notice from the Society to the Employee shall be duly authorized by the Board of the Society. Notice to the Employee shall be effective upon the date of personal delivery to the Employee at the address set forth below, or in the case of mailing, upon date of deposit in the United States Mail when directed to said address.

7.2. Successors and Assigns. This Agreement shall be binding upon the parties hereto, and their heirs, executors, administrators, successors and assigns. The rights of the Employee under this Agreement may not be assigned, except to his widow, personal representative, or other surviving beneficiary in the event of his death. In the event of any merger, consolidation, or other reorganization involving the Society, this Agreement shall continue in full force and effect and become an obligation of the Society's successor or successors.

7.3. Remedies Cumulative. In the event of breach of any provisions of this Agreement, the aggrieved party shall be entitled to seek and pursue all legal, equitable, and compensatory relief and remedies, including reasonable attorney's fees. The remedies herein provided shall be cumulative and no one shall be construed as exclusive of any other or of any remedy provided by law. Failure to exercise any remedy at any time shall not operate as a waiver of the right of said person to exercise any remedy for the same or subsequent default at any time thereafter.

7.4. Arbitration of Disputes.

(a) Any controversy or claim arising out of, or relating to this Agreement, or the breach hereof, shall be settled by arbitration in the District of Columbia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction.

(b) Where the controversy or claim relates to any termination of employment for Cause under Article 4.2 or for disability under Article 5.1, the Employee shall, in addition to

receiving the benefits described in aforesaid Articles, be permitted to continue to reside at the Germantown Property pending the outcome of the arbitration.

(c) In the event that the Society's claim of the existence of Cause or disability is upheld by the arbitration, the Employee shall then promptly vacate the Germantown Property. Further, if the claim of Cause is upheld, the Employee shall have no right to receive Compensation or other benefits for any period after the arbitration determination, except for Compensation rights and benefits already accrued or vested. If the Employee's termination for disability is upheld, the Employee shall continue to have the rights set forth in Article 5.1 hereof and any other right to Compensation and benefits already accrued or vested.

(d) In the event that the Society's claim of Cause or disability is not upheld by arbitration, the Society shall have all of the obligations set forth in Article 4.2 as if the Employee had been terminated without Cause. In addition, if the Society's claim of disability is not upheld by arbitration, the Society shall retroactively pay the Employee the difference between the $2,500 monthly payments made to the Employee and the Compensation described in Article 2 herein from the date of the wrongful termination of his employment to the date of the arbitration determination.

7.5. Expenses. The Society shall pay, or reimburse as the case may be, expenses such as attorneys' fees and other costs reasonably incurred by or on behalf of the Employee in connection with the preparation, execution, amendment, termination, interpretation, application, and enforcement of this Agreement.

7.6. Governing Law. This Agreement and the rights and obligations shall be governed by and construed in accordance with the laws of the District of Columbia.

7.7. Severability. The invalidity or unenforceability of any part of this Agreement shall not affect the validity and enforceability of the remainder thereof. If any one or more of the provisions of this Agreement shall, for any reason, be held

to be overbroad and otherwise unenforceable for any reason, it shall be construed so as to be enforceable to the extent compatible with the applicable law as it then stands.

7.8. Counsel. The Society and the Employee each hereby acknowledges that said party has been represented in the negotiation and consummation of this Agreement by separate counsel.

7.9. Taxation. The Society and the Employee hereby agree to take all actions possible to minimize any adverse tax consequences to the Employee under the provisions of this Agreement.

7.10. Entire Agreement. This Agreement and its exhibit constitute the entire agreement of the parties. This Agreement shall supercede any prior employment agreements between the parties. This Agreement may not be changed, modified or amended except by mutual written agreement of the parties.

7.11. Effective Date. This Agreement is deemed effective as of January 1, 1989. All payments due hereunder shall be made retroactive to the effective date.

IN WITNESS WHEREOF, the Employee and the Society, by its duly-authorized officer or director, have caused this Agreement to be executed on the day and year first above written.

SOCIETY

The Humane Society of the United States
National Headquarters
2100 L Street, N.W.
Washington, D.C. 20037

By:_____

Chairman of the Board of Directors

EMPLOYEE

14670 Seneca Road
Germantown, Maryland 20874

_____
John A. Hoyt

EXHIBIT A

John A. Hoyt

Compensation - 1989

Salary	$113,000
Aetna Life Insurance and Annuity Company Deferred Compensation Plan	$5,000
Connecticut Mutual Life Defined Contribution Deferred Compensation and Salary Continuation Plan Policy No. 324952. Annual premium paid by Society	$4,196
Manhattan Life Insurance, Policy No. 8605293. Annual premium paid by Society	$4,000
Germantown residence (Imputed annual rent for 1989)	$18,000
Massachusetts Casualty Disability, Policy No. 151343. Annual premium paid by Society	$913
Hospital, medical, and dental insurance Annual premium paid by Society	$3,713

The Society shall also make the contributions on the Employee's behalf required to maintain his present entitlements under the Society's Pension Plan, Group Life Insurance, and Group Disability Insurance policies.

+ indicate taxable

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is made this ___ day of _____, 1989, by and between The Humane Society of the United States, a not-for-profit corporation organized and existing under the laws of the State of Delaware and qualified to do business in the District of Columbia (the "Society"), and Paul G. Irwin, an individual residing in Gaithersburg, Maryland (the "Employee").

WITNESSETH:

WHEREAS, the Employee has served as currently the Executive Vice President/Treasurer of the Society for the past thirteen (13) years;

WHEREAS, the Employee has significantly contributed to the considerable growth which the Society has experienced in its income, operations and stature during the period of his employment;

WHEREAS, the Society recognizes the unique qualifications and contributions of the Employee and desires to secure the services of the Employee on an exclusive basis for an extended period of time on the terms and conditions set forth herein;

WHEREAS, the Employee is prepared to commit such services in return for specific arrangements on compensation and other benefits on the terms and conditions set forth herein; and

WHEREAS, the Board of Directors of the Society has approved and authorized the entry into of this Agreement with the Employee for this purpose.

NOW THEREFORE, in consideration of the foregoing and the promises and covenants herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Society and the Employee agree as follows:

ARTICLE 1.

EMPLOYMENT AND DUTIES

1.1. Term of Employment. The Society agrees to continue to employ the Employee and the Employee agrees to continue in the service of the Society as its Executive Vice President/Treasurer until January 1, 1997, and during such period, to promptly and faithfully perform all of the duties which pertain to such employment.

1.2. Scope of Employment. As Executive Vice President/Treasurer of the Society, the Employee shall have responsibility for the daily oversight and management of the Society's financial affairs. The Employee shall also assist the President and Chief Executive in the management of the Society and its fund raising activities. The Employee shall have such additional duties as may from time to time be determined by the Board of Directors of the Society (the "Board"). The Employee agrees to exert his best efforts and to devote his full time and attention to such duties. In the performance of his duties, the Employee shall be subject to the direction and control of the Board.

1.3. Acting Chief Executive Officer. In the event that before January 1, 1997, John A. Hoyt relinquishes his position as Chief Executive Officer and continues as President of the Society, the Employee shall, at the Board's discretion, succeed to that position and act as Chief Executive Officer until that date. The Employee shall exercise all the powers and perform all the duties required of the Chief Executive Officer. In such event, the Employee shall also continue in the position of Executive Vice President/Treasurer unless and until a successor is duly appointed. Otherwise, all the provisions of this Agreement including, without limitation, those pertaining to compensation, shall continue to apply to the Employee and his employment unless the parties otherwise mutually agree.

ARTICLE 2.

COMPENSATION

2.1. Compensation. In consideration for his services under Article 1, the Society shall pay the Employee no less than the salary and other compensation benefits as set forth in this Article 2 (collectively the "Compensation").

2.2. Salary. The Society shall pay the Employee a salary of no less than $105,000 ($100,000 ?) per Contract Year, as hereinafter defined, or such higher amount as shall be agreed upon by the Board. The Employee's salary shall be reviewed annually by the Board. The salary shall be payable in equal monthly installments throughout the Contract Year, or in such other manner as to which the Board of Directors and Employee may mutually agree from time to time. For purposes of this Agreement, "Contract Year" shall mean each twelve month period of the term hereof, commencing on the effective date of this Agreement and on each anniversary date thereof.

2.3. Deferred Compensation.

(a) The Society shall provide the Employee with deferred compensation by contributing on his behalf to the Society's Deferred Compensation Plan with Aetna Life Insurance and Annuity Company the sum of $7,000 per Contract Year, or such higher amount as agreed upon by the Board. The Employee's entitlements to such deferred compensation shall be determined and governed by the terms of the Aetna Plan.

(b) The Society shall also continue to fully maintain the Defined Contribution Deferred Compensation and Salary Continuation Plan with the Connecticut Mutual Life Insurance Company for the benefit of the Employee in accordance with currently effective procedures. (specify)

(c) The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.3, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(d) For so long as the Employee continues in the employ of the Society, the right of the Employee to the deferred compensation shall not be affected by any change of duty or position or by any temporary leave of absence approved by the Board.

2.4. Insurance.

(a) The Society shall, on behalf of the Employee and his family members, continue to provide the medical, dental, hospitalization, disability insurance in accordance with the standard policies for its full-time employees, and life insurance listed in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof. The Society shall pay all premiums due on said policies promptly. The Society may, upon prior consultation with and approval of the Employee, discontinue any policy under this Article 2.4, provided that any such policy is immediately replaced with a similar policy with no loss of present or future benefit or entitlement to the Employee or any family member.

(b) The Society shall also, on behalf of the Employee, provide the group life insurance coverage described in Exhibit A in accordance with its standard policy.

2.5. Pension. In each Contract Year throughout the term hereof, the Society shall also, on behalf of the Employee, contribute to the Society's employee retirement plan in accordance with its presently effective standard policy or such other policy which provides no loss of present or future benefit or entitlement to the Employee or any family member.

ARTICLE 3.

EXPENSES

The Society acknowledges that the successful conduct of its affairs requires the Employee to expend money for travel, board, meals and other business expenses in the discharge of his duties. The Society shall pay for all such normal and reasonable expenses upon presentation of statements, accounts or other appropriate documentation in the manner required by the Society's accounting polices. The Society also acknowledges that it is in its interests and to its benefit

for the Employee's wife to accompany him on his travels from time to time on the Society's behalf. Accordingly, the Society shall similarly pay for his wife's travel, board, meals and other business expenses upon presentation of statements, accounts or other appropriate documentation in the manner required by the Society's accounting policies for such travel when approved by the President.

ARTICLE 4.

TERMINATION OF EMPLOYEE

4.1. Voluntary Termination by Employee.

(a) If the Employee desires to terminate voluntarily his employment under this Agreement, and resign his offices and positions as Vice President and Treasurer of the Society at any time prior to the completion of the term hereof, he shall provide the Chairman of the Board with at least three months prior written notice.

(b) In such event, the Society, after termination of his employment, shall pay promptly to the Employee one-half (equal to six months) of the total annual Compensation due Employee during that entire Contract Year in accordance with Article 2 hereof. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns promptly all accrued Compensation benefits hereunder. In consideration therefor, the Employee shall make himself reasonably available during this six month period following termination to consult with the Society for purposes of assisting in the smooth transition in the Society's executive management.

4.2. Termination by Society Without Cause.

(a) If the Society desires to terminate , without Cause, as defined in Article 4.3 hereof, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, ~~it shall provide the Employee with at least three months prior written notice.~~

(b) In such event, the Society shall continue to pay to the Employee his total annual Compensation then due under Article 2 hereof for a period of one year after the date of termination. The Society shall further execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee or his assigns all accrued Compensation benefits hereunder. Thereafter, the Employee shall be entitled to an annual annuity payment equal to the regular retirement pension benefit the Employee would have received had he remained in the employ of the Society until age 60 65, in accordance with established Society policies. The amount of the annual annuity will be based on the pensionable salary of the Employee at the time of termination, and the Society will fund the annuity through an independent commercial carrier. This annuity shall be due and payable until the death of the Employee.

(c) In addition, the Society shall, on behalf of the Employee, continue to provide ~~until the Employee's death~~ medical, dental, and hospitalization coverage benefits as more particularly described in Article 2, equal to those in force at the time of termination.

(d) In the event of a change of the control of the Board of the Society, resulting from any merger, consolidation, takeover, or other reorganization of the Society, the Employee may, at his sole option, terminate his employment hereunder. In such event, termination shall be deemed to be a termination without Cause, and the Employee shall be entitled to all the benefits described in this Article 4.2.

4.3. Termination by Society for Cause.

(a) If the Society desires to terminate, for Cause, the employment of the Employee under this Agreement at any time prior to the completion of the term hereof, it shall immediately provide the Employee with a written statement detailing the facts constituting the basis for such termination with Cause, ~~as well as a summation and copies of all evidence upon which it has relied in determining the existence of Cause.~~

In the event the employee contests the termination,

(b) ~~In such event,~~ the issue of the existence of Cause for termination shall be immediately submitted to arbitration in accordance with Article 8.4 hereof, in which both parties agree to participate fully.

(c) ~~Pending the outcome of the arbitration, the Society shall continue to pay the Employee his total annual Compensation then due under Article 2 of this Agreement, and the Employee shall be entitled to all other benefits of employment.~~ Upon the outcome of the arbitration, the rights and obligations of the Employee shall be as set forth in Article 7 hereof.

(d) For purposes of this Article 4.3, "Cause" shall ~~mean~~ include fraud, willful misappropriation of funds, theft, or embezzlement by the Employee against the Society, unethical business acts or practices by the Employee in his capacity as Vice President or Treasurer of the Society, or violation by the Employee of the non-competition covenants under Article 7 of this Agreement.

ARTICLE 5.

DISABILITY OR DEATH OF EMPLOYEE

5.1. Disability. If the Employee, by reason of physical or mental disability, is unable to continue to perform all of the duties of his employment as Executive Vice President/Treasurer ~~for a continuous period of six months,~~ the Society may terminate his employment by serving him with thirty (30) days' prior written notice. If the Society so terminates the employment of the Employee, the Society shall pay the Employee the sum of two thousand five hundred dollars ($2,500) for each month after termination until he reaches the age of 65 years or until his death, whichever is earlier, provided that the Society may satisfy the obligation by providing the Employee with an annuity policy which will pay such amounts in addition to the life and disability insurance already provided for in Article 2 hereof. In the event of a dispute between the parties in relation to any termination under this Article, the dispute shall be immediately submitted to arbitration in accordance with Article 8.4 hereof,

in which both parties agree to participate fully. Pending the outcome of the arbitration, the Employee shall have the rights set forth in this Article 5.1 and Article 7.4 hereof.

5.2. Death of Employee. In the event of the death of the Employee prior to January 1, 1997 while still in the employment of the Society shall pay and provide to the widow of the Employee the Compensation described in Article 2 hereof for a period of one (1) year following the date of his death.

5.3. Other Compensation. Additionally, in the event of the disability or death of the Employee as provided above, the Society shall execute all documents and take all other actions necessary or desirable to transfer and assign to the Employee, his widow, or his personal representative, as the case may be, all accrued Compensation benefits hereunder (including, without limitation, deferred compensation) to which the Employee would be entitled as of the date of such disability or death.

ARTICLE 6.

CONSULTANCY

6.1. Consultancy. After completing his term as an officer of the Society on January 1, 1997, as set forth in Article 1 hereof, the Employee may, by mutual agreement of the parties hereto, continue to be employed by the Society as a consultant. Such consultancy shall be for a period of five (5) years and may be extended by mutual agreement of the parties hereto. As a consultant, the Employee's duties shall focus primarily on providing assistance to his successor officer or officers of the Society to ensure a smooth executive management transition and to maintain existing funding relationships and to develop further funding sources for the Society. During this period of consultancy, the Employee shall devote such time and provide such advice and assistance as is reasonably necessary to perform these duties. In the performance of such duties, the Employee shall continue to be subject to the direction and control of the Board. In consideration for his consulting services hereunder, the Society shall pay the Employee an annual salary equal to the

why include ?

≈ 40% of salary

annual pension amount to which he will be entitled at age 65, and shall continue to provide the Compensation, other than salary and deferred compensation, as more particularly described in Article 2 hereof.

what about after 65?

6.2. No Consultancy. In the event the Employee does not continue to be employed by the Society as a consultant pursuant to Article 6.1, the Employee shall be entitled to all benefits hereunder as a retired employee of the Society. Further, after the retirement of the Employee, the Society shall make such additional ~~payments~~ contributions for the benefit of the Employee to ensure that at age 65, the Employee will be entitled to maximum pension benefits as though he had retired from the Society at that age. In consideration therefor, the Employee agrees that during the entire period that the Society is making such additional payments, he shall comply with the noncompetition obligations as forth in Article 7 hereof.

retired or not retired?

?

ARTICLE 7.

NONCOMPETITION

The Employee agrees that during the term of any employment of him by the Society under this Agreement and for a period of two (2) years following any voluntary resignation of his employment with the Society, he shall not directly or indirectly manage, operate, control, be employed by, be an officer or director of, participate in, contract with, or be connected in any capacity or in any manner with any ~~national~~ animal welfare or environmental organization which directly or indirectly competes with the Society without the prior written approval of the ~~Chairman of the~~ Board of Directors. Furthermore, the Employee agrees not to disclose or cause to be disclosed any proprietary information concerning the Society and the Employee agrees that upon termination of his employment with the Society he will return to the Society all proprietary information within his possession. The restrictions set forth in this Article 8 and the remedies set forth in

Article 8.4 of this Agreement shall survive the termination of this Agreement and shall continue in full force and effect for the periods of time provided for herein.

ARTICLE 8.

MISCELLANEOUS

8.1. Notices. Any notice required to be given under this Agreement shall be made in writing and shall be served upon the person to whom notice is given personally or may be delivered by registered or certified mail, return receipt requested, postage prepaid, at least thirty (30) days prior to the effective date of the action to which said notice is given, unless a different period of notice is expressly set forth under any provision of this Agreement. Notice to the Society shall be accomplished upon the date of personal delivery to the Secretary of the Society at the address set forth below or shall be effective in the case of mailing, when directed to the Secretary of said address, upon the date deposited in the United States Mail. Notice from the Society to the Employee shall be duly authorized by the Board of the Society. Notice to the Employee shall be effective upon the date of personal delivery to the Employee at the address set forth below, or in the case of mailing, upon date of deposit in the United States Mail when directed to said address.

8.2. Successors and Assigns. This Agreement shall be binding upon the parties hereto, and their heirs, executors, administrators, successors and assigns. The rights of the Employee under this Agreement may not be assigned, except to his widow or personal representative or other survivor in the event of his death. In the event of any merger, consolidation, or other reorganization involving the Society, this Agreement shall continue in full force and effect and become an obligation of the Society's successor or successors.

8.3. Remedies Cumulative. In the event of breach of any provisions of this Agreement, the aggrieved party shall be entitled to seek and pursue all legal, equitable, and compensatory relief and remedies, including reasonable attorney's

fees. The remedies herein provided shall be cumulative and no one shall be construed as exclusive of any other or of any remedy provided by law. Failure to exercise any remedy at any time shall not operate as a waiver of the right of said person to exercise any remedy for the same or subsequent default at any time thereafter.

8.4. Arbitration of Disputes.

(a) Any controversy or claim arising out of, or relating to this Agreement, or the breach hereof, shall be settled by arbitration in the District of Columbia in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction.

(b) Where the controversy or claim relates to any termination of employment for Cause under Article 4.2 or for disability under Article 5.1, the Employee shall receive the benefits described in the aforesaid Articles pending the outcome of the arbitration. Further, if the claim of Cause is upheld, the Employee shall have no right to receive Compensation or other benefits for the period after the arbitration determination, except for Compensation rights and benefits already accrued or vested.

(c) In the event that the Society's claim of the existence of Cause or disability is upheld by the arbitration, the Employee shall have no right to receive Compensation or other benefits for any period after the arbitration determination, except for Compensation rights and benefits already accrued or vested. If the Employee's termination for disability is upheld, the Employee shall continue to have the rights set forth in Article 5.1 hereof and any other right to Compensation and benefits already accrued or vested.

(d) In the event that the Society's claim of Cause or disability is not upheld by arbitration, the Society shall have all of the obligations set forth in Article 4.2 as if the Employee had been terminated without Cause. In addition, if the

Society's claim of disability is not upheld by arbitration, the Society shall retroactively pay the Employee the difference between the $2,500 monthly payments made to the Employee and the Compensation described in Article 2 herein from the date of the wrongful termination of his employment to the date of the arbitration determination.

8.5. Expenses. The Society shall pay, or reimburse as the case may be, expenses such as reasonable attorneys' fees and other costs reasonably incurred by or on behalf of the Employee in connection with the preparation, execution, amendment, termination, interpretation, application, and enforcement of this Agreement.

8.6. Governing Law. This Agreement and the rights and obligations shall be governed by and construed in accordance with the laws of the District of Columbia. Delaware

8.7. Severability. The invalidity or unenforceability of any part of this Agreement shall not affect the validity and enforceability of the remainder thereof. If any one or more of the provisions of this Agreement shall, for any reason, be held to be overbroad and otherwise unenforceable for any reason, it shall be construed so as to be enforceable to the extent compatible with the applicable law as it then stands.

8.8. Counsel. The Society and the Employee each hereby acknowledges that said party independently has retained and has been represented in the negotiation and consummation of this Agreement by separate counsel.

8.9. Taxation. The Society and the Employee hereby agree to take all actions possible to minimize any adverse tax consequences to the Employee under the provisions of this Agreement.

8.10. Entire Agreement. This Agreement and its exhibit constitute the entire agreement of the parties. This Agreement shall supercede any prior employment agreements between the parties. This Agreement may not be changed, modified or amended except by mutual written agreement of the parties.

8.11. Effective Date. This Agreement is deemed effective as of January 1, 1989. All payments due hereunder shall be made retroactive to the effective date.

IN WITNESS WHEREOF, the Employee and the Society, by its duly-authorized officer, have caused this Agreement to be executed on the day and year first above written.

SOCIETY

The Humane Society of the United States
National Headquarters
2100 L Street, N.W.
Washington, D.C. 20037

By:_____

Chairman of the Board of Directors

EMPLOYEE

13109 Chestnut Oak Drive
Gaithersburg, Maryland 20878

_____
Paul G. Irwin

Apr. 11-12
pl. + policy
13-14 (½ day) tdr

EXHIBIT A

Paul G. Irwin

Compensation - 1989

Salary	$105,000
Aetna Life Insurance and Annuity Company Deferred Compensation Plan	$7,000
Connecticut Mutual Life Defined Contribution Deferred Compensation and Salary Continuation Plan Policy No. 3762191. Annual premium paid by Society	$2,877
Manhattan Life Insurance, Policy No. 8605294. Annual premium paid by Society	$2,700
Connecticut Mutual Disability Insurance Policy No. 3533078. Annual premium paid by Society	$345
Hospital, medical, and dental insurance Annual premium paid by Society	$3,713

The Society shall also make the contributions on the Employee's behalf required to maintain his present entitlements under the Society's Pension Plan, Group Life Insurance, and Group Disability Insurance policies.



DEFERRED COMPENSATION PLAN

ARTICLE I

INTRODUCTION

The Humane Society of the United States ("Employer") hereby establishes the H.S.U.S. Deferred Compensation Plan, hereinafter referred to as the "Plan". The purpose of the Plan is to attract and retain certain officers, employees and contractors of the Employer by permitting them to enter into deferral agreements with the Employer to provide for the payment of deferred compensation on retirement or separation from service as well as death benefits in the event of death before or after retirement.

Nothing contained in this Plan shall be deemed to constitute and employment contract or agreement for services between the Participant and the Employer nor shall it be deemed to give a Participant any right to be retained in the employ of, or under contract to, the Employer. Nothing herein shall be construed to modify the terms of any employment contract or agreement for services between a Participant and the Employer as this Plan is intended to be a supplement thereto.



ARTICLE II

DEFINITIONS

2.01 Compensation: The total annual remuneration for employment or contracted services payable by the Employer that would be included in the federal gross income of the Participant but for the Participant's election to participate in the Plan.

2.02 Deferred Compensation: The amount of Compensation not yet earned, as designated in the Participation Agreement which is made a part hereof, which the Participant and the Employer mutually agree shall be deferred in accordance with the provisions of this Plan.

2.03 Retirement: Severance of the Participant's employment contract or agreement for services with the Employer on or after the Participant's 65th birthday by reason other than death whereby the Participant thereafter is not providing services for the Employer.

2.04 Separation from Service: Severance of the Participant's employment contract or agreement for services with the Employer prior to the Participant's 65th birthday by reason other than death whereby the Participant thereafter is not providing services to the Employer.

2.05 Beneficiary: Beneficiary or Beneficiaries of certain benefits of this Plan designated by the Participant in the Participation Agreement. Nothing herein shall prevent the Participant from designating more than one Beneficiary or primary and secondary Beneficiaries or changing the designation of a Beneficiary. If two or more or less than all designated Beneficiaries survive the Participant, payments shall be made equally to all such Beneficiaries, unless otherwise provided in the Beneficiary designation. Elections made by a Participant in the Participation Agreement shall be binding on any such Beneficiary or Beneficiaries.

2.06 Eligible Person: Any individual, corporation, partnership or other "person", as defined in the Internal Revenue Code of 1954, as amended ("Code") to include those appointed, elected or under contract, who performs services for the Employer as an employee or independent contractor for which Compensation is paid.

2.07 Participant: Any Eligible Person who fulfills the eligibility and enrollment requirements of Article IV.

2.08 Participation Agreement: A written agreement between the Employer and a Participant setting forth certain provisions and elections relative to the Plan, establishing the amount of Deferred Compensation and the manner and method of paying benefits under the Plan, incorporating the terms and conditions of the Plan and establishing the Participant's participation in the Plan.

2.09 Plan Year: The calendar year.

2.10 Maximum Retirement Age: The Participant's 75th birthday.

ARTICLE III

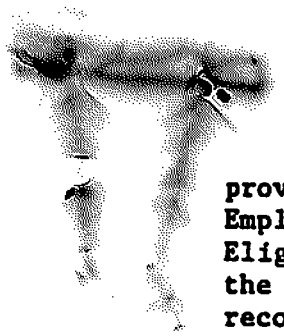
ADMINISTRATION

3.01 This Plan shall be administered by a committee ("Committee") of one or more individuals under contract to or in the employment of the Employer as appointed by the Employer. The Committee shall represent the Employer in all matters concerning the administration of this Plan. The Employer may remove a Committee member for any reason by giving such member ten (10) days written notice and may thereafter fill any vacancies thus created.

3.02 The Committee shall have full power and authority: to adopt rules and regulations for the administration of the Plan, provided they are not inconsistent with the provisions of this Plan; to interpret, alter, amend, or revoke any rules and regulations so adopted; to enter into contracts on behalf of the Employer with respect to this Plan; to make discretionary decisions under this Plan such as called for in Article VII; and to perform any and all administrative duties under this Plan.

3.03 A Committee member shall be eligible to participate in the Plan, but such a member shall not be entitled to participate in discretionary decisions under Article VII relating to such member's own participation in the Plan.

3.04 The Employer or the Committee acting on behalf of the Employer may contract with the AEtna Life Insurance and Annuity Company to issue to the Employer an annuity contract as described in Article V of the Plan and to



provide services under the Plan for the convenience of the Employer including, but not limited to, the enrollment of Eligible Persons as Participants on behalf of the Employer, the maintenance of individual or other accounts and other records, the making of periodic reports and the disbursement of benefits to Participants and Beneficiaries.

ARTICLE IV

PARTICIPATION IN THE PLAN

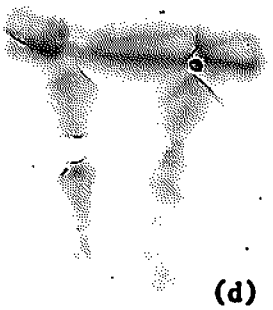
4.01 Any Eligible Person who performs services for the Employer for which Compensation is paid and who executes a Participation Agreement with the Employer is eligible to participate in the Plan; provided however, such Eligible Person must also meet any additional eligibility standards imposed by the Committee, to include, but not limited to, the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") for unfunded plans of deferred compensation.

4.02 Enrollment in the Plan:

(a) An Eligible Person may become a Participant and agree to defer Compensation not yet earned by entering into a Participation Agreement prior to the first day of the calendar month for which it is to become effective. With respect to a new Eligible Person, the Participation Agreement may be effective for Compensation not yet earned at any time during the first month such person becomes an Eligible Person provided the Participation Agreement was entered into on or before the first day on which the person became an Eligible Person.

(b) At the time of entering into or modifying the Participation Agreement hereunder to defer Compensation or at the time of re-entry following a withdrawal under Article VII, a Participant must agree to defer the greater of an amount determined by reference to the minimum provided in the annuity contract described in Article V of the Plan or an amount specified by the Committee.

(c) A Participant who agrees to defer Compensation may not modify such agreement to change the amount deferred except with respect to Compensation to be earned in a subsequent calendar month or except as provided in Article VII hereof with respect to withdrawals;



provided however, notice of such modification must be given prior to the beginning of the calendar month for which such modification is to be effective.

(d) A Participant may at any time revoke the Participation Agreement to defer Compensation with respect to any calendar month, and the Participant's full Compensation will be thereupon restored in the month subsequent to the effective date of such revocation; provided however, the Participant must notify the Committee in writing of such revocation prior to the beginning of the calendar month for which such revocation is to be effective. However, amounts previously deferred shall be paid only as provided in this Plan.

(e) A Participant who has withdrawn from the Plan, as set forth in Article VII, or a Participant who has revoked the Participation Agreement, as set forth in subsection (d) above, or a Participant who returns to perform services for the Employer after a Separation from Service, may again become a Participant in the Plan and agree to defer Compensation not yet earned by entering into a new Participation Agreement prior to the first day of the calendar month for which it is to become effective.

ARTICLE V

CALCULATION OF BENEFITS

5.01 The amount of any benefit payment to a Participant or Beneficiary made pursuant to this Plan shall be determined by the value at the time of such payment of the annuity contract described below in accordance with elections in the Participation Agreement and the provisions of the Plan:

(a) An amount equal to the amount which would have been payable to the Employer under an annuity contract issued by the AEtna Life Insurance and Annuity Company ("Annuity Contract") with the Participant included as the annuitant thereunder, and had the manner and method of payment selected been as specified in the Participation Agreement, and had the time of commencement of such payment selected been as provided in the Plan pursuant to elections made in the Participation Agreement, and had the premium been equal to the Participant's Deferred Compensation as if such Deferred Compensation had been applied as a

premium to such Annuity Contract within a reasonable time subsequent to the actual deferral and as specified in the Participant's Participation Agreement.

5.02 The Employer at its discretion may acquire the Annuity Contract and invest amounts of Deferred Compensation in the Annuity Contract in order to provide a fund from which it can satisfy its obligation to make benefit payments pursuant to this Plan. Any Annuity Contract so acquired for the convenience of the Employer shall be the sole and exclusive property of the Employer with the Employer named as owner and beneficiary; provided further, such Annuity Contract shall not be held in trust or collateral security for the benefit of any Participant or Beneficiary.

5.03 All amounts of Compensation deferred under this Plan, all property and rights which may be purchased by the Employer with such amounts and all income attributable to such amounts, property or rights to property shall remain the sole property and rights of the Employer without being restricted by the provisions of this Plan, subject only to the claims of the Employer's general creditors. The obligation of the Employer under this Plan is purely contractual and shall not be funded or secured in any way.

5.04 The Employer shall be liable to pay benefits under this Plan only to the extent of amounts that would have been available under the Annuity Contract as measured by elections made in the Participation Agreement, and the Employer shall not be responsible for the investment or performance results of such Annuity Contract. Furthermore, if the Annuity Contract is so acquired to measure benefits payable under this Plan, the value of any benefit shall be determined by the actual value of the Annuity Contract at the time of a benefit payment unaffected by any independent or arbitrary standard of calculation with respect to such Annuity Contract.

ARTICLE VI

BENEFITS

GENERAL

6.01 General Benefit Terms:

(a) Benefit payments to a Participant or Beneficiary shall be made according to the manner and method of payment

as elected in the Participation Agreement, which election may be changed by a Participant or a Beneficiary as appropriate at any time prior to the commencement of such benefit payments pursuant to the execution of a revised Participation Agreement.

(b) In the absence of an election in the Participation Agreement as to the manner and method of such benefit payments as provided in Section 6.01(a), the Employer shall make monthly payments on a fixed basis to the Participant or Beneficiary as a continuous lifetime annuity with one hundred twenty (120) payments guaranteed.

(c) At the time benefits commence the present value of all payments to be made to a Participant must exceed one-half of the present value of the total payments to be made to the Participant and the Beneficiary as if no Beneficiary were designated based on the life expectancy of the Participant according to the mortality tables of AEtna Life Insurance and Annuity Company.

(d) Benefit payments to a Participant or Beneficiary shall commence at the time provided in the Plan, subject to an election by the Participant or Beneficiary as appropriate, prior to the time such benefits first become payable, to defer the beginning of such payments to a later date as allowed by the Plan and pursuant to the Participation Agreement.

(e) For purposes of interpreting the provisions of the Plan, the Committee shall only consider a Participation Agreement signed by the Participant or Beneficiary as appropriate and submitted to the Committee.

6.02 Benefits Upon Retirement: Beginning no earlier than thirty-one (31) days and no later than sixty (60) days following the Participant's Retirement, the Employer shall begin benefit payments to the Participant; provided however, the Participant may elect prior to the time such benefits become payable to defer the beginning of any portion of such payments to a later date not later than the Retirement Age as provided in the Participation Agreement.

6.03 Benefits Upon Separation from Service:

(a) If, upon Separation from Service, the Participant continues to receive remuneration for employment or contracted services and such remuneration is deemed by

the Committee to be substantially equivalent to the Participant's Compensation, benefit payments shall be delayed until the Participant attains age 65 at which time benefits shall be payable according to the terms of Section 6.02 of the Plan as if Retirement occurred at age 65.

(b) If, upon Separation from Service, the Participant does not satisfy the provisions of 6.03(a), benefit payments shall not be deferred but shall rather commence no earlier than thirty-one (31) days and no later than sixty (60) days following Separation from Service. However, the Participant may elect prior to the time such benefits become payable to defer the beginning of any portion of such payments to a later date not later than the Retirement Age as provided in the Participation Agreement.

6.04 Benefits Upon Death After Commencement of Benefits:

(a) Should the Participant die at any time after benefit payments have commenced, the Employer shall commence payment to the Beneficiary of the balance remaining of such payments within thirty (30) days of receipt of satisfactory proof of death of the Participant and according to the manner and method selected by the Participant in the Participation Agreement.

(b) If no Beneficiary is designated as provided in Section 2.05 or if no Beneficiary survives the Participant for a period of thirty (30) days, the Employer shall pay to the estate of the Participant a single lump sum amount equal to the current value of such remaining payments. If a Beneficiary does not survive the period after the Participant's death during which such payments to the Beneficiary are to be made, the Employer shall pay to the estate of that Beneficiary a single lump sum amount equal to the current value of such remaining payments to that Beneficiary.

6.05 Benefits Upon Death Prior to Commencement of Benefits:

(a) Should the Participant die at any time before benefit payments have commenced, the Employer shall commence benefit payments to the Beneficiary no earlier than sixty-one (61) days and no later than ninety (90) days subsequent to the Participant's death, subject to satisfactory proof of death of the Participant and according to the manner and method provided in the Participation Agreement or as selected by the Beneficiary pursuant to a revised Participation

Agreement submitted to the Committee prior to the commencement of such benefit payments.

(b) However, at the discretion of the Employer the Beneficiary may elect within the sixty (60) day period subsequent to the death of the Participant to defer the beginning of such payments to a later date not later than the date the Participant would have attained Retirement Age. The Beneficiary may also elect, prior to the date when such deferred benefits are to commence, pursuant to Section 6.05(b) of the Plan, the manner and method of benefit payments as allowed under the Plan.

(c) If no Beneficiary is designated as provided in Section 2.05 or if no Beneficiary survives the Participant for a period of thirty (30) days, the Employer shall pay to the estate of the Participant a single lump sum amount equal to the current value of any remaining payments. If a Beneficiary does not survive the period after the Participant's death during which such payments to the Beneficiary are to be made, then the Employer shall pay to the estate of that Beneficiary a single lump sum amount equal to the current value of such remaining payments to that Beneficiary.

ARTICLE VII

WITHDRAWALS

7.01 In the case of an unforeseeable emergency prior or subsequent to the commencement of benefit payments, a Participant may apply to the Committee for withdrawal of an amount reasonably necessary to satisfy the emergency need. If an application for emergency withdrawal is approved by the Committee, the withdrawal will be effective at the later of the date specified in the Participant's application or the date of approval by the Committee, and the approved amount shall be payable in a lump sum within thirty (30) days of such effective date or in some other manner consistent with emergency need as determined by the Committee.

7.02 For the purposes of this Plan, the term "unforeseeable emergency" means a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the Participant or of a dependent (as defined in the Code) of the Participant, loss of the Participant's property due to casualty, or other similar

extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. Withdrawals for foreseeable expenditures normally budgetable, such as a down payment on a home or purchase of an auto or college expenses, will not be permitted. The Committee shall not permit withdrawal for unforeseeable emergency to the extent that such hardship is or may be relieved:

(1) through reimbursement of compensation by insurance or otherwise;

(2) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship; or

(3) by cessation of deferrals under the Plan.

7.03 In no event shall the amount of a withdrawal for an unforeseeable emergency exceed the total amount of benefits which would have been available to the Participant at the time of withdrawal. Notwithstanding any other provision of this Plan, if a Participant makes a withdrawal hereunder, the value of benefits under the Plan shall be appropriately reduced to reflect such withdrawal, and the remainder of any benefits shall be payable in accordance with otherwise applicable provisions of the Plan.

ARTICLE VIII

LEAVE OF ABSENCE

A Participant on an approved leave of absence with or without Compensation may continue to participate in the Plan subject to all the terms and conditions of the Plan; provided further, Compensation may be deferred for such Participant if such Compensation continues while the Participant is on an approved leave of absence.

ARTICLE IX

NON-ASSIGNABILITY CLAUSE

Neither the Participant nor any other person shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder, which

payments and rights thereto are expressly declared to be unassignable and non-transferrable. Nor shall any unpaid benefits be subject to attachment, garnishment or execution for the payment of any debts, judgments, alimony or separate maintenance owed by the Participant or any other person or be transferrable by operation of law in the event of bankruptcy or insolvency of the Participant or any other person.

ARTICLE X

AMENDMENT OR TERMINATION OF PLAN

10.01 The Employer may terminate or amend the provisions of this Plan at any time; provided however, that no termination or amendment shall affect the rights of Participants or their Beneficiaries to the receipt of payment of benefits to the extent of any Compensation deferred before the time of the termination or amendment, as adjusted for investment experience under the Annuity Contract prior to or subsequent to the amendment or termination.

10.02 Upon termination of the Plan, the Participants in the Plan will be deemed to have withdrawn from the Plan as of the date of such termination. The Participant's full Compensation on a non-deferred basis will be thereupon restored, and the Employer shall pay such benefit or benefits as otherwise provided by and according to the terms of the Plan.

ARTICLE XI

APPLICABLE LAW

The Plan shall be construed under the laws of the state of the Employer.

IN WITNESS WHEREOF, the Employer has caused this Plan to be signed and attested to by its duly authorized officers on the 2nd day of December, 1983.

ATTEST: The Humane Society of the United States
(Employer)

Coleman Burke — K William Weiss

Title: Chairman — Title: Vice-Chairman

The Humane Society of the United States
Deferred Compensation Committee
Thursday, September 13, 1984
Washington, D.C.

The meeting of the Deferred Compensation Committee was called to order by Chairman Coleman Burke. Other committee members present were K. William Wiseman and Jack W. Lydman. Also present were HSUS President John A. Hoyt and HSUS Vice President/Treasurer Paul G. Irwin.

Mr. Hoyt reviewed with the committee proposed deferred compensation plans for Patricia Forkan, HSUS Vice President, Program and Communications; John W. Grandy, HSUS Vice President, Wildlife and Environment; and Patrick B. Parkes, HSUS Vice President, Field Services. In lieu of salary increases for 1985, deferred compensation in the amount of $5,000 for each of the above-named persons was approved to be paid annually to the Aetna Life Insurance and Annuity Company until either the retirement or termination of the employee.

The committee also approved an additional payment of $2,000 annually to the Aetna Life Insurance and Annuity Company for Paul G. Irwin, HSUS Vice President/Treasurer.

The committee unanimously voted to amend previous deferred compensation agreements with John A. Hoyt, HSUS President; Paul G. Irwin, HSUS Vice President/Treasurer; and Phyllis Wright, HSUS Vice President, Companion Animals, to authorize and approve the payment of the full cash value or death benefit resulting from those policies to any of the above employees or his or her beneficiary over a ten-year period, commencing with either the retirement of the employee or his or her death, whichever occurs first. Each of these policies is funded annually with Connecticut Mutual Life Insurance Company at the following fixed premiums:

John A. Hoyt	-	$4,196.00
Paul G. Irwin	-	$2,877.00
Phyllis Wright	-	$2,588.00

The previous agreements specified a fixed amount to be paid each employee or his or her beneficiary annually for a ten-year period as follows:

John A. Hoyt	-	$10,000.00
Paul G. Irwin	-	$10,000.00
Phyllis Wright	-	$5,000.00

These amounts will now be determined by the cash value of the policy plus accrued interest over the ten-year period

following retirement. In the event of the death of the employee, the beneficiary shall receive the entire death benefit plus accrued interest paid over the ten-year period.

As regards this agreement, retirement shall be at the option of the employee with approval of The HSUS Board of Directors or upon the employee's termination by the Board.

The committee approved a direct payment of these benefits by Connecticut Mutual Life Insurance Company to each of the above employees, or his or her beneficiary, over the ten-year period following retirement or death.

The committee takes this action to increase the retirement and/or death benefit of the above employees recognizing that deferred compensation benefits currently being paid in lieu of salary increases do not credit the employee's basic pension program. The committee also wishes to acknowledge that the long, faithful and devoted service of each of these employees merits this action.

Copies of the original agreements are attached.

Respectfully submitted,

Jack W. Lydman
Secretary

CML
ASSOCIATES

6410 Rockledge Drive
Suite 408
Bethesda, Maryland 20817
301-530-9400

George K. Reese, Jr., CLU, ChFC
Howard M. Soltoff, CLU, ChFC
John E. Foster, CLU, ChFC
Paul F. Love, CLU, ChFC
Stephen C. Brooks, Sr., CLU
S. Joseph LoPresti, CLU, ChFC
Lynne Kuhmerker
Harry M. Ritsch

February 1, 1985

Mr. John Hoyt
Humane Society of United States
2100 L Street, NW
Washington, DC 20037

Dear John:

Enclosed are the Deferred Compensation Agreements. They are ready to be signed by the interested parties.

Please send me copies of the signed documents for my files. If I can be of any further assistance, don't hesitate to call.

Sincerely,

John E. Foster, CLU, ChFC

JEF/ged

enclosures:

DEFINED CONTRIBUTION DEFERRED COMPENSATION
AND SALARY CONTINUATION AGREEMENT

THIS AGREEMENT, made this 13th day of September, 1984, by and between the Humane Society of The United States of Washington, DC, hereinafter called the Society, and John A. Hoyt, hereinafter called the Employee.

WHEREAS, the Employee's competent and faithful efforts on behalf of the Society have resulted in substantial growth of the Society and,

WHEREAS, the Society values the efforts, abilities and accomplishments of the Employee as an important member of management and recognizes that his future services are vital to its continued growth and that the loss of his services would result in substantial financial losses, and,

WHEREAS, the Society in order to retain the services of the Employee is willing to provide post-retirement benefits and post-death benefits for his designated beneficiaries as set out below,

NOW, THEREFORE, it is mutually agreed that:

(Salary Continuation Benefits)

1.(A) If the Employee dies while employed by the Society prior to attaining the retirement age of 65 years, the Society shall pay to such individual or individuals as the Employee shall have designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee, a benefit equal to that which would be available to the Society at the date of the Employee's death under the assumption that the following annual investments have been made.

$ 4,196.00 in a Life Paid Up at age 65 type life insurance policy issued by Connecticut Mutual Life Insurance Company upon the Employee's life with all dividends credited to such policy used to purchase One Year Term Insurance on each policy anniversay equal to the guaranteed cash value of the policy at the end of the following year and the balance, if any, of the dividends used to purchase Paid up Additional Insurance.

(B) The benefit provided under Article 1(A) shall be paid by the Society in monthly installments beginning not later than 1 (one) month after death for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine.

(Retirement Benefits)

2.(A) In the event the Employee retires from employment upon attaining the retirement age of 65 years, he shall be entitled to receive from the Society a retirement benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's retirement shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after retirement for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of such retirement or until death, whichever first occurs.

(B) If the Employee should die during said 10 year period, the Society shall continue to pay such monthly installments until the expiration of said 10 year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Severance Benefits)

3.(A) In the event the Employee terminates employment for reasons other than death or retirement, he shall be entitled to receive from the Society a severance benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's termination shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after severance for a period of 5 (five) years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of termination or until death, whichever first occurs.

(B) If the Employee should die during said 5 (five) year period, the Society shall continue to pay such monthly installments until the expiration of said 5 (five) year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Claims Procedure)

4. If any benefits become payable under this Agreement, the Employee (or designated beneficiary in the case of the Employee's death) shall file a claim for benefits by notifying the Society orally or in writing. If the claim is wholly or partially denied, the Society shall provide a written notice within 90 days specifying the reason for the denial, the plan provisions on which the denial is based, and additional material or information necessary to receive benefits, if any. Also, such written notice shall indicate the steps to be taken if a review of the denial is desired.

If a claim is denied and a review is desired, the Employee (or designated beneficiary in the case of the Employee's death) shall notify the Society in writing within 60 days. In requesting a review, the Employee or beneficiary may review plan documents and submit any witten issues and comments he or she feels are appropriate. The Society shall then review the claim and provide a written decision within 60 days. This decision shall state the specific reasons for the decision and shall include references to specific provisions on which the decision is based.

(Assignment of Rights)

5. Neither the Employee nor any designated beneficiary shall have any right to sell, assign, transfer or otherwise convey the right to receive any payments hereunder.

(Construction of Agreement)

6. Any payments under this Agreement shall be independent of, and in addition to, those under any other plan, program or agreement which may be in effect betwen the parties hereto, or any other compensation payable to the Employee or the Employee's designated beneficiary by the Society. This Agreement shall not be construed as a contract of employment nor does it restrict the right of the Society to discharge the Employee for proper cause or the right of the Employee to terminate employment.

The Society shall be under no obligation whatever to purchase or maintain any contract, policy or other asset to provide the benefits under this Agreement, and any reference to a contract, policy or other asset is made solely for the purpose of computing the value of the benefits payable. Any contract, policy or other asset which the Society may utilize to assure itself of the funds to provide the benefits hereunder shall not serve in any way as security to the Employee for the Society's performance under this Agreement. The rights accruing to the Employee or any beneficiary hereunder shall be solely those of any unsecured creditor of the Society.

The law of Washington, D.C. shall govern this Agreement.

(Change of Business Form)

7. The Society agrees that it will not merge, consolidate, or combine with any other business entity unless and until the succeeding or continuing corporation or business entity expressly assumes and confirms in writing the obligations of the Society under this Agrement.

(Amendment of Agreement)

8. This Agreement may not be altered, amended or revoked except by written agreement signed by the Society and Employee.

(Interpretaion)

9. Where appropriate in this Agreement, words used in the singular shall include the plural and words used in the masculine shall include the feminine.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.

THE HUMANE SOCIETY OF THE UNITED STATES (Society)

Coleman Burke
(Witness)

Coleman Burke, Chairman
Board of Directors

By Jack W. Lydman

Jack W. Lydman, Secretary
Deferred Compensation Committee

DEFINED CONTRIBUTION DEFERRED COMPENSATION AND SALARY CONTINUATION AGREEMENT

THIS AGREEMENT, made this 13th day of September, 1984, by and between the Humane Society of The United States of Washington, DC, hereinafter called the Society, and Paul G. Irwin, hereinafter called the Employee.

WHEREAS, the Employee's competent and faithful efforts on behalf of the Society have resulted in substantial growth of the Society and,

WHEREAS, the Society values the efforts, abilities and accomplishments of the Employee as an important member of management and recognizes that his future services are vital to its continued growth and that the loss of his services would result in substantial financial losses, and,

WHEREAS, the Society in order to retain the services of the Employee is willing to provide post-retirement benefits and post-death benefits for his designated beneficiaries as set out below,

NOW, THEREFORE, it is mutually agreed that:

(Salary Continuation Benefits)

1.(A) If the Employee dies while employed by the Society prior to attaining the retirement age of 60 years, the Society shall pay to such individual or individuals as the Employee shall have designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee, a benefit equal to that which would be available to the Society at the date of the Employee's death under the assumption that the following annual investments have been made.

$ 2,877.00 in a Life Paid Up at age 65 type life insurance policy issued by Connecticut Mutual Life Insurance Company upon the Employee's life with all dividends credited to such policy used to purchase Paid up Additional Insurance.

(B) The benefit provided under Article 1(A) shall be paid by the Society in monthly installments beginning not later than 1 (one) month after death for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine.

If a claim is denied and a review is desired, the Employee (or designated beneficiary in the case of the Employee's death) shall notify the Society in writing within 60 days. In requesting a review, the Employee or beneficiary may review plan documents and submit any witten issues and comments he or she feels are appropriate. The Society shall then review the claim and provide a written decision within 60 days. This decision shall state the specific reasons for the decision and shall include references to specific provisions on which the decision is based.

(Assignment of Rights)

5. Neither the Employee nor any designated beneficiary shall have any right to sell, assign, transfer or otherwise convey the right to receive any payments hereunder.

(Construction of Agreement)

6. Any payments under this Agreement shall be independent of, and in addition to, those under any other plan, program or agreement which may be in effect betwen the parties hereto, or any other compensation payable to the Employee or the Employee's designated beneficiary by the Society. This Agreement shall not be construed as a contract of employment nor does it restrict the right of the Society to discharge the Employee for proper cause or the right of the Employee to terminate employment.

The Society shall be under no obligation whatever to purchase or maintain any contract, policy or other asset to provide the benefits under this Agreement, and any reference to a contract, policy or other asset is made solely for the purpose of computing the value of the benefits payable. Any contract, policy or other asset which the Society may utilize to assure itself of the funds to provide the benefits hereunder shall not serve in any way as security to the Employee for the Society's performance under this Agreement. The rights accruing to the Employee or any beneficiary hereunder shall be solely those of any unsecured creditor of the Society.

The law of Washington, D.C. shall govern this Agreement.

(Change of Business Form)

7. The Society agrees that it will not merge, consolidate, or combine with any other business entity unless and until the succeeding or continuing corporation or business entity expressly assumes and confirms in writing the obligations of the Society under this Agrement.

(Amendment of Agreement)

8. This Agreement may not be altered, amended or revoked except by written agreement signed by the Society and Employee.

(Interpretaion)

9. Where appropriate in this Agreement, words used in the singular shall include the plural and words used in the masculine shall include the feminine.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.

THE HUMANE SOCIETY OF THE

UNITED STATES (Society)

By

Coleman Burke
(Witness)

Coleman Burke, Chairman
Board of Directors

Jack W. Lydman, Secretary
Deferred Compensation Committee

DEFINED CONTRIBUTION DEFERRED COMPENSATION AND SALARY CONTINUATION AGREEMENT

THIS AGREEMENT, made this 13th day of September, 1984, by and between the Humane Society of The United States of Washington, DC, hereinafter called the Society, and Phyllis E. Wright, hereinafter called the Employee.

WHEREAS, the Employee's competent and faithful efforts on behalf of the Society have resulted in substantial growth of the Society and,

WHEREAS, the Society values the efforts, abilities and accomplishments of the Employee as an important member of management and recognizes that his future services are vital to its continued growth and that the loss of his services would result in substantial financial losses, and,

WHEREAS, the Society in order to retain the services of the Employee is willing to provide post-retirement benefits and post-death benefits for his designated beneficiaries as set out below,

NOW, THEREFORE, it is mutually agreed that:

(Salary Continuation Benefits)

1.(A) If the Employee dies while employed by the Society prior to attaining the retirement age of 65 years, the Society shall pay to such individual or individuals as the Employee shall have designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee, a benefit equal to that which would be available to the Society at the date of the Employee's death under the assumption that the following annual investments have been made.

$ 2,588.00 in a Life Paid Up at age 65 type life insurance policy issued by Connecticut Mutual Life Insurance Company upon the Employee's life with all dividends credited to such policy accumulated at interest with the Insurance Company.

(B) The benefit provided under Article 1(A) shall be paid by the Society in monthly installments beginning not later than 1 (one) month after death for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine.

(Retirement Benefits)

2.(A) In the event the Employee retires from employment upon attaining the retirement age of 65 years, he shall be entitled to receive from the Society a retirement benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's retirement shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after retirement for a period of 10 years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of such retirement or until death, whichever first occurs.

(B) If the Employee should die during said 10 year period, the Society shall continue to pay such monthly installments until the expiration of said 10 year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Severance Benefits)

3.(A) In the event the Employee terminates employment for reasons other than death or retirement, he shall be entitled to receive from the Society a severance benefit calculated in the same manner as set forth in Article 1(A) above, except that the date of the Employee's termination shall be substituted for the date of death. Such benefit shall be paid by the Society in monthly installments beginning not later than 1 (one) month after severance for a period of 5 (five) years, or in such other manner or over such other period as the Society in its sole discretion may determine, following the date of termination or until death, whichever first occurs.

(B) If the Employee should die during said 5 (five) year period, the Society shall continue to pay such monthly installments until the expiration of said 5 (five) year period to such individual or individuals as the Employee has designated in writing filed with the Society or, in the absence of such designation, to the estate of the Employee.

(Claims Procedure)

4. If any benefits become payable under this Agreement, the Employee (or designated beneficiary in the case of the Employee's death) shall file a claim for benefits by notifying the Society orally or in writing. If the claim is wholly or partially denied, the Society shall provide a written notice within 90 days specifying the reason for the denial, the plan provisions on which the denial is based, and additional material or information necessary to receive benefits, if any. Also, such written notice shall indicate the steps to be taken if a review of the denial is desired.

If a claim is denied and a review is desired, the Employee (or designated beneficiary in the case of the Employee's death) shall notify the Society in writing within 60 days. In requesting a review, the Employee or beneficiary may review plan documents and submit any witten issues and comments he or she feels are appropriate. The Society shall then review the claim and provide a written decision within 60 days. This decision shall state the specific reasons for the decision and shall include references to specific provisions on which the decision is based.

(Assignment of Rights)

5. Neither the Employee nor any designated beneficiary shall have any right to sell, assign, transfer or otherwise convey the right to receive any payments hereunder.

(Construction of Agreement)

6. Any payments under this Agreement shall be independent of, and in addition to, those under any other plan, program or agreement which may be in effect betwen the parties hereto, or any other compensation payable to the Employee or the Employee's designated beneficiary by the Society. This Agreement shall not be construed as a contract of employment nor does it restrict the right of the Society to discharge the Employee for proper cause or the right of the Employee to terminate employment.

The Society shall be under no obligation whatever to purchase or maintain any contract, policy or other asset to provide the benefits under this Agreement, and any reference to a contract, policy or other asset is made solely for the purpose of computing the value of the benefits payable. Any contract, policy or other asset which the Society may utilize to assure itself of the funds to provide the benefits hereunder shall not serve in any way as security to the Employee for the Society's performance under this Agreement. The rights accruing to the Employee or any beneficiary hereunder shall be solely those of any unsecured creditor of the Society.

The law of Washington, D.C. shall govern this Agreement.

(Change of Business Form)

7. The Society agrees that it will not merge, consolidate, or combine with any other business entity unless and until the succeeding or continuing corporation or business entity expressly assumes and confirms in writing the obligations of the Society under this Agrement.

(Amendment of Agreement)

8. This Agreement may not be altered, amended or revoked except by written agreement signed by the Society and Employee.

(Interpretaion)

9. Where appropriate in this Agreement, words used in the singular shall include the plural and words used in the masculine shall include the feminine.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove written.

THE HUMANE SOCIETY OF THE UNITED STATES (Society)

By Jack W. Lydman

Coleman Burke
(Witness)

Coleman Burke, Chairman
Board of Directors

Jack W. Lydman, Secretary
Deferred Compensation Committee

The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

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William Wiseman
Chairman
Amy Freeman Lee
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G. Irwin
President/Treasurer
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ORARY DIRECTORS
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Memo to: File

From: Coleman Burke, Chairman

Date: January 2, 1985

Over the past several years the HSUS has been providing automobiles to John A. Hoyt, Paul G. Irwin and Phyllis E. Wright as a part of their annual compensation. These automobiles have been purchased and maintained by the Society for both personal and business utilization.

Because of changes in the Internal Revenue Service codes relating to Society owned vehicles and upon recommendations of our auditors, it is advisable that the Society discontinue providing automobiles for Mr. Hoyt, Mr. Irwin and Miss Wright.

In light of this change, I hereby authorize that a travel allowance in the amount of $9,000.00 be paid to Mr. Hoyt and Mr. Irwin. I further authorize that a travel allowance be paid to Miss Wright in the amount of $5,000.00

It is understood that the travel allowance for Mr. Hoyt and Mr. Irwin will be paid from funds in the account of The National Humane Education Center, Inc. Miss Wright's travel allowance will be paid from HSUS funds.

Coleman Burke

Coleman Burke, Chairman

The Humane Society of the United States
Deferred Compensation Committee
July 24, 1986
New York, New York

The meeting of the Deferred Compensation Committee was called to order at 12:30p.m. by the chairman, Coleman Burke. Other committee members present were K. William Wiseman, vice-chairman and Jack Lydman, secretary. John A. Hoyt, HSUS president and Paul G. Irwin, HSUS executive president and treasurer were also present.

Mr. Hoyt reviewed in detail Mrs. Oliver Evans' gift of her residence at 3045 P Street NW, Washington, D.C.to the HSUS on January 10, 1980 and her desire that it become a residence for The HSUS president, (copy attached). Mr. Hoyt noted that in deeding this residence to the HSUS, Mrs. Evans retained a life interest in the house in which she continues to reside. Mr. Hoyt further noted that in expressing her desire that her home at 3045 P Street be used as a residence, such had in no way been made a condition of the gift.

The committee discussed in detail the appropriateness of providing a residence for the HSUS president and explored the various ways in which such a residence would serve to enhance the work and activities of HSUS directly.

Upon motion, duly secounded and approved unanimously, it was voted to purchase a property to serve as a residence for The HSUS president no later than May 1,1987, details of such purchase to be approved by the committee at a later date. It was further noted that when the house located at 3045 P Street N.W., becomes available further consideration will be given to using this house as the president's home. Mr. Irwin was designated to work with Mr. Hoyt in recommending a suitable residence for purchase by The HSUS.

The committee also approved the transfer of ownership of personal life insurance policies currently owned by The HSUS to Mr. Hoyt and Mr. Irwin respectively, with the understanding that The HSUS will continue to pay the premiums for both policies until the retirement or termination of employment of either individually. In so authorizing this transfer, the committee noted with appreciation the outstanding leadership and extraordinary efforts of both men on behalf of The HSUS.

The committee noted for the record that it is empowered by the Board of Directors of The HSUS to act on its behalf in matters pertaining to compensation and benefits for HSUS staff personnel. (Minutes of the Meeting of the Board of Directors, September 9,1983.)

Respectfully submitted,

Jack W. Lydman
Secretary

Mrs. Oliver Marshall Evans
3045 P Street N. W.
Washington, D. C. 20007

Dear Coleman —

As you are aware, on January 10th 1980, I deeded to the H.S.U.S my house located at 3045 P. Street N.W, Washington D.C, subject to a life estate. It was very much the desire of my beloved Oliver and equally mine that, if at all possible that this house be maintained as a residence for the president of the H.S.U.S. It especially hope this request can be honored so long as John Hoyt serves.

Mrs. Oliver Marshall Evans
3045 P Street N. W.
Washington, D. C. 20007

as president as I am particularly grateful for his leadership of our great H.S.U.S.

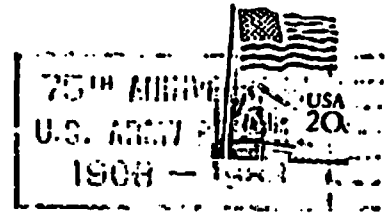
While I recognize that the Board of Directors is not obliged to honor this request, such use would fulfill a dream shared by both Oliver and myself.

Most sincerely
Irene Evans

cc: H. Jackson Webb
cc: John Hoyt

July 31, 1983





Mr. John Hoyt, Pres.
Humane Society of The U.S.
2100 L. Street
Washington
D.C. 20037

The Humane Society of the United States

Deferred Compensation Committee

Washington, D.C.

April 22, 1987

The meeting of the Deferred Compensation Committee was called to order at approximately 5:00 p.m. by the chairman, Coleman Burke. Other committee members present were K. William Wiseman, vice-chairman, and Jack Lydman, secretary. John A. Hoyt, HSUS president and Paul G. Irwin, HSUS executive vice-president and treasurer were also in attendance.

Mr. Irwin reported to the committee regarding the purchase of a property to serve as a residence for HSUS president John A. Hoyt in lieu of other compensation at this time. He indicated that for the present time Mr. Hoyt would prefer to continue residing at this present residence at 14670 Seneca Road, Germantown, Maryland. By unanimous consent, the committee authorized Mr. Irwin to act as agent for the Board of Directors in arranging for the purchase of the house currently owned by Mr. Hoyt, the amount of that purchase to be $310,000 based on an appraisal made by the Long and Foster Real Estate Inc., estimating the value of the Hoyt residence to be in the range of $310,000 - $335,000.

It was noted that the purchase of Mr. Hoyt's home was being undertaken in part due to the fact that Mrs. Irene Evans had transferred as a gift to The HSUS a note in the amount of $100,000 owed by Mr. Hoyt. It was the opinion of the committee that it was not desirable that this indebtedness to The HSUS by Mr. Hoyt should continue to exist. It was, therefore, the wish of the committee that the purchase of Mr. Hoyt's home be expedited and the note now due The HSUS by Mr. Hoyt be paid in full at the earliest possible date.

It was agreed that Mr. Hoyt and his family will occupy this residence rent free in lieu of other compensation except that The HSUS auditors will establish a monthly rental figure for the purpose of IRS reporting. All utilities and minor maintance will be paid by Mr. Hoyt. Capital improvements and property taxes will be paid by The HSUS.

The committee also approved the payment of Mr. Irwin's salary increase for 1987 in the amount of $5,000 from the National Association for the Advancement of Humane Education account.

Respectfully submitted,

Jack W. Lydman
Secretary

GILBERT LIM
REALTOR®

ONG & FOSTER, REALTORS®
ermantown/Darnestown Office
850 Middlebrook Road, Suite 100
ermantown, Maryland 20874

Office: (301) 540-0500
Res.: (301) 540-8894

G & FOSTER
L ESTATE, INC.

ANTOWN/DARNESTOWN OFFICE
OAD, SUITE 100/GERMANTOWN, MARYLAND 20874
(301) 540-0500

EXECUTIVE OFFICES
3918 PROSPERITY AVENUE
FAIRFAX, VIRGINIA 22031
(703) 849-1000

RESIDENTIAL SALES
COMMERCIAL SALES & LEASING
MORTGAGE PROCESSING
ADVERTISING/MARKETING
RELOCATION DEPARTMENT
RESIDENTIAL PROPERTY MANAGEMENT
TRADE-IN DEPARTMENT

March 9 1987

Mr & Mr John Hoyt
4670,Seneca Road,
ermantown,
aryland.20874

ear Mr & Mrs John Hoyt:

hank you for showing me your property and asking for my proffessional opinion on the arket value of your property.

fter researching and compiling data on properties that have been sold recently and also roperties that are presently on the market,it is my opinion that your property can be rice at a range of $310,000.00 to $335,000.00 in today's market taking into consideration f financing terms and property condition.

t is also my advice when there is a buy-out situation that you should have more than one ppraisal done on your property by a professional appraiser inorder to set a fix amount f your property value.

ttached is a copy of my market analysis of properties within a 3 miles radius of your roperty.

nce again I want to thank you and I'll be looking forward to be of further service to ou and your friends in any real estate needs you may have.

incerely,

ilbert Lim

REALTOR®

EQUINET
EQUITABLE REAL ESTATE NETWORK

COMPETITIVE MARKET ANALYSIS

OBJECTIVE: Help determine selling price of home by reviewing facts on what buyers are willing to pay for homes on the market today that are similar to yours.

ECK RD, GERMANTOWN	Bedrooms	Baths	Dining Room	Eat-In Kitchen	Family Room	Rec. Room	Basement	Parking	Lot Size	Style	Porch/Deck	# of Fireplaces	Pool	Hardwood Floors	Wall-to-Wall Carpeting	Fuel & Heat Type	Age	Air Cond.	TERMS V—VA F—FHA C—CONV A—Assump. O—Owner H—Closing Help	PROPERTY CONDITION BA—Below Average A—Average AB—Above Average	List Price	
	6	4	✓	✓	✓	✓	✓	2CAR GAR	3.7AC	R	2SUN	4	N/A	✓	✓	OIL						
PERTIES																						
RD, DARNESTOWN	4	3½	✓	✓	✓	-	NONE	2CAR GAR	2.1	R	NO	2	✓	✓	✓	OIL	9	ELEC	CONV.		349,321	
WER DR, POTOMAC	4	2½	✓	✓	✓	-	FULL	2CAR	2	C	NO	1	NONE	✓	✓	HEAT PUMP	1	ELEC	CONV	NEW.	359,000	
ILL RD	4	3½	✓	✓	✓	✓	FULL FIN	2CAR	22.6	C	✓	3	NONE	✓	✓	HEAT PUMP	NEW	ELEC	CONV	NEW.	396,500	
RD	5	4	✓	✓	✓	✓	FULL FIN		7.6	R	NO	2	✓	✓	✓	OIL	34	CAC	CONV	3100 SQ FT.	299,000	
ERTIES																						
WN RD	6	4½	✓	✓	✓	✓	FULL FIN.	2	3.45	C	✓	1	NO	✓	✓	HP	6	HEAT PUMP	CONV.		250,000	
RD	4	3	✓	✓	✓	✓	FULL FIN	2	2.11	C	NO	1	NO	✓	✓	OIL	12	CAC	CONV.	2 STALL BARN	299,000	
RD	5	4½	✓	✓	✓	✓	FIN	2	3.5	R	NO	1	NO	✓	✓	OIL	30	ELEC	CONV.	BA.	349,000	
ILL RD	4	3½	✓	✓	✓	✓	FULL FIN	2	2.25	C	✓	2	NO	✓	✓	HP	NEW	HP	CONV.	NEW	399,500	
ELD LA	4	3½	✓	✓	✓	✓	FULL	2	2	C	✓	1	NO	✓	✓	HP	NEW	HP	CONV		339,500	

Reasonable range of value as of this date:

Selling Time: 30 days $_____ 60 days $_____ 120

The report was prepared for you by LONG & FOSTER REAL ESTATE, INC. Sales Associate _____

LONG & FOSTER, REALTORS®

COMPETITIVE MARKET ANALYSIS

OBJECTIVE: Help determine selling price of home by reviewing facts on what buyers are willing to pay for homes on the market today that are similar to yours.

14670, SENECA RD, GERMANTOWN

ROPERTY DATA	Bedrooms	Baths	Dining Room	Eat-In Kitchen	Family Room	Rec. Room	Basement	Parking	Lot Size	Style	Porch/Deck	# of Fireplaces	Pool	Hardwood Floors	Wall-to-Wall Carpeting	Fuel & Heat Type	Age	Air Cond.	TERMS V—VA F—FHA C—CONV A—Assump. O—Owner H—Closing Help	PROPERTY CONDITION BA—Below Average A—Average AB—Above Average	List Price	Days on Market	Sold Price	Sale
UBJECT PROPERTY	6	4	✓	✓	✓	✓	✓	2CAR GAR	3.7AC	R	NEW	4	NA	✓	✓	OIL								
ECENTLY SOLD PROPERTIES																								
.12985 ESWORTHY RD, DAMASCUSTOWN	4	3½	✓	✓	✓	-	NONE	2CAR GAR	2.1	R	NO	2	✓	✓	✓	OIL	9	ELEC	CONV.		349,321	60	NET SETTLEMENT	
.12712 MAIDENS TOWER DR, POTOMAC	4	2½	✓	✓	✓	-	FULL	2CAR	2	C	NO	1	NONE	✓	✓	HEAT PUMP	1	ELEC	CONV	NEW	359,000	60	345,000	1/32
.12307 QUERY MILL RD	4	3½	✓	✓	✓	✓	FULL FIN	2CAR	226	C	✓	3	NONE	✓	✓	HEAT PUMP	NEW	ELEC	CONV	NEW	396,500			
.13931 ESWORTHY RD	5	4	✓	✓	✓	✓	FULL FIN		7.6	R	NO	2	✓	✓	✓	OIL	34	CAC	CONV	3100 SQ FT.	299,000	21	275,000	30/5
.																								
OMPETITIVE PROPERTIES																							Current Price	Comm
.16110 GERMANTOWN RD	6	4½	✓	✓	✓	✓	FULL FIN.	2	3.45	C	✓	1	NO	✓	✓	HP	6	HEAT PUMP	CONV.		250,000			
.12901 ESWORTHY RD	4	3	✓	✓	✓	✓	FULL FIN	2	2.11	C	NO	1	NO	✓	✓	OIL	12	OAC	CONV.	2 STALL BARN	299,000			
.14601 SENECA RD	5	4½	✓	✓	✓	✓	FIN	2	3.5	R	NO	1	NO	✓	✓	OIL	30	ELEC	CONV.	BA.	349,000			
.13305 QUERY MILL RD	4	3½	✓	✓	✓	✓	FULL FIN	2	2.25	C	✓	2	NO	✓	✓	HP	NEW	HP	CONV.	NEW	399,500			
.13404 HADDONFIELD LA	4	3½	✓	✓	✓	✓	FULL	2	2	C	✓	1	NO	✓	✓	HP	NEW	HP	CONV		339,500			

OMMENTS:

Reasonable range of value as of this date:

Selling Time: 30 days $_____ 60 days $_____ 120 days $_____

The report was prepared for you by LONG & FOSTER REAL ESTATE, INC. Sales Associate _____

The Humane Society of the United States

Deferred Compensation Committee

August 25, 1987

Washington, D.C.

The meeting of the Deferred Compensation Committee was called to order at approximately 4:00 p.m. by the vice-chairman K. William Wiseman. Other committee members present were Jack Lydman, secretary. John A. Hoyt and Paul G. Irwin were also in attendance.

Mr. Irwin reviewed in great detail the circumstances and complexities relating to a property in Maine being donated to The HSUS by Mr. and Mrs. [redacted]. Because of a special restriction preventing an organization from becoming the owner of record, Mr. Irwin, choosing not to jeopardize significant other benefits being realized by The HSUS from Mr. and Mrs. [redacted] and Mr. [redacted] sister Dr. [redacted], proceeded to become the owner of this property in deference to Mr. [redacted] insistence.

Since Mr. Irwin does not have a personal interest in the ownership of this particular property, it was the consensus of the committee that The HSUS should reimburse Mr. Irwin his personal financial investment in this property in the amount of $85 - $90,000 and that he continue to be the owner of record and serve as agent for The HSUS.

Mr. Irwin was instructed to seek counsel for effecting the above and review the same with the Society's auditors and to prepare a memorandum detailing the history surrounding this property which shall be made a part of these minutes.

It was noted that Mr. Irwin had reviewed this matter in great detail with committee chairman Coleman Burke who has indicated his support of The HSUS accepting the financial responsibility for the expenditures made by Mr. Irwin in purchasing this property and remodeling the small cabin located thereon.

Respectfully submitted,

Jack W. Lydman

Jack. W. Lydman
Secretary

NOTE: NAMES HAVE BEEN REMOVED TO RESERVE PRIVACY. THEY HAVE BEEN DISCLOSED TO COMMITTEE AND MR METTLER. PGI

MEMORANDUM FOR FILE

FROM: Paul G. Irwin

DATE: September 3, 1987

RE: [redacted]/[redacted] Relationship with The Humane Society of the United States

In 1983, Mr. Hoyt and I were contacted by the Reverend [redacted] (present age 80) of [redacted], regarding estate planning for himself and his sister, Dr. [redacted] (present age 82). Up to that point the HSUS has had some involvement with Mr. [redacted] because of his involvement with the [redacted] County Humane Society. Mr. [redacted] was a member of the HSUS at that time and had made small financial contributions in support of our efforts over the years. Dr. [redacted] was not known to us at that time and had not been a supporter of our work.

Mr. [redacted] informed us that his sister had an eighty-five acre tract of land in Seabrook, Maryland, and asked us if we might have an interest in establishing a national headquarters facility in Prince George's County area. We did not indicate interest in the establishment of such a facility in that geographical area. However, we did inform Mr. [redacted] that we would be more than pleased to discuss the situation with Dr. [redacted] because there were ways in which she could give a tract of land to the HSUS and receive a benefit through a planned gift. I then proceeded to have extensive conversations with Dr. [redacted] regarding the possibility and did succeed in setting up an irrevocable unitrust involving land. That land has now been liquidated for $800,000 and is funding a unitrust for the benefit of HSUS and for Dr. [redacted] and her beneficiaries.

Over the course of a long period of time, I was able to win Dr. [redacted] confidence to the extent that she has made me executor of her will. Further, she has provided a revocable trust of $350,000 held by the HSUS. Furthermore, the HSUS is a significant beneficary in her will. Also, she has executed documents in her resident state of [redacted] providing me with a general power of attorney regarding her affairs.

While these negotiations were in progress, and beginning in 1983, Mr. [redacted] stated that he was interested in providing his property in [redacted] for utilization by HSUS. He envisioned an environmental training center being established in the [redacted] setting. Through very careful negotiations, and certainly

tenuous at times, we have succeeded in convincing Mr. [redacted] to will his property in [redacted] to the HSUS with the provision that it may be sold and the proceeds used for general operational expenditures. However, he is asking in his will that we consider the utilization of that property for an environmental education program if it is feasible. Mr. [redacted] has also suggested that the HSUS will be a general beneficary of his estate beyond the [redacted] holding.

At the beginning part of this whole process Mr. [redacted] introduced the idea to Mr. John Hoyt and myself that he would like to donate his summer property in the vicinity of Bath, Maine to the HSUS. He has been the owner of a ninety-nine year lease of that property since 1931. It is a part of a 125-acre tract of land which was purchased by a number of divinity students. Mr. [redacted] leased portion of the property amounts to approximately eleven acres and has 750 feet of ocean frontage. There is a general statement in the lease agreement that the individual leases would pass from generation to generation and at each point of passing a new 99-year lease would be established. Consequently, the leases were designed to remain in the possession of the various leasors in perpetuity. Mr. [redacted] approached the association of leasors, known as Brightwater, Inc., with the proposition, that since he did not have children, he wished to donate his property to the HSUS. The Brightwater group unanimously disagreed. Mr. [redacted] then approached John Hoyt and myself and encouraged us as individuals to buy the Brightwater property for $50,000. In return he would make an annuity gift to the HSUS in the amount of $50,000. He in fact completed this gift in 1986. The Hoyt and Irwin families visited the site in the summer of 1984. The Hoyt's were totally convinced that they had nc interest in utilizing the property. The Irwin family was not vigorously interested either although we have had a desire to have a place in Maine again. I sought to utilize the situation to suggest to [redacted] that it did not seem possible nor feasible that the Hoyt and Irwin families could share equity participation in the Brightwater situation. Mr. [redacted] was unable to accept the notion that we would not want to be involved in this haven. Consequently, he vigorously pressed me to pursue the possibility of gaining the leasehold. At this point, it became evident, and subsequently far more evident, that [redacted] had an irrational mental attachment to the Brightwater scene. Because we were dealing in a situation that stood to benefit the HSUS with approximately $2,000,000, I was not willing to jeopardize a complex series of gifts over the minor situation that the Brightwater represented.

Mr. [redacted] again approached the Brightwater group and proposed the Irwin family as successor to his leasehold. The fact of the matter is the Brightwater group did not want interlopers but rather wanted to have the leasehold passed down "inside the family." This reluctance on the part of Brightwater only served to intensify Mr. [redacted] strong intention that he would have his way. He retained legal counsel and proceeded with action against Brightwater to force the Irwin qualification. In point of fact Brightwater did not have legal standing to refuse the Irwin family membership. After an acrimonious twenty months, the Brightwater group finally agreed to accept the Irwins but, I may add, with extreme reluctance. To say the least, the Irwin family found itself in an unpleasant environment.

To help you better understand Mr. [redacted] frame of mind in this entire process, he proposed that he would adopt me. I, then becoming an adopted son, would be automatically qualified for the continuing of the lease. The only way I was able to turn Mr. [redacted] from this idea was to inform him that my father, who was living at the time, would be unable to accept such an act and, therefore, I would have to refuse such a proposition. Mr. [redacted] then proposed that he would adopt one of my children and pass him the leasehold. That issue was also skirted. I finally had to insist that the only way the process could come to fruition would be through our acceptance on our own merits by the Brightwater group.

Our leasehold in Brightwater carries no possibility for financial appreciation. A person can only sell his property for the money expended plus an inflation factor. Obviously, therefore, I did not involve myself in the situation with the notion of any financial gain.

The problems at Brightwater have been legion. When the leasehold was transferred to us, the cabin was marginally habitable. It had no foundation under it, it was sagging dangerously, and provided none of the physical comforts that most of us would desire. We proceeded to have the cabin remodeled with an adequate foundation placed under it. Brightwater has succeeded in creating enormous hassles with the town authorities, has sought to thwart building permits and has generally tried to make this into a situation as uncomfortable as possible. I suppose a normal person would have walked away from the situation a long time ago. However, I was and remain convinced that my involvement in the Brightwater situation is an important factor in a significant asset possibility for the HSUS.

I want to clearly state that John Hoyt never instructed me to involve myself in this proposition. He certainly

understood my sentiments in the venture and knew of the risks involved if I had let it alone.

Mr. Hoyt discussed the whole situation with a committee of the Board of Directors of the HSUS who are responsible for acting upon such situations. The committee said that they would be amenable to seek a means whereby I could become the agent for the HSUS in Brightwater and that the property through an agency agreement could become the property of the HSUS and would be held as an asset until the death of Mr. [redacted]. The matter was tabled for further discussion until the entire committee could meet and agree upon a course of direction.

Moved and seconded that the Board of Directors authorize the establishment of a Deferred Compensation Plan to be administered by a Deferred Compensation Committee comprised of the Chairman of the Board, Coleman Burke; the Vice Chairman, K. William Wiseman; and director Jack Lydman.

As regards matters relating to the establishment and administration of the Deferred Compensation Plan, the Committee is empowered to act in all matters on behalf of the Board of Directors.

This Committee may also from time to time be constituted a Compensation Committee to consult with and advise the President regarding staff compensation as the need may arise.

Adopted by Executive Committee,
HSUS Board of Directors,
September 9, 1983

The Humane Society of the United States
Deferred Compensation Committee
Friday, December 2, 1983
New York, New York

The initial meeting of The Humane Society of the United States Deferred Compensation Committee was convened at 12:30 p.m. in the law offices of Burke and Burke, 529 Fifth Avenue, December 2, 1983. Present were committee members Coleman Burke, William Wiseman, and Jack Lydman; also HSUS president John A. Hoyt and HSUS Vice President/Treasurer Paul G. Irwin. The following officers of the committee were chosen: Chairman, Coleman Burke; Vice-Chairman, William Wiseman; Secretary, Jack Lydman.

Mr. Hoyt reviewed with the committee members the need for a deferred compensation plan for senior staff personnel. Following discussion, Mr. Hoyt reviewed with the committee a Deferred Compensation Plan submitted by Aetna Life Insurance and Annuity Company. Upon a motion by William Wiseman, seconded by Jack Lydman, the Aetna Deferred Compensation Plan was unanimously approved and adopted.

Upon recommendation of Mr. Hoyt, the following amounts were approved for deferred compensation for three senior staff persons: $5,000, John A. Hoyt; $5,000, Paul G. Irwin; $5,000, Phyllis Wright. These amounts will be paid to Aetna Life Insurance and Annuity Company annually until either the retirement or termination of employment of each of the three above employees.

The committee also approved unanimously the payment by the Aetna Life Insurance and Annuity Company of benefits becoming due or to become due directly to any HSUS employee, his or her beneficiary, executor, or assigns receiving benefits under this Deferred Compensation Plan unless otherwise notified by action of The HSUS Board of Directors. A copy of the authorization letter to the Aetna Company is attached.

Mr. Hoyt reminded the committee that it was also created to "consult with and advise the President regarding staff compensation as the need may arise."

There being no further business, the meeting was adjourned.

Respectfully submitted,

Jack W. Lydman
Secretary

DRAFT

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

MARY MEMBER,
individually on behalf of herself as a member of The Humane Society of the United States; and in addition, if she is so qualified, on behalf of all others similarly situated,
3000 J Street, N.W.
Washington, D.C.

and

DOROTHY DIRECTOR,
individually on behalf of herself as a Director of The Humane Society of the United States; and in addition, if she is so qualified, on behalf of all others similarly situated,
3001 J Street, N.W.
Washington, D.C.

and

TERESA TAXPAYER,
individually on behalf of herself as a taxpayer to the Federal Government of the United States; and in addition, if she is so qualified, on behalf of all others similarly situated,
3002 J Street, N.W
Washington, D.C.

Plaintiffs

vs.

Civil Action
- No.

JOHN A. HOYT, 55
individually and as President of The Humane Society of the United States,
2100 L Street, N.W.
Washington, D.C. 20037 Md

and

PAUL G. IRWIN, 50
individually and as Treasurer of The Humane Society of the United States,
2100 L Street, N.W. Md
Washington, D.C. 20037

and

K. WILLIAM WISEMAN, CB
individually and as current Chairman of the Board of Directors and member of the "Deferred Compensation Committee" of The Humane Society of the United States,
P.O. Box 120
Woolwich, ME 04579

and

JACK W. LYDMAN,
individually and as a member of
the "Deferred Compensation
Committee" of The Humane Society
of the United States,
2815 Q Street, N.W.
Washington, D.C. 20007

and

COLEMAN BURKE,
individually and as former
Chairman of the Board of
Directors and a member of the
"Deferred Compensation Committee"
of The Humane Society of the
United States,
45 Stewart Road
Short Hills, NJ 07078

and

(For Count VIII only)
O.J. RAMSEY,
individually and as vice-
chairman of the Board of Directors
and chairman of the "reconstituted"
investigative committee of The
Humane Society of the United States,
10399 Old Placerville Road
Sacramento, CA 95821

Defendants

COMPLAINT FOR DAMAGES TO
THE HUMANE SOCIETY OF THE UNITED STATES

The Humane Society of the United States is a charitable corporation organized for the prevention of cruelty to animals and other purposes under the laws of the State of Delaware, with its headquarters at 2100 L Street, N.W., Washington, D.C. It enjoys a status under the Internal Revenue Code of the United States as a 501(c)(3) charitable organization with numerous tax and other advantages arising from this status. It also enjoys certain tax-exempt status in many of the states of the United States where it conducts its affairs and, accordingly, not only individual members, Directors, taxpayers at large but the government officials of the various states whose duty it is to supervise and regulate charities have a public interest in the conduct of the affairs of The Humane Society of the United States.

JURISDICTION

1. Jurisdiction of this lawsuit is founded on the District of Columbia Code, 1981 Edition as amended, Sections 11-921, 13-422 and 13-423.

PARTIES

2. Plaintiff, MARY MEMBER, was at all times relevant to this lawsuit a member of The Humane Society of the United States.

3. Plaintiff, DOROTHY DIRECTOR, was at all times relevant to this lawsuit a Director of The Humane Society of the United States.

4. Plaintiff, TERESA TAXPAYER, was at all times relevant to this lawsuit a taxpayer to the Federal Government of the United States.

5. Defendant, JOHN A. HOYT, was at all times relevant to this lawsuit President of The Humane Society of the United States.

6. Defendant, PAUL G. IRWIN, was at all times relevant to this lawsuit Treasurer of The Humane Society of the United States.

7. Defendant, K. WILLIAM WISEMAN, was at all times relevant to this lawsuit a member of the "Deferred Compensation Committee" until its dissolution in 1988, and an officer of the Board of Directors during all times relevant to this lawsuit, and is the current Chairman of the Board of Directors of The Humane Society of the United States.

8. Defendant, JACK W. LYDMAN, was a member of the "Deferred Compensation Committee" until its dissolution and abandonment in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

9. Defendant, COLEMAN BURKE, was Chairman of the Board of Directors at the initial portion of the time relevant to this lawsuit, is currently a member of the Board of Directors, and

was a member of the "Deferred Compensation Committee" until it was abandoned and dissolved in 1988.

10. Defendant O.J. RAMSEY is vice-chairman of the Board of Directors, became chairman of the "reconstituted" investigative committee of the Board in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

CLASS ACTION ALLEGATIONS

11. In addition to this action being brought by the individual Plaintiffs in their individual capacity as a member, Director, or taxpayer, this action is brought by Plaintiffs as a class action on their own behalf and on behalf of all others similarly situated, under the provisions of Rule 23(a) and 23(b)(I)(B), (2) or (3) of the Rules of this Court. The organization, which has allegedly been so severely damaged, has a membership numbering in the hundreds of thousands which is so numerous so that joinder of the individual members herein is impractical, and there are common questions of law and fact in this action that relate and affect the rights of each member of the organization, and the relief sought is common to each member of the organization, namely that the Defendants reimburse and pay into the treasury of The Humane Society of the United States the sums representing the damages and expenses incurred by the organization due to the misconduct, deception, fraud, negligence, and dereliction of duty of the Defendants, all of which will be spelled out in more detail hereinafter. Plaintiff DOROTHY DIRECTOR alleges that she has a supervisory duty and responsibility for the proper management of the affairs of the charitable organization involved and that she has an affirmative duty to attempt to recover damages on behalf of the organization and thus to make it whole, and that in addition she has an exposure of individual liability for the

misconduct which has allegedly taken place during the period of her Directorship, all of which she has an affirmative duty to remedy, and insofar as there are common questions of law in fact in this action that relate and affect the rights of some or all of the other members of the Board of Directors and insofar as she is deemed to be qualified to act on behalf of that class, this action is brought as a class action on behalf of all other Directors similarly situated under the provisions of Rule 23(a), 23(b)(1)(B), (2) or (3) of the Rules of this Court. Plaintiff TERESA TAXPAYER represents the taxpayers in the United States who subsidize and grant benefits to charities such as The Humane Society of the United States and therefore have a direct interest in their proper management and a direct financial interest in remedying any wrongdoing and recovering for the organization monies that were improperly disbursed due to the wrongdoing of the Defendants.

COUNT I

12. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

13. Upon information and belief, commencing on or about January of 1985, Defendants Hoyt and Irwin, President and Treasurer of The Humane Society of the United States, to wit, the Chief Executive Officer and the Chief Fiscal Officer of the organization, created a dummy or shell bank account utilizing a dormant organization, namely, The National Humane Education Center (NHEC), opened a bank account through utilizing a false affidavit indicating that that corporation had taken appropriate action to authorize such an account, and funneled through that organization to themselves the sum of $94,000 from funds in an HSUS annuity account at the Mellon Bank in Pittsburgh, Pennsylvania, with the sole purpose of having these transactions and these funds coming to them not show up anywhere on the books of The Humane Society of the United States and therefore to be hidden from the Board of Directors of The Humane Society of the United States, the membership of The Humane Society of the United States, the Federal Government, all of which entities had a right to know the total compensation paid to these two officers, and the public at large, which had a right to an accurate report of the financial affairs of this public charity. More specifically, Mr. Hoyt arranged to have himself paid through this shell corporation the sum of $13,000 in 1985, $14,000 in 1986, $14,000 in 1987, and $14,000 in 1988. Mr. Irwin, the Treasurer, arranged to have himself paid the sum of $9,000 in 1985, $9,000 in 1986, $10,000 in 1987, and $10,000 in 1988.

In order to complete the deception, defendants caused these payments to be transferred from an annuity trust account at the Mellon Bank through this dormant corporation, NHEC, to

defendants Hoyt and Irwin and listed in the HSUS 990 Tax Returns as "payments to beneficiaries," and it is further alleged that in order to open the bank account for this dormant corporation NHEC, to receive the annuity trust money and pay it out to Mr. Hoyt and Mr. Irwin, defendants Hoyt and Irwin filed a false document certifying that the Board of the NHEC had authorized the opening of the account.

In addition, on or about March 17, 1987, a new and unexplained HSUS account was opened at American Security Bank, a $5,000 sum was deposited in that account and simultaneously a check was drawn on that account payable to The HSUS Treasurer, Mr. Irwin, marked "contribution" and then the account was immediately closed.

All of these transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud. embezzlement

COUNT II

14. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

15. Upon information and belief, on or about July 24, 1986, the President and the Treasurer, defendants Hoyt and Irwin respectively, arranged to have the ownership of certain life insurance policies that had been owned by The Humane Society of the United States transferred to them individually, and further arranged that The Humane Society of the United States would pay future premiums thereon, which has, in fact, occurred from that time until the present. These transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT III

16. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

17. Upon information and belief, on or about May 4, 1987, Defendants Hoyt and Irwin arranged to have The Humane Society of the United States purchase Defendant Hoyt's house in Germantown, Maryland, for the price of $310,000. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT IV

18. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

19. Upon information and belief, on October 22, 1987, and October 26, 1987, the Treasurer, Paul Irwin, had checks issued to him in the sum of $50,000 and $35,000 respectively for a total of $85,000, allegedly to reimburse himself for his purchase of some recreational property in Maine. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee, which operated secretly, hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT V

20. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

21. Upon information and belief, there was an alleged committee called the Deferred Compensation Committee supposedly created by the Board of Directors in 1983 which from its inception not only never reported any of its activities to the Board but actively worked with Defendants Hoyt and Irwin to conceal its activities from the Board of Directors. This Committee was made up of Defendants Coleman Burke, William Wiseman, and Jack Lydman, and it is alleged that it was an utter sham, that it did nothing more than rubber-stamp the improper and illegal activities of the President and the Treasurer, and that the Committee members that made this concealment continue over the years are fully culpable and responsible for the activities that went on unchecked during this period, that the concealment and secrecy of this Committee continued until it came to light in December of 1987 due to inquiries made by some of the members of the Board of Directors. The activities of Defendants Hoyt and Irwin in manipulating this committee and the committee in permitting itself to be so manipulated, and operating itself in secret from the Board of Directors and serving as nothing more than a vehicle to put an apparent stamp of approval on improper and illegal benefits taken by the President and Treasurer, constituted the grossest imaginable breach of fiduciary duty, misappropriation of charitable assets and fraud.

COUNT VI

22. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

23. (a) Upon information and belief, on or about January 10, 1980 ~~Mrs. Irene Evans deeded her home at 3045~~ a residential home was deeded to the donor P Street, N.W., Washington, D.C., to The HSUS. By memorandum, she mentioned her desire that it become a residence "for the HSUS President," but that this "was not a condition of the gift." There was no mention of John Hoyt at this time. Based solely on this, by a series of misleading and false premises and assumptions, on May 4, 1987, Defendants Hoyt and Irwin in secret and by acts concealed from the Board of Directors arranged to purchase Defendant Hoyt's home in Germantown, Maryland, from him to be furnished as a residence for him by The HSUS for the sum of $310,000. At no time did the Board of Directors, or even the Executive Committee, or in fact anyone other than the sham Deferred Compensation Committee ever consider the question of furnishing a house for The HSUS President--nor has that, upon information and belief, been done to this day. The alleged "ratification" of this improper and illegal transaction by the Board of Directors has neither made it proper nor legal--and it has all happened, with the $310,000 benefit given to Defendant Hoyt as a result of a shameful sequence of events based on legerdemain, deceit, illegality, and unconscionable manipulation, all of which has been the result of a clear breach of fiduciary duty by all defendants, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud by Defendant Hoyt.

(b) On information and belief, on or about November 2, 1981, Defendant John Hoyt purportedly "borrowed" $100,000 from Mrs. Irene Evans who was a wealthy long-term supporter of The HSUS, and a member of its Board of Directors. There was a

promissory note due July 1, 1987 with interest payable at 10%. After one year no interest was paid, the note allegedly being amended on January 7, 1986, reducing the interest to 0% retroactive to November 1, 1982. It is alleged that at the time this transaction was entered into it was improper and illegal and an outrageous conflict of interest, and that there was no intent to ~~ever repay this amount~~ never repaid, and in fact it never was repaid by Defendant Hoyt, but rather was extinguished by the device of having The HSUS "buy" his home.

This whole transaction constituted conflict of interest, private inurement, self dealing, unjust enrichment, misappropriation of charitable assets and funds which presumably otherwise would have been donated to The HSUS on the part of Defendant Hoyt, and breach of fiduciary duty on the part of all other defendants who were aware or should have been aware of the above facts.

(c) On information and belief, during recent years Defendant Hoyt utilized certain funds of The HSUS as personal "slush" or "discretionary" funds to be spent as he saw fit for his personal benefit and comfort, and on December 1, 1987 Defendant Hoyt improperly and illegally either caused or permitted a wealthy benefactor of The HSUS, ~~one Regina Frankenberg~~, who was and is also a member of its Board of Directors, to specifically designate some of the funds that she had previously donated to The HSUS, unencumbered in any way, to be used to pay the expenses of Defendant Hoyt's wife on his trips.

It is alleged that the allegations contained in subsections (b) and (c) of this Count VI, constituted unconscionable manipulation of wealthy and vulnerable animal lovers, and was a breach of Defendant Hoyt's fiduciary duty, constituted self dealing, private inurement, unjust enrichment, and a fraud on The

HSUS. It is further alleged that there is a presumption that Defendant Hoyt could have assured that these same funds would be donated to The HSUS but instead diverted them to his own personal use and benefit, and in that way was guilty of misappropriation of charitable assets.

COUNT VII

24. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

25. Upon information and belief, at divers times during 1988 and 1989, in spite of the clear evidence that the President and Treasurer, Defendants Hoyt and Irwin, had been guilty of multiple acts of grevious misconduct in office, including but not limited to violations of clear fiduciary duties, conflict of interest, self inurement, self dealing, unjust enrichment and misappropriation of charitable assets, Defendants Wiseman, Lydman, Burke and Ramsey contrived to give them very beneficial long range employment and benefits contracts, initially drafted by Defendants Hoyt and Irwin themselves, through their private attorneys being paid by The HSUS. This unconscionable and illegal action was taken without the informed approval of the Board of Directors and without the knowledge of, much less the approval of the membership, and as such said contracts are improper, illegal, unenforceable and void and of no effect, and not binding upon the charity, The HSUS. It is alleged that these actions constituted a breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT VIII

26. The allegations of paragraphs 1 through 11 are incorporated by reference herein.

27. Upon information and belief, Defendant Ramsey has, since all of the aforesaid matters have come to light, to wit, since December, 1987, actively conspired with the other Defendants to violate the rights of the HSUS membership and fellow members of the Board of Directors in that he engaged in the following conduct:

(1) he participated in the rejection of the very comprehensive and accurate report prepared by the law firm of Harmon & Weiss, and

(2) because the report was critical, he conspired to eradicate the Audit Committee that had been authorized to prepare such a report, and

(3) he manipulated himself into the chairmanship of the new "Select Committee," and with Defendant Wiseman assured that the Board dissidents would have no further voice in these matters, and conspired to cover up all of the investigations that had been done by the Harmon & Weiss firm and fire attorney Harmon and hire Jacob Stein, whom he had reason to believe would not be as critical as the very carefully documented Harmon & Weiss report had been.

It is further alleged that Defendant Ramsey, an attorney at law himself and vice-chairman of the HSUS Board, instead of fulfilling his legal, ethical and moral obligations to act solely to protect the charity itself, conspired and actively participated in action after action designed solely to protect and cover up the wrongdoing of Defendants Hoyt and Irwin and the secret Deferred Compensation Committee.

COUNT IX

28. The allegations of paragraphs 1 through 11 are incorporated herein by reference.

29. Upon information and belief, Defendants Hoyt and Irwin caused false and misleading official reports to be prepared and filed with the Federal Government and with divers state governmental authorities in that the compensation paid to Defendants Hoyt and Irwin was grossly understated. As a result, The HSUS itself could receive penalties for false filings and the tax exempt status as a charity has been placed in jeopardy. Such irresponsible, self serving, illegal conduct constitutes a gross breach of the fiduciary duty owed by Defendants Hoyt and Irwin to The HSUS.

COUNT X

30. The allegations of paragraphs 1 through 11 are incorporated herein by reference.

31. As and for a general charge of breach of fiduciary duty, the following is further alleged against each and every Defendant:

(1) The Defendants and each of them owe an uncompromising duty as fiduciaries to protect the interests of The Humane Society of the United States.

(2) Defendants Hoyt and Irwin violated their fiduciary duty to at all times be completely open, above board and frank, and to make full disclosure at all times to all members of the Board of Directors and to the membership of the organization. Defendants Wiseman, Lydman, and Burke breached their fiduciary duty to their fellow members of the Board of Directors, even to the membership of the smaller Executive Committee, and to the membership at large of The Humane Society of the United States.

(3) Defendants are charged with not only breach of fiduciary duty to conduct the corporation's affairs with a high degree of care and skill but are charged with affirmatively practicing deceit and deception.

(4) The deceit and deception in broadest terms includes knowingly or negligently permitting the "Deferred Compensation Committee" to be used solely as a vehicle for granting hidden and unwarranted benefits to Defendants Hoyt and Irwin, acting solely under the guidance and direction of Defendants Hoyt and Irwin, never exercising the slightest bit of independent judgment, knowingly participating in several years of duplicity and cover-up and secret activities and, in effect, participating in absolute sham. It is alleged that the facts will show that meetings were called when Defendants Hoyt or Irwin needed some action or benefit to be granted to them personally, the agendas

were set by Defendants Hoyt and Irwin, the minutes were written by Defendants Hoyt and Irwin, and the Directors Wiseman, Lydman and Burke shamefully permitted themselves to be manipulated in this manner over a substantial period of time, all to the disastrous detriment of the organization they were charged with protecting and representing.

PRAYER FOR RELIEF

As a result of the misconduct alleged in Counts I through X above, The Humane Socety of the United States and plaintiffs have been severely damaged, in part as set forth below:

(1) The HSUS has been held up to scorn as a result of common knowledge of these matters and its once fine reputation for integrity and honesty has been severely damaged with present and future supporters, and its influence to perform its charitable purposes severely curtailed.

(2) The HSUS has been forced to spend in excess of one-half million dollars ($500,000.00) as a direct result of the misconduct of Defendants Hoyt and Irwin and the misconduct and breach of fiduciary duty of Defendants Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct, and, finally, the subsequent misconduct and breach of fiduciary duty of all of the defendants once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include, but are not limited to:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

(b) substantial legal fees to Jacob Stein, the attorney hired following the obliteration of the Audit Committee, firing of Harmon & Weiss and their replacement by a controlled "Select" Committee and new counsel Stein;

(c) the substantial legal fees paid to Theodore Sonde, private attorney for Defendants Hoyt and Irwin;

(d) substantial legal fees paid to Bardyl Tirana of Silverstein and Mullens, the attorney that several "dissident" Board members were forced to hire in order to receive any information as to what was going on internally at the HSUS, the organization of which they were Board members;

(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

(f) substantial extra fees paid to the regular HSUS accounting firm of Thomas Havey & Co.;

(g) the $85,000 which Defendant Treasurer Irwin wrongfully paid to himself in connection with the Maine property;

(h) the loss incurred in having $310,000 invested in the purchase of Defendant Hoyt's home in Germantown, Maryland, which constituted having these funds diverted from normal charitable use, or earning interest as an investment;

(i) the value of the personal insurance policies turned over to Defendants Hoyt and Irwin and the premiums already paid on them since the turnover;

(j) the funds illegally funnelled to Defendants Hoyt and Irwin through the sham bank account for the dormant NHEC corporation;

(k) the extra costs incurred by the HSUS, various staff members and directors in connection with special meetings and the diversion of time and energy from the charitable purposes of the HSUS;

(l) the extra costs incurred by HSUS in connection with the time spent away from useful and HSUS-related charitable matters for Defendants Hoyt and Irwin, to wit, the hours, weeks or months and the thousands of dollars of travel expenses expended by President Hoyt and Treasurer Irwin, meeting with directors all over the country "one on one" in order to deal with these charges of misconduct. (The fact that so many directors have been willing to do this oblivious of the impropriety of such get-togethers, merely points up the abysmal lack of consciousness on the part of the majority of the HSUS Board of Directors of the basics of fiduciary propriety and duty.)

WHEREFORE,

plaintiffs pray for judgment against the defendants, and each of them, jointly and severally, for the following:

1. Seven Hundred Fifty Thousand Dollars ($750,000.00), to be reimbursed, disgorged, or in any event paid to or for the benefit of The Humane Society of the United States.

2. [redacted] from each of the defendants as and for punitive damages, [redacted].

3. The full costs of bringing this action, including attorneys fees.

Respectfully Submitted:

_____

_____

_____

VERIFICATION

District of Columbia, ss:

I, _____, being first duly sworn on oath say that I have read the foregoing Complaint and filed herein and that the facts in said Complaint are true and correct.

_____

Subscribed and sworn to before me on this _____ day of _____, 19__.

_____

Notary Public

My commission expires:_____

_____

Attorney

_____

Jury Demand

Plaintiffs demand a trial by jury on all jury issues raised by these pleadings.

_____

DRAFT

extra

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

MARY MEMBER,
individually on behalf of herself
as a member of The Humane Society
of the United States; and in
addition, if she is so qualified,
on behalf of all others similarly
situated,
3000 J Street, N.W.
Washington, D.C.

and

DOROTHY DIRECTOR,
individually on behalf of herself
as a Director of The Humane Society
of the United States; and in addition,
if she is so qualified, on behalf of
all others similarly situated,
3001 J Street, N.W.
Washington, D.C.

and

TERESA TAXPAYER,
individually on behalf of herself
as a taxpayer to the Federal Government
of the United States; and in addition,
if she is so qualified, on behalf of
all others similarly situated,
3002 J Street, N.W
Washington, D.C.

Plaintiffs

vs.

Civil Action
No.

JOHN A. HOYT,
individually and as President of
The Humane Society of the United
States,
2100 L Street, N.W.
Washington, D.C. 20037 Md

and

PAUL G. IRWIN,
individually and as Treasurer of
The Humane Society of the United
States,
2100 L Street, N.W. Md
Washington, D.C. 20037

and

K. WILLIAM WISEMAN,
individually and as current
Chairman of the Board of Directors
and member of the "Deferred
Compensation Committee" of The
Humane Society of the United
States,
P.O. Box 120
Woolwich, ME 04579

and

JACK W. LYDMAN,
individually and as a member of
the "Deferred Compensation
Committee" of The Humane Society
of the United States,
2815 Q Street, N.W.
Washington, D.C. 20007

and

COLEMAN BURKE,
individually and as former
Chairman of the Board of
Directors and a member of the
"Deferred Compensation Committee"
of The Humane Society of the
United States,
45 Stewart Road
Short Hills, NJ 07078

and

(For Count VIII only)
O.J. RAMSEY,
individually and as vice-
chairman of the Board of Directors
and chairman of the "reconstituted"
investigative committee of The
Humane Society of the United States,
10399 Old Placerville Road
Sacramento, CA 95821

Defendants

COMPLAINT FOR DAMAGES TO
THE HUMANE SOCIETY OF THE UNITED STATES

The Humane Society of the United States is a charitable corporation organized for the prevention of cruelty to animals and other purposes under the laws of the State of Delaware, with its headquarters at 2100 L Street, N.W., Washington, D.C. It enjoys a status under the Internal Revenue Code of the United States as a 501(c)(3) charitable organization with numerous tax and other advantages arising from this status. It also enjoys certain tax-exempt status in many of the states of the United States where it conducts its affairs and, accordingly, not only individual members, Directors, taxpayers at large but the government officials of the various states whose duty it is to supervise and regulate charities have a public interest in the conduct of the affairs of The Humane Society of the United States.

JURISDICTION

1. Jurisdiction of this lawsuit is founded on the District of Columbia Code, 1981 Edition as amended, Sections 11-921, 13-422 and 13-423.

PARTIES

2. Plaintiff, MARY MEMBER, was at all times relevant to this lawsuit a member of The Humane Society of the United States.

3. Plaintiff, DOROTHY DIRECTOR, was at all times relevant to this lawsuit a Director of The Humane Society of the United States.

4. Plaintiff, TERESA TAXPAYER, was at all times relevant to this lawsuit a taxpayer to the Federal Government of the United States.

5. Defendant, JOHN A. HOYT, was at all times relevant to this lawsuit President of The Humane Society of the United States.

6. Defendant, PAUL G. IRWIN, was at all times relevant to this lawsuit Treasurer of The Humane Society of the United States.

7. Defendant, K. WILLIAM WISEMAN, was at all times relevant to this lawsuit a member of the "Deferred Compensation Committee" until its dissolution in 1988, and an officer of the Board of Directors during all times relevant to this lawsuit, and is the current Chairman of the Board of Directors of The Humane Society of the United States.

8. Defendant, JACK W. LYDMAN, was a member of the "Deferred Compensation Committee" until its dissolution and abandonment in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

9. Defendant, COLEMAN BURKE, was Chairman of the Board of Directors at the initial portion of the time relevant to this lawsuit, is currently a member of the Board of Directors, and

was a member of the "Deferred Compensation Committee" until it was abandoned and dissolved in 1988.

10. Defendant O.J. RAMSEY is vice-chairman of the Board of Directors, became chairman of the "reconstituted" investigative committee of the Board in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

CLASS ACTION ALLEGATIONS

11. In addition to this action being brought by the individual Plaintiffs in their individual capacity as a member, Director, or taxpayer, this action is brought by Plaintiffs as a class action on their own behalf and on behalf of all others similarly situated, under the provisions of Rule 23(a) and 23(b)(1)(B), (2) or (3) of the Rules of this Court. The organization, which has allegedly been so severely damaged, has a membership numbering in the hundreds of thousands which is so numerous so that joinder of the individual members herein is impractical, and there are common questions of law and fact in this action that relate and affect the rights of each member of the organization, and the relief sought is common to each member of the organization, namely that the Defendants reimburse and pay into the treasury of The Humane Society of the United States the sums representing the damages and expenses incurred by the organization due to the misconduct, deception, fraud, negligence, and dereliction of duty of the Defendants, all of which will be spelled out in more detail hereinafter. Plaintiff DOROTHY DIRECTOR alleges that she has a supervisory duty and responsibility for the proper management of the affairs of the charitable organization involved and that she has an affirmative duty to attempt to recover damages on behalf of the organization and thus to make it whole, and that in addition she has an exposure of individual liability for the

misconduct which has allegedly taken place during the period of her Directorship, all of which she has an affirmative duty to remedy, and insofar as there are common questions of law in fact in this action that relate and affect the rights of some or all of the other members of the Board of Directors and insofar as she is deemed to be qualified to act on behalf of that class, this action is brought as a class action on behalf of all other Directors similarly situated under the provisions of Rule 23(a), 23(b)(1)(B), (2) or (3) of the Rules of this Court. Plaintiff TERESA TAXPAYER represents the taxpayers in the United States who subsidize and grant benefits to charities such as The Humane Society of the United States and therefore have a direct interest in their proper management and a direct financial interest in remedying any wrongdoing and recovering for the organization monies that were improperly disbursed due to the wrongdoing of the Defendants.

COUNT I

12. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

13. Upon information and belief, commencing on or about January of 1985, Defendants Hoyt and Irwin, President and Treasurer of The Humane Society of the United States, to wit, the Chief Executive Officer and the Chief Fiscal Officer of the organization, created a dummy or shell bank account utilizing a dormant organization, namely, The National Humane Education Center (NHEC), opened a bank account through utilizing a false affidavit indicating that that corporation had taken appropriate action to authorize such an account, and funneled through that organization to themselves the sum of $94,000 from funds in an HSUS annuity account at the Mellon Bank in Pittsburgh, Pennsylvania, with the sole purpose of having these transactions and these funds coming to them not show up anywhere on the books of The Humane Society of the United States and therefore to be hidden from the Board of Directors of The Humane Society of the United States, the membership of The Humane Society of the United States, the Federal Government, all of which entities had a right to know the total compensation paid to these two officers, and the public at large, which had a right to an accurate report of the financial affairs of this public charity. More specifically, Mr. Hoyt arranged to have himself paid through this shell corporation the sum of $13,000 in 1985, $14,000 in 1986, $14,000 in 1987, and $14,000 in 1988. Mr. Irwin, the Treasurer, arranged to have himself paid the sum of $9,000 in 1985, $9,000 in 1986, $10,000 in 1987, and $10,000 in 1988.

In order to complete the deception, defendants caused these payments to be transferred from an annuity trust account at the Mellon Bank through this dormant corporation, NHEC, to

defendants Hoyt and Irwin and listed in the HSUS 990 Tax Returns as "payments to beneficiaries," and it is further alleged that in order to open the bank account for this dormant corporation NHEC, to receive the annuity trust money and pay it out to Mr. Hoyt and Mr. Irwin, defendants Hoyt and Irwin filed a false document certifying that the Board of the NHEC had authorized the opening of the account.

In addition, on or about March 17, 1987, a new and unexplained HSUS account was opened at American Security Bank, a $5,000 sum was deposited in that account and simultaneously a check was drawn on that account payable to The HSUS Treasurer, Mr. Irwin, marked "contribution" and then the account was immediately closed.

All of these transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT II

14. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

15. Upon information and belief, on or about July 24, 1986, the President and the Treasurer, defendants Hoyt and Irwin respectively, arranged to have the ownership of certain life insurance policies that had been owned by The Humane Society of the United States transferred to them individually, and further arranged that The Humane Society of the United States would pay future premiums thereon, which has, in fact, occurred from that time until the present. These transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT III

16. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

17. Upon information and belief, on or about May 4, 1987, Defendants Hoyt and Irwin arranged to have The Humane Society of the United States purchase Defendant Hoyt's house in Germantown, Maryland, for the price of $310,000. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT IV

18. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

19. Upon information and belief, on October 22, 1987, and October 26, 1987, the Treasurer, Paul Irwin, had checks issued to him in the sum of $50,000 and $35,000 respectively for a total of $85,000, allegedly to reimburse himself for his purchase of some recreational property in Maine. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee, which operated secretly, hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT V

20. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

21. Upon information and belief, there was an alleged committee called the Deferred Compensation Committee supposedly created by the Board of Directors in 1983 which from its inception not only never reported any of its activities to the Board but actively worked with Defendants Hoyt and Irwin to conceal its activities from the Board of Directors. This Committee was made up of Defendants Coleman Burke, William Wiseman, and Jack Lydman, and it is alleged that it was an utter sham, that it did nothing more than rubber-stamp the improper and illegal activities of the President and the Treasurer, and that the Committee members that made this concealment continue over the years are fully culpable and responsible for the activities that went on unchecked during this period, that the concealment and secrecy of this Committee continued until it came to light in December of 1987 due to inquiries made by some of the members of the Board of Directors. The activities of Defendants Hoyt and Irwin in manipulating this committee and the committee in permitting itself to be so manipulated, and operating itself in secret from the Board of Directors and serving as nothing more than a vehicle to put an apparent stamp of approval on improper and illegal benefits taken by the President and Treasurer, constituted the grossest imaginable breach of fiduciary duty, misappropriation of charitable assets and fraud.

COUNT VI

22. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

23. (a) Upon information and belief, on or about January 10, 1980 Mrs. Irene Evans deeded her home at 3045 P Street, N.W., Washington, D.C., to The HSUS. By memorandum, she mentioned her desire that it become a residence "for the HSUS President," but that this "was not a condition of the gift." There was no mention of John Hoyt at this time. Based solely on this, by a series of misleading and false premises and assumptions, on May 4, 1987, Defendants Hoyt and Irwin in secret and by acts concealed from the Board of Directors arranged to purchase Defendant Hoyt's home in Germantown, Maryland, from him to be furnished as a residence for him by The HSUS for the sum of $310,000. At no time did the Board of Directors, or even the Executive Committee, or in fact anyone other than the sham Deferred Compensation Committee ever consider the question of furnishing a house for The HSUS President--nor has that, upon information and belief, been done to this day. The alleged "ratification" of this improper and illegal transaction by the Board of Directors has neither made it proper nor legal--and it has all happened, with the $310,000 benefit given to Defendant Hoyt as a result of a shameful sequence of events based on legerdemain, deceit, illegality, and unconscionable manipulation, all of which has been the result of a clear breach of fiduciary duty by all defendants, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud by Defendant Hoyt.

(b) On information and belief, on or about November 2, 1981, Defendant John Hoyt purportedly "borrowed" $100,000 from Mrs. Irene Evans who was a wealthy long-term supporter of The HSUS, and a member of its Board of Directors. There was a

promissory note due July 1, 1987 with interest payable at 10%. After one year no interest was paid, the note allegedly being amended on January 7, 1986, reducing the interest to 0% retroactive to November 1, 1982. It is alleged that at the time this transaction was entered into it was improper and illegal and an outrageous conflict of interest, and that there was no intent to ever repay this amount, and in fact it never was repaid by Defendant Hoyt, but rather was extinguished by the device of having The HSUS "buy" his home.

This whole transaction constituted conflict of interest, private inurement, self dealing, unjust enrichment, misappropriation of charitable assets and funds which presumably otherwise would have been donated to The HSUS on the part of Defendant Hoyt, and breach of fiduciary duty on the part of all other defendants who were aware or should have been aware of the above facts.

(c) On information and belief, during recent years Defendant Hoyt utilized certain funds of The HSUS as personal "slush" or "discretionary" funds to be spent as he saw fit for his personal benefit and comfort, and on December 1, 1987 Defendant Hoyt improperly and illegally either caused or permitted a wealthy benefactor of The HSUS, one Regina Frankenberg, who was and is also a member of its Board of Directors, to specifically designate some of the funds that she had previously donated to The HSUS, unencumbered in any way, to be used to pay the expenses of Defendant Hoyt's wife on his trips.

It is alleged that the allegations contained in subsections (b) and (c) of this Count VI, constituted unconscionable manipulation of wealthy and vulnerable animal lovers, and was a breach of Defendant Hoyt's fiduciary duty, constituted self dealing, private inurement, unjust enrichment, and a fraud on The

HSUS. It is further alleged that there is a presumption that Defendant Hoyt could have assured that these same funds would be donated to The HSUS but instead diverted them to his own personal use and benefit, and in that way was guilty of misappropriation of charitable assets.

COUNT VII

24. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

25. Upon information and belief, at divers times during 1988 and 1989, in spite of the clear evidence that the President and Treasurer, Defendants Hoyt and Irwin, had been guilty of multiple acts of grevious misconduct in office, including but not limited to violations of clear fiduciary duties, conflict of interest, self inurement, self dealing, unjust enrichment and misappropriation of charitable assets, Defendants Wiseman, Lydman, Burke and Ramsey contrived to give them very beneficial long range employment and benefits contracts, initially drafted by Defendants Hoyt and Irwin themselves, through their private attorneys being paid by The HSUS. This unconscionable and illegal action was taken without the informed approval of the Board of Directors and without the knowledge of, much less the approval of the membership, and as such said contracts are improper, illegal, unenforceable and void and of no effect, and not binding upon the charity, The HSUS. It is alleged that these actions constituted a breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT VIII

26. The allegations of paragraphs 1 through 11 are incorporated by reference herein.

27. Upon information and belief, Defendant Ramsey has, since all of the aforesaid matters have come to light, to wit, since December, 1987, actively conspired with the other Defendants to violate the rights of the HSUS membership and fellow members of the Board of Directors in that he engaged in the following conduct:

(1) he participated in the rejection of the very comprehensive and accurate report prepared by the law firm of Harmon & Weiss, and

(2) because the report was critical, he conspired to eradicate the Audit Committee that had been authorized to prepare such a report, and

(3) he manipulated himself into the chairmanship of the new "Select Committee," and with Defendant Wiseman assured that the Board dissidents would have no further voice in these matters, and conspired to cover up all of the investigations that had been done by the Harmon & Weiss firm and fire attorney Harmon and hire Jacob Stein, whom he had reason to believe would not be as critical as the very carefully documented Harmon & Weiss report had been.

It is further alleged that Defendant Ramsey, an attorney at law himself and vice-chairman of the HSUS Board, instead of fulfilling his legal, ethical and moral obligations to act solely to protect the charity itself, conspired and actively participated in action after action designed solely to protect and cover up the wrongdoing of Defendants Hoyt and Irwin and the secret Deferred Compensation Committee.

COUNT IX

28. The allegations of paragraphs 1 through 11 are incorporated herein by reference.

29. Upon information and belief, Defendants Hoyt and Irwin caused false and misleading official reports to be prepared and filed with the Federal Government and with divers state governmental authorities in that the compensation paid to Defendants Hoyt and Irwin was grossly understated. As a result, The HSUS itself could receive penalties for false filings and the tax exempt status as a charity has been placed in jeopardy. Such irresponsible, self serving, illegal conduct constitutes a gross breach of the fiduciary duty owed by Defendants Hoyt and Irwin to The HSUS.

COUNT X

30. The allegations of paragraphs 1 through 11 are incorporated herein by reference.

31. As and for a general charge of breach of fiduciary duty, the following is further alleged against each and every Defendant:

(1) The Defendants and each of them owe an uncompromising duty as fiduciaries to protect the interests of The Humane Society of the United States.

(2) Defendants Hoyt and Irwin violated their fiduciary duty to at all times be completely open, above board and frank, and to make full disclosure at all times to all members of the Board of Directors and to the membership of the organization. Defendants Wiseman, Lydman, and Burke breached their fiduciary duty to their fellow members of the Board of Directors, even to the membership of the smaller Executive Committee, and to the membership at large of The Humane Society of the United States.

(3) Defendants are charged with not only breach of fiduciary duty to conduct the corporation's affairs with a high degree of care and skill but are charged with affirmatively practicing deceit and deception.

(4) The deceit and deception in broadest terms includes knowingly or negligently permitting the "Deferred Compensation Committee" to be used solely as a vehicle for granting hidden and unwarranted benefits to Defendants Hoyt and Irwin, acting solely under the guidance and direction of Defendants Hoyt and Irwin, never exercising the slightest bit of independent judgment, knowingly participating in several years of duplicity and cover-up and secret activities and, in effect, participating in absolute sham. It is alleged that the facts will show that meetings were called when Defendants Hoyt or Irwin needed some action or benefit to be granted to them personally, the agendas

were set by Defendants Hoyt and Irwin, the minutes were written by Defendants Hoyt and Irwin, and the Directors Wiseman, Lydman and Burke shamefully permitted themselves to be manipulated in this manner over a substantial period of time, all to the disastrous detriment of the organization they were charged with protecting and representing.

PRAYER FOR RELIEF

As a result of the misconduct alleged in Counts I through X above, The Humane Socety of the United States and plaintiffs have been severely damaged, in part as set forth below:

(1) The HSUS has been held up to scorn as a result of common knowledge of these matters and its once fine reputation for integrity and honesty has been severely damaged with present and future supporters, and its influence to perform its charitable purposes severely curtailed.

(2) The HSUS has been forced to spend in excess of one-half million dollars ($500,000.00) as a direct result of the misconduct of Defendants Hoyt and Irwin and the misconduct and breach of fiduciary duty of Defendants Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct, and, finally, the subsequent misconduct and breach of fiduciary duty of all of the defendants once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include, but are not limited to:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

(b) substantial legal fees to Jacob Stein, the attorney hired following the obliteration of the Audit Committee, firing of Harmon & Weiss and their replacement by a controlled "Select" Committee and new counsel Stein;

(c) the substantial legal fees paid to Theodore Sonde, private attorney for Defendants Hoyt and Irwin;

(d) substantial legal fees paid to Bardyl Tirana of Silverstein and Mullens, the attorney that several "dissident" Board members were forced to hire in order to receive any information as to what was going on internally at the HSUS, the organization of which they were Board members;

(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

(f) substantial extra fees paid to the regular HSUS accounting firm of Thomas Havey & Co.;

(g) the $85,000 which Defendant Treasurer Irwin wrongfully paid to himself in connection with the Maine property;

(h) the loss incurred in having $310,000 invested in the purchase of Defendant Hoyt's home in Germantown, Maryland, which constituted having these funds diverted from normal charitable use, or earning interest as an investment;

(i) the value of the personal insurance policies turned over to Defendants Hoyt and Irwin and the premiums already paid on them since the turnover;

(j) the funds illegally funnelled to Defendants Hoyt and Irwin through the sham bank account for the dormant NHEC corporation;

(k) the extra costs incurred by the HSUS, various staff members and directors in connection with special meetings and the diversion of time and energy from the charitable purposes of the HSUS;

(l) the extra costs incurred by HSUS in connection with the time spent away from useful and HSUS-related charitable matters for Defendants Hoyt and Irwin, to wit, the hours, weeks or months and the thousands of dollars of travel expenses expended by President Hoyt and Treasurer Irwin, meeting with directors all over the country "one on one" in order to deal with these charges of misconduct. (The fact that so many directors have been willing to do this oblivious of the impropriety of such get-togethers, merely points up the abysmal lack of consciousness on the part of the majority of the HSUS Board of Directors of the basics of fiduciary propriety and duty.)

WHEREFORE,

plaintiffs pray for judgment against the defendants, and each of them, jointly and severally, for the following:

1. Seven Hundred Fifty Thousand Dollars ($750,000.00), to be reimbursed, disgorged, or in any event paid to or for the benefit of The Humane Society of the United States.

2. [redacted] from each of the defendants as and for punitive damages, [redacted].

3. The full costs of bringing this action, including attorneys fees.

Respectfully Submitted:

_____

_____

_____

VERIFICATION

District of Columbia, ss:

I, _____, being first duly sworn on oath say that I have read the foregoing Complaint and filed herein and that the facts in said Complaint are true and correct.

_____

Subscribed and sworn to before me on this _____ day of _____, 19__.

_____

Notary Public

My commission expires:_____

Attorney

Jury Demand

Plaintiffs demand a trial by jury on all jury issues raised by these pleadings.

DRAFT

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
Civil Division

MARY MEMBER,
individually on behalf of herself
as a member of The Humane Society
of the United States; and in
addition, if she is so qualified,
on behalf of all others similarly
situated,
3000 J Street, N.W.
Washington, D.C.

and

DOROTHY DIRECTOR,
individually on behalf of herself
as a Director of The Humane Society
of the United States; and in addition,
if she is so qualified, on behalf of
all others similarly situated,
3001 J Street, N.W.
Washington, D.C.

and

TERESA TAXPAYER,
individually on behalf of herself
as a taxpayer to the Federal Government
of the United States; and in addition,
if she is so qualified, on behalf of
all others similarly situated,
3002 J Street, N.W
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vs.

Civil Action
No.

JOHN A. HOYT,
individually and as President of
The Humane Society of the United
States,
2100 L Street, N.W.
Washington, D.C. 20037 Md

and

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individually and as Treasurer of
The Humane Society of the United
States,
2100 L Street, N.W. Md
Washington, D.C. 20037

and

K. WILLIAM WISEMAN,
individually and as current
Chairman of the Board of Directors
and member of the "Deferred
Compensation Committee" of The
Humane Society of the United
States,
P.O. Box 120
Woolwich, ME 04579

and

JACK W. LYDMAN,
individually and as a member of
the "Deferred Compensation
Committee" of The Humane Society
of the United States,
2815 Q Street, N.W.
Washington, D.C. 20007

and

COLEMAN BURKE,
individually and as former
Chairman of the Board of
Directors and a member of the
"Deferred Compensation Committee"
of The Humane Society of the
United States,
45 Stewart Road
Short Hills, NJ 07078

and

(For Count VIII only)
O.J. RAMSEY,
individually and as vice-
chairman of the Board of Directors
and chairman of the "reconstituted"
investigative committee of The
Humane Society of the United States,
10399 Old Placerville Road
Sacramento, CA 95821

Defendants

COMPLAINT FOR DAMAGES TO
THE HUMANE SOCIETY OF THE UNITED STATES

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JURISDICTION

1. Jurisdiction of this lawsuit is founded on the District of Columbia Code, 1981 Edition as amended, Sections 11-921, 13-422 and 13-423.

PARTIES

2. Plaintiff, MARY MEMBER, was at all times relevant to this lawsuit a member of The Humane Society of the United States.

3. Plaintiff, DOROTHY DIRECTOR, was at all times relevant to this lawsuit a Director of The Humane Society of the United States.

4. Plaintiff, TERESA TAXPAYER, was at all times relevant to this lawsuit a taxpayer to the Federal Government of the United States.

5. Defendant, JOHN A. HOYT, was at all times relevant to this lawsuit President of The Humane Society of the United States.

6. Defendant, PAUL G. IRWIN, was at all times relevant to this lawsuit Treasurer of The Humane Society of the United States.

7. Defendant, K. WILLIAM WISEMAN, was at all times relevant to this lawsuit a member of the "Deferred Compensation Committee" until its dissolution in 1988, and an officer of the Board of Directors during all times relevant to this lawsuit, and is the current Chairman of the Board of Directors of The Humane Society of the United States.

8. Defendant, JACK W. LYDMAN, was a member of the "Deferred Compensation Committee" until its dissolution and abandonment in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

9. Defendant, COLEMAN BURKE, was Chairman of the Board of Directors at the initial portion of the time relevant to this lawsuit, is currently a member of the Board of Directors, and

was a member of the "Deferred Compensation Committee" until it was abandoned and dissolved in 1988.

10. Defendant O.J. RAMSEY is vice-chairman of the Board of Directors, became chairman of the "reconstituted" investigative committee of the Board in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

CLASS ACTION ALLEGATIONS

11. In addition to this action being brought by the individual Plaintiffs in their individual capacity as a member, Director, or taxpayer, this action is brought by Plaintiffs as a class action on their own behalf and on behalf of all others similarly situated, under the provisions of Rule 23(a) and 23(b)(1)(B), (2) or (3) of the Rules of this Court. The organization, which has allegedly been so severely damaged, has a membership numbering in the hundreds of thousands which is so numerous so that joinder of the individual members herein is impractical, and there are common questions of law and fact in this action that relate and affect the rights of each member of the organization, and the relief sought is common to each member of the organization, namely that the Defendants reimburse and pay into the treasury of The Humane Society of the United States the sums representing the damages and expenses incurred by the organization due to the misconduct, deception, fraud, negligence, and dereliction of duty of the Defendants, all of which will be spelled out in more detail hereinafter. Plaintiff DOROTHY DIRECTOR alleges that she has a supervisory duty and responsibility for the proper management of the affairs of the charitable organization involved and that she has an affirmative duty to attempt to recover damages on behalf of the organization and thus to make it whole, and that in addition she has an exposure of individual liability for the

misconduct which has allegedly taken place during the period of her Directorship, all of which she has an affirmative duty to remedy, and insofar as there are common questions of law in fact in this action that relate and affect the rights of some or all of the other members of the Board of Directors and insofar as she is deemed to be qualified to act on behalf of that class, this action is brought as a class action on behalf of all other Directors similarly situated under the provisions of Rule 23(a), 23(b)(1)(B), (2) or (3) of the Rules of this Court. Plaintiff TERESA TAXPAYER represents the taxpayers in the United States who subsidize and grant benefits to charities such as The Humane Society of the United States and therefore have a direct interest in their proper management and a direct financial interest in remedying any wrongdoing and recovering for the organization monies that were improperly disbursed due to the wrongdoing of the Defendants.

COUNT I

12. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

13. Upon information and belief, commencing on or about January of 1985, Defendants Hoyt and Irwin, President and Treasurer of The Humane Society of the United States, to wit, the Chief Executive Officer and the Chief Fiscal Officer of the organization, created a dummy or shell bank account utilizing a dormant organization, namely, The National Humane Education Center (NHEC), opened a bank account through utilizing a false affidavit indicating that that corporation had taken appropriate action to authorize such an account, and funneled through that organization to themselves the sum of $94,000 from funds in an HSUS annuity account at the Mellon Bank in Pittsburgh, Pennsylvania, with the sole purpose of having these transactions and these funds coming to them not show up anywhere on the books of The Humane Society of the United States and therefore to be hidden from the Board of Directors of The Humane Society of the United States, the membership of The Humane Society of the United States, the Federal Government, all of which entities had a right to know the total compensation paid to these two officers, and the public at large, which had a right to an accurate report of the financial affairs of this public charity. More specifically, Mr. Hoyt arranged to have himself paid through this shell corporation the sum of $13,000 in 1985, $14,000 in 1986, $14,000 in 1987, and $14,000 in 1988. Mr. Irwin, the Treasurer, arranged to have himself paid the sum of $9,000 in 1985, $9,000 in 1986, $10,000 in 1987, and $10,000 in 1988.

In order to complete the deception, defendants caused these payments to be transferred from an annuity trust account at the Mellon Bank through this dormant corporation, NHEC, to

defendants Hoyt and Irwin and listed in the HSUS 990 Tax Returns as "payments to beneficiaries," and it is further alleged that in order to open the bank account for this dormant corporation NHEC, to receive the annuity trust money and pay it out to Mr. Hoyt and Mr. Irwin, defendants Hoyt and Irwin filed a false document certifying that the Board of the NHEC had authorized the opening of the account.

In addition, on or about March 17, 1987, a new and unexplained HSUS account was opened at American Security Bank, a $5,000 sum was deposited in that account and simultaneously a check was drawn on that account payable to The HSUS Treasurer, Mr. Irwin, marked "contribution" and then the account was immediately closed.

All of these transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT II

14. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

15. Upon information and belief, on or about July 24, 1986, the President and the Treasurer, defendants Hoyt and Irwin respectively, arranged to have the ownership of certain life insurance policies that had been owned by The Humane Society of the United States transferred to them individually, and further arranged that The Humane Society of the United States would pay future premiums thereon, which has, in fact, occurred from that time until the present. These transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT III

16. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

17. Upon information and belief, on or about May 4, 1987, Defendants Hoyt and Irwin arranged to have The Humane Society of the United States purchase Defendant Hoyt's house in Germantown, Maryland, for the price of $310,000. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT IV

18. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

19. Upon information and belief, on October 22, 1987, and October 26, 1987, the Treasurer, Paul Irwin, had checks issued to him in the sum of $50,000 and $35,000 respectively for a total of $85,000, allegedly to reimburse himself for his purchase of some recreational property in Maine. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee, which operated secretly, hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT V

20. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

21. Upon information and belief, there was an alleged committee called the Deferred Compensation Committee supposedly created by the Board of Directors in 1983 which from its inception not only never reported any of its activities to the Board but actively worked with Defendants Hoyt and Irwin to conceal its activities from the Board of Directors. This Committee was made up of Defendants Coleman Burke, William Wiseman, and Jack Lydman, and it is alleged that it was an utter sham, that it did nothing more than rubber-stamp the improper and illegal activities of the President and the Treasurer, and that the Committee members that made this concealment continue over the years are fully culpable and responsible for the activities that went on unchecked during this period, that the concealment and secrecy of this Committee continued until it came to light in December of 1987 due to inquiries made by some of the members of the Board of Directors. The activities of Defendants Hoyt and Irwin in manipulating this committee and the committee in permitting itself to be so manipulated, and operating itself in secret from the Board of Directors and serving as nothing more than a vehicle to put an apparent stamp of approval on improper and illegal benefits taken by the President and Treasurer, constituted the grossest imaginable breach of fiduciary duty, misappropriation of charitable assets and fraud.

COUNT VI

22. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

23. (a) Upon information and belief, on or about January 10, 1980 Mrs. Irene Evans deeded her home at 3045 P Street, N.W., Washington, D.C., to The HSUS. By memorandum, she mentioned her desire that it become a residence "for the HSUS President," but that this "was not a condition of the gift." There was no mention of John Hoyt at this time. Based solely on this, by a series of misleading and false premises and assumptions, on May 4, 1987, Defendants Hoyt and Irwin in secret and by acts concealed from the Board of Directors arranged to purchase Defendant Hoyt's home in Germantown, Maryland, from him to be furnished as a residence for him by The HSUS for the sum of $310,000. At no time did the Board of Directors, or even the Executive Committee, or in fact anyone other than the sham Deferred Compensation Committee ever consider the question of furnishing a house for The HSUS President--nor has that, upon information and belief, been done to this day. The alleged "ratification" of this improper and illegal transaction by the Board of Directors has neither made it proper nor legal--and it has all happened, with the $310,000 benefit given to Defendant Hoyt as a result of a shameful sequence of events based on legerdemain, deceit, illegality, and unconscionable manipulation, all of which has been the result of a clear breach of fiduciary duty by all defendants, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud by Defendant Hoyt.

(b) On information and belief, on or about November 2, 1981, Defendant John Hoyt purportedly "borrowed" $100,000 from Mrs. Irene Evans who was a wealthy long-term supporter of The HSUS, and a member of its Board of Directors. There was a

promissory note due July 1, 1987 with interest payable at 10%. After one year no interest was paid, the note allegedly being amended on January 7, 1986, reducing the interest to 0% retroactive to November 1, 1982. It is alleged that at the time this transaction was entered into it was improper and illegal and an outrageous conflict of interest, and that there was no intent to ever repay this amount, and in fact it never was repaid by Defendant Hoyt, but rather was extinguished by the device of having The HSUS "buy" his home.

This whole transaction constituted conflict of interest, private inurement, self dealing, unjust enrichment, misappropriation of charitable assets and funds which presumably otherwise would have been donated to The HSUS on the part of Defendant Hoyt, and breach of fiduciary duty on the part of all other defendants who were aware or should have been aware of the above facts.

(c) On information and belief, during recent years Defendant Hoyt utilized certain funds of The HSUS as personal "slush" or "discretionary" funds to be spent as he saw fit for his personal benefit and comfort, and on December 1, 1987 Defendant Hoyt improperly and illegally either caused or permitted a wealthy benefactor of The HSUS, one Regina Frankenberg, who was and is also a member of its Board of Directors, to specifically designate some of the funds that she had previously donated to The HSUS, unencumbered in any way, to be used to pay the expenses of Defendant Hoyt's wife on his trips.

It is alleged that the allegations contained in subsections (b) and (c) of this Count VI, constituted unconscionable manipulation of wealthy and vulnerable animal lovers, and was a breach of Defendant Hoyt's fiduciary duty, constituted self dealing, private inurement, unjust enrichment, and a fraud on The

HSUS. It is further alleged that there is a presumption that Defendant Hoyt could have assured that these same funds would be donated to The HSUS but instead diverted them to his own personal use and benefit, and in that way was guilty of misappropriation of charitable assets.

COUNT VII

24. The allegations in paragraphs 1 through 11 are incorporated by reference herein.

25. Upon information and belief, at divers times during 1988 and 1989, in spite of the clear evidence that the President and Treasurer, Defendants Hoyt and Irwin, had been guilty of multiple acts of grevious misconduct in office, including but not limited to violations of clear fiduciary duties, conflict of interest, self inurement, self dealing, unjust enrichment and misappropriation of charitable assets, Defendants Wiseman, Lydman, Burke and Ramsey contrived to give them very beneficial long range employment and benefits contracts, initially drafted by Defendants Hoyt and Irwin themselves, through their private attorneys being paid by The HSUS. This unconscionable and illegal action was taken without the informed approval of the Board of Directors and without the knowledge of, much less the approval of the membership, and as such said contracts are improper, illegal, unenforceable and void and of no effect, and not binding upon the charity, The HSUS. It is alleged that these actions constituted a breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT VIII

26. The allegations of paragraphs 1 through 11 are incorporated by reference herein.

27. Upon information and belief, Defendant Ramsey has, since all of the aforesaid matters have come to light, to wit, since December, 1987, actively conspired with the other Defendants to violate the rights of the HSUS membership and fellow members of the Board of Directors in that he engaged in the following conduct:

(1) he participated in the rejection of the very comprehensive and accurate report prepared by the law firm of Harmon & Weiss, and

(2) because the report was critical, he conspired to eradicate the Audit Committee that had been authorized to prepare such a report, and

(3) he manipulated himself into the chairmanship of the new "Select Committee," and with Defendant Wiseman assured that the Board dissidents would have no further voice in these matters, and conspired to cover up all of the investigations that had been done by the Harmon & Weiss firm and fire attorney Harmon and hire Jacob Stein, whom he had reason to believe would not be as critical as the very carefully documented Harmon & Weiss report had been.

It is further alleged that Defendant Ramsey, an attorney at law himself and vice-chairman of the HSUS Board, instead of fulfilling his legal, ethical and moral obligations to act solely to protect the charity itself, conspired and actively participated in action after action designed solely to protect and cover up the wrongdoing of Defendants Hoyt and Irwin and the secret Deferred Compensation Committee.

COUNT IX

28. The allegations of paragraphs 1 through 11 are incorporated herein by reference.

29. Upon information and belief, Defendants Hoyt and Irwin caused false and misleading official reports to be prepared and filed with the Federal Government and with divers state governmental authorities in that the compensation paid to Defendants Hoyt and Irwin was grossly understated. As a result, The HSUS itself could receive penalties for false filings and the tax exempt status as a charity has been placed in jeopardy. Such irresponsible, self serving, illegal conduct constitutes a gross breach of the fiduciary duty owed by Defendants Hoyt and Irwin to The HSUS.

COUNT X

30. The allegations of paragraphs 1 through 11 are incorporated herein by reference.

31. As and for a general charge of breach of fiduciary duty, the following is further alleged against each and every Defendant:

(1) The Defendants and each of them owe an uncompromising duty as fiduciaries to protect the interests of The Humane Society of the United States.

(2) Defendants Hoyt and Irwin violated their fiduciary duty to at all times be completely open, above board and frank, and to make full disclosure at all times to all members of the Board of Directors and to the membership of the organization. Defendants Wiseman, Lydman, and Burke breached their fiduciary duty to their fellow members of the Board of Directors, even to the membership of the smaller Executive Committee, and to the membership at large of The Humane Society of the United States.

(3) Defendants are charged with not only breach of fiduciary duty to conduct the corporation's affairs with a high degree of care and skill but are charged with affirmatively practicing deceit and deception.

(4) The deceit and deception in broadest terms includes knowingly or negligently permitting the "Deferred Compensation Committee" to be used solely as a vehicle for granting hidden and unwarranted benefits to Defendants Hoyt and Irwin, acting solely under the guidance and direction of Defendants Hoyt and Irwin, never exercising the slightest bit of independent judgment, knowingly participating in several years of duplicity and cover-up and secret activities and, in effect, participating in absolute sham. It is alleged that the facts will show that meetings were called when Defendants Hoyt or Irwin needed some action or benefit to be granted to them personally, the agendas

were set by Defendants Hoyt and Irwin, the minutes were written by Defendants Hoyt and Irwin, and the Directors Wiseman, Lydman and Burke shamefully permitted themselves to be manipulated in this manner over a substantial period of time, all to the disastrous detriment of the organization they were charged with protecting and representing.

PRAYER FOR RELIEF

As a result of the misconduct alleged in Counts I through X above, The Humane Socety of the United States and plaintiffs have been severely damaged, in part as set forth below:

(1) The HSUS has been held up to scorn as a result of common knowledge of these matters and its once fine reputation for integrity and honesty has been severely damaged with present and future supporters, and its influence to perform its charitable purposes severely curtailed.

(2) The HSUS has been forced to spend in excess of one-half million dollars ($500,000.00) as a direct result of the misconduct of Defendants Hoyt and Irwin and the misconduct and breach of fiduciary duty of Defendants Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct, and, finally, the subsequent misconduct and breach of fiduciary duty of all of the defendants once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include, but are not limited to:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

(b) substantial legal fees to Jacob Stein, the attorney hired following the obliteration of the Audit Committee, firing of Harmon & Weiss and their replacement by a controlled "Select" Committee and new counsel Stein;

(c) the substantial legal fees paid to Theodore Sonde, private attorney for Defendants Hoyt and Irwin;

(d) substantial legal fees paid to Bardyl Tirana of Silverstein and Mullens, the attorney that several "dissident" Board members were forced to hire in order to receive any information as to what was going on internally at the HSUS, the organization of which they were Board members;

(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

(f) substantial extra fees paid to the regular HSUS accounting firm of Thomas Havey & Co.;

(g) the $85,000 which Defendant Treasurer Irwin wrongfully paid to himself in connection with the Maine property;

(h) the loss incurred in having $310,000 invested in the purchase of Defendant Hoyt's home in Germantown, Maryland, which constituted having these funds diverted from normal charitable use, or earning interest as an investment;

(i) the value of the personal insurance policies turned over to Defendants Hoyt and Irwin and the premiums already paid on them since the turnover;

(j) the funds illegally funnelled to Defendants Hoyt and Irwin through the sham bank account for the dormant NHEC corporation;

(k) the extra costs incurred by the HSUS, various staff members and directors in connection with special meetings and the diversion of time and energy from the charitable purposes of the HSUS;

(l) the extra costs incurred by HSUS in connection with the time spent away from useful and HSUS-related charitable matters for Defendants Hoyt and Irwin, to wit, the hours, weeks or months and the thousands of dollars of travel expenses expended by President Hoyt and Treasurer Irwin, meeting with directors all over the country "one on one" in order to deal with these charges of misconduct. (The fact that so many directors have been willing to do this oblivious of the impropriety of such get-togethers, merely points up the abysmal lack of consciousness on the part of the majority of the HSUS Board of Directors of the basics of fiduciary propriety and duty.)

WHEREFORE,

plaintiffs pray for judgment against the defendants, and each of them, jointly and severally, for the following:

1. Seven Hundred Fifty Thousand Dollars ($750,000.00), to be reimbursed, disgorged, or in any event paid to or for the benefit of The Humane Society of the United States.

2. [redacted] from each of the defendants as and for punitive damages, [redacted].

3. The full costs of bringing this action, including attorneys fees.

Respectfully Submitted:

_____

_____

_____

VERIFICATION

District of Columbia, ss:

I, _____, being first duly sworn on oath say that I have read the foregoing Complaint and filed herein and that the facts in said Complaint are true and correct.

_____

Subscribed and sworn to before me on this _____ day of _____, 19__.

_____

Notary Public

My commission expires:_____

_____

Attorney

_____

Jury Demand

Plaintiffs demand a trial by jury on all jury issues raised by these pleadings.

_____

OFFICE OF THE ATTORNEY GENERAL

(Civil action against certain officers and directors of The Humane Society of the United States, a charitable corporation which operates, raises funds and does business in this State.)

Preamble: It is axiomatic that the assets of charitable non-profit corporations are impressed with a trust, and accordingly strict trust principles apply to the corporate fiduciaries, namely the officers and directors in their dealings with these assets. This action is brought to surcharge these fiduciaries who have breached their fiduciary duties and caused financial loss to the corporation through selfdealing and other malfeasance.

versus

JOHN A. HOYT,
individually and as President of
The Humane Society of the United
States,
2100 L Street, N.W.
Washington, D.C. 20037

and

PAUL G. IRWIN,
individually and as Treasurer of
The Humane Society of the United
States,
2100 L Street, N.W.
Washington, D.C. 20037

and

K. WILLIAM WISEMAN,
individually and as current
Chairman of the Board of Directors
and member of the "Deferred
Compensation Committee" of The
Humane Society of the United
States,
P.O. Box 120
Woolwich, ME 04579

and

JACK W. LYDMAN,
individually and as a member of
the "Deferred Compensation
Committee" of The Humane Society
of the United States,
2815 Q Street, N.W.
Washington, D.C. 20007

and

COLEMAN BURKE,
individually and as former
Chairman of the Board of
Directors and a member of the
"Deferred Compensation Committee"
of The Humane Society of the
United States,
45 Stewart Road
Short Hills, NJ 07078

COMPLAINT FOR DAMAGES TO
THE HUMANE SOCIETY OF THE UNITED STATES

The Humane Society of the United States is a charitable corporation organized for the prevention of cruelty to animals and other purposes under the laws of the State of Delaware, with its headquarters at 2100 L Street, N.W., Washington, D.C. It raises funds and operates in every state of the United States including _____ and maintains facilities in a number of states of the United States, including _____. It enjoys a status under the Internal Revenue Code of the United States as a 501(c)(3) charitable organization with numerous tax and other advantages arising from this status. It also enjoys certain tax-exempt status in many of the states of the United States where it conducts its affairs and, accordingly, not only individual members, Directors, taxpayers at large but the government officials of the various states whose duty it is to supervise and regulate charities have a public interest in the conduct of the affairs of The Humane Society of the United States.

Defendant, JOHN A. HOYT, was at all times relevant to this lawsuit President of The Humane Society of the United States.

Defendant, PAUL G. IRWIN, was at all times relevant to this lawsuit Treasurer of The Humane Society of the United States.

Defendant, K. WILLIAM WISEMAN, was at all times relevant to this lawsuit a member of the "Deferred Compensation Committee" until its dissolution in 1988, and an officer of the Board of Directors during all times relevant to this lawsuit, and is the current Chairman of the Board of Directors of The Humane Society of the United States.

Defendant, JACK W. LYDMAN, was a member of the "Deferred Compensation Committee" until its dissolution and abandonment in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

Defendant, COLEMAN BURKE, was Chairman of the Board of Directors at the initial portion of the time relevant to this lawsuit, is currently a member of the Board of Directors, and was a member of the "Deferred Compensation Committee" until it was abandoned and dissolved in 1988.

COUNT I

Upon information and belief, commencing on or about January of 1985, Defendants Hoyt and Irwin, President and Treasurer of The Humane Society of the United States, to wit, the Chief Executive Officer and the Chief Fiscal Officer of the organization, created a dummy or shell bank account utilizing a dormant organization, namely, The National Humane Education Center (NHEC), opened a bank account through utilizing a

false affidavit indicating that that corporation had taken appropriate action to authorize such an account, and funneled through that organization to themselves the sum of $94,000 from funds in an HSUS annuity account at the Mellon Bank in Pittsburgh, Pennsylvania, with the sole purpose of having these transactions and these funds coming to them not show up anywhere on the books of The Humane Society of the United States and therefore to be hidden from the Board of Directors of The Humane Society of the United States, the membership of The Humane Society of the United States, the Federal Government, all of which entities had a right to know the total compensation paid to these two officers, and the public at large, which had a right to an accurate report of the financial affairs of this public charity. More specifically, Mr. Hoyt arranged to have himself paid through this shell corporation the sum of $13,000 in 1985, $14,000 in 1986, $14,000 in 1987, and $14,000 in 1988. Mr. Irwin, the Treasurer, arranged to have himself paid the sum of $9,000 in 1985, $9,000 in 1986, $10,000 in 1987, and $10,000 in 1988.

In order to complete the deception, defendants caused these payments to be transferred from an annuity trust account at the Mellon Bank through this dormant corporation, NHEC, to defendants Hoyt and Irwin and listed in the HSUS 990 Tax Returns as "payments to beneficiaries," and it is further alleged that in order to open the bank account for this dormant corporation NHEC, to receive the annuity trust money and pay it out to Mr. Hoyt and Mr. Irwin, defendants Hoyt and Irwin filed a false document certifying that the Board of the NHEC had authorized the opening of the account.

In addition, on or about March 17, 1987, a new and unexplained HSUS account was opened at American Security Bank, a $5,000 sum was deposited in that account and simultaneously a check was drawn on that account payable to The HSUS Treasurer,

Mr. Irwin, marked "contribution" and then the account was immediately closed.

All of these transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

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Upon information and belief, on or about July 24, 1986, the President and the Treasurer, defendants Hoyt and Irwin respectively, arranged to have the ownership of certain life insurance policies that had been owned by The Humane Society of the United States transferred to them individually, and further arranged that The Humane Society of the United States would pay future premiums thereon, which has, in fact, occurred from that time until the present. These transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

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Upon information and belief, on or about May 4, 1987, Defendants Hoyt and Irwin arranged to have The Humane Society of the United States purchase Defendant Hoyt's house in Germantown, Maryland, for the price of $310,000. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT IV

Upon information and belief, on October 22, 1987, and October 26, 1987, the Treasurer, Paul Irwin, had checks issued to him in the sum of $50,000 and $35,000 respectively for a total of $85,000, allegedly to reimburse himself for his purchase of some recreational property in Maine. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee, which operated secretly, hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT V

Upon information and belief, there was an alleged committee called the Deferred Compensation Committee supposedly created by the Board of Directors in 1983 which from its inception not only never reported any of its activities to the Board but actively worked with Defendants Hoyt and Irwin to conceal its activities from the Board of Directors. This Committee was made up of Defendants Coleman Burke, William Wiseman, and Jack Lydman, and it is alleged that it was an utter sham, that it did nothing more than rubber-stamp the improper and illegal activities of the President and the Treasurer, and that the Committee members that made this concealment continue over the years are fully culpable and responsible for the activities that went on unchecked during this period, that the concealment and secrecy of this Committee continued until it came to light in December of 1987 due to inquiries made by some of the members of the Board of Directors. The activities of Defendants Hoyt and Irwin in manipulating this committee and the committee in permitting itself to be so manipulated, and operating itself in secret from the Board of Directors and serving as nothing more than a vehicle to put an apparent stamp of approval on improper and illegal benefits taken by the President and Treasurer, constituted the grossest imaginable breach of fiduciary duty, misappropriation of charitable assets and fraud.

COUNT VI

Upon information and belief, at divers times during 1988 and 1989, in spite of the clear evidence that the President and Treasurer, Defendants Hoyt and Irwin, had been guilty of multiple

acts of grevious misconduct in office, including but not limited to violations of clear fiduciary duties, conflict of interest, self inurement, self dealing, unjust enrichment and misappropriation of charitable assets, Defendants Hoyt and Irwin manipulated the Board into giving them very beneficial long range employment and benefits contracts, initially drafted by Defendants Hoyt and Irwin themselves, through their private attorneys being paid by The HSUS. This unconscionable and illegal action was taken without the informed approval of the Board of Directors and without the knowledge of, much less approval of the membership, and as such said contracts are improper, illegal, unenforceable and void and of no effect, and not binding upon the charity, The HSUS. It is alleged that these actions constituted a breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT VII

Upon information and belief, Defendants Hoyt and Irwin caused false and misleading official reports to be prepared and filed with the Federal Government and with divers State governmental authorities in that the compensation paid to Defendants Hoyt and Irwin was grossly understated. As a result, The HSUS itself could receive penalties for false filings and the tax exempt status as a charity has been placed in jeopardy. Such irresponsible, self serving, illegal conduct constitutes a gross breach of the fiduciary duty owed by Defendants Hoyt and Irwin to The HSUS.

COUNT VIII

As and for a general charge of breach of fiduciary duty, the following is further alleged against each and every Defendant:

(1) The Defendants and each of them owe an uncompromising duty as fiduciaries to protect the interests of The Humane Society of the United States.

(2) Defendants Hoyt and Irwin violated their fiduciary duty to at all times be completely open, above board and frank, and to make full disclosure at all times to all members of the Board of Directors and to the membership of the organization. Defendants Wiseman, Lydman, and Burke breached their fiduciary duty to their fellow members of the Board of Directors, even to the membership of the smaller Executive Committee, and to the membership at large of The Humane Society of the United States.

(3) Defendants are charged with not only breach of fiduciary duty to conduct the corporation's affairs with a high degree of care and skill but are charged with affirmatively practicing deceit and deception.

(4) The deceit and deception in broadest terms includes knowingly or negligently permitting the "Deferred Compensation Committee" to be used solely as a vehicle for granting hidden and unwarranted benefits to Defendants Hoyt and Irwin, acting solely under the guidance and direction of Defendants Hoyt and Irwin, never exercising the slightest bit of independent judgment, knowingly participating in several years of duplicity and cover-up and secret activities and, in effect, participating in absolute sham. It is alleged that the facts will show that meetings were called when Defendants Hoyt or Irwin needed some action or benefit to be granted to them personally, the agendas were set by Defendants Hoyt and Irwin, the minutes were written by Defendants Hoyt and Irwin, and the Directors Wiseman, Lydman and Burke shamefully permitted themselves to be manipulated in

this manner over a substantial period of time, all to the disastrous detriment of the organization they were charged with protecting and representing.

PRAYER FOR RELIEF

As a result of the misconduct alleged above, The Humane Society of the United States has been severely damaged, in part as set forth below:

(1) The HSUS has been held up to scorn as a result of common knowledge of these matters and its once fine reputation for integrity and honesty has been severely damaged with present and future supporters, and its influence to perform its charitable purposes severely curtailed.

(2) The HSUS has been forced to spend in excess of one-half million dollars ($500,000.00) as a direct result of the misconduct of Defendants Hoyt and Irwin and the misconduct and breach of fiduciary duty of Defendants Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct, and, finally, the subsequent misconduct and breach of fiduciary duty of all of the defendants once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include, but are not limited to:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

(b) substantial legal fees to Jacob Stein, the attorney hired following the obliteration of the Audit Committee, firing of Harmon & Weiss and their replacement by a controlled "Select" Committee and new counsel Stein;

(c) substantial legal fees paid to Theodore Sonde, private attorney for Defendants Hoyt and Irwin;

(d) substantial legal fees paid to Bardyl Tirana of Silverstein and Mullens, the attorney that several "dissident" Board members were forced to hire in order to receive any information as to what was going on internally at The HSUS, the organization of which they were Board members;

(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

(f) substantial extra fees paid to the regular HSUS accounting firm of Thomas Havey & Co.;

(g) the $85,000 which Defendant Treasurer Irwin wrongfully paid to himself in connection with the Maine property;

(h) the loss incurred in having $310,000 invested in the purchase of Defendant Hoyt's home in Germantown, Maryland, which constituted having these funds diverted from normal charitable use, or earning interest as an investment;

(i) the value of the personal insurance policies turned over to Defendants Hoyt and Irwin and the premiums already paid on them since the turnover;

(j) the funds illegally funnelled to Defendants Hoyt and Irwin through the sham bank account for the dormant NHEC corporation;

(k) the extra costs incurred by The HSUS, various staff members and Directors in connection with special meetings and the diversion of time and energy from the charitable purposes of The HSUS;

(l) the extra costs incurred by HSUS in oonnection with the time spent away from useful and HSUS-related charitable matters for Defendants Hoyt and Irwin, to wit, the hours, weeks or months and the thousands of dollars of travel expenses expended by President Hoyt and Treasurer Irwin, meeting with Directors all

over the country "one on one" in order to deal with these charges of misconduct.

WHEREFORE,

plaintiffs pray for judgment against the defendants, and each of them, jointly and severally, for the following:

1. Seven Hundred Fifty Thousand Dollars ($750,000.00), to be reimbursed, disgorged, or in any event paid to or for the benefit of The Humane Society of the United States.

CONCLUSION

It appearing that in the past, members of the Board of Directors who have raised questions concerning the above matters have been dropped from the Board as a result of the manipulation and control of the Board by President Hoyt and Treasurer Irwin and the other defendants, and it further appearing that the Board of Directors of The HSUS cannot and will not exercise the required control over the affairs of the charity;

It is therefore concluded that the Attorney General must exercise its power to repair the damage suffered by this public charity.

OFFICE OF THE ATTORNEY GENERAL

OFFICE OF THE ATTORNEY GENERAL

(Civil action against certain officers and directors of The Humane Society of the United States, a charitable corporation which operates, raises funds and does business in this State.)

Preamble: It is axiomatic that the assets of charitable non-profit corporations are impressed with a trust, and accordingly strict trust principles apply to the corporate fiduciaries, namely the officers and directors in their dealings with these assets. This action is brought to surcharge these fiduciaries who have breached their fiduciary duties and caused financial loss to the corporation through selfdealing and other malfeasance.

versus

JOHN A. HOYT,
individually and as President of
The Humane Society of the United
States,
2100 L Street, N.W.
Washington, D.C. 20037

and

PAUL G. IRWIN,
individually and as Treasurer of
The Humane Society of the United
States,
2100 L Street, N.W.
Washington, D.C. 20037

and

K. WILLIAM WISEMAN,
individually and as current
Chairman of the Board of Directors
and member of the "Deferred
Compensation Committee" of The
Humane Society of the United
States,
P.O. Box 120
Woolwich, ME 04579

and

JACK W. LYDMAN,
individually and as a member of
the "Deferred Compensation
Committee" of The Humane Society
of the United States,
2815 Q Street, N.W.
Washington, D.C. 20007

and

COLEMAN BURKE,
individually and as former
Chairman of the Board of
Directors and a member of the
"Deferred Compensation Committee"
of The Humane Society of the
United States,
45 Stewart Road
Short Hills, NJ 07078

COMPLAINT FOR DAMAGES TO
THE HUMANE SOCIETY OF THE UNITED STATES

The Humane Society of the United States is a charitable corporation organized for the prevention of cruelty to animals and other purposes under the laws of the State of Delaware, with its headquarters at 2100 L Street, N.W., Washington, D.C. It raises funds and operates in every state of the United States including _____ and maintains facilities in a number of states of the United States, including _____. It enjoys a status under the Internal Revenue Code of the United States as a 501(c)(3) charitable organization with numerous tax and other advantages arising from this status. It also enjoys certain tax-exempt status in many of the states of the United States where it conducts its affairs and, accordingly, not only individual members, Directors, taxpayers at large but the government officials of the various states whose duty it is to supervise and regulate charities have a public interest in the conduct of the affairs of The Humane Society of the United States.

Defendant, JOHN A. HOYT, was at all times relevant to this lawsuit President of The Humane Society of the United States.

Defendant, PAUL G. IRWIN, was at all times relevant to this lawsuit Treasurer of The Humane Society of the United States.

Defendant, K. WILLIAM WISEMAN, was at all times relevant to this lawsuit a member of the "Deferred Compensation Committee" until its dissolution in 1988, and an officer of the Board of Directors during all times relevant to this lawsuit, and is the current Chairman of the Board of Directors of The Humane Society of the United States.

Defendant, JACK W. LYDMAN, was a member of the "Deferred Compensation Committee" until its dissolution and abandonment in 1988, and was at all times relevant to this lawsuit a member of the Board of Directors of The Humane Society of the United States.

Defendant, COLEMAN BURKE, was Chairman of the Board of Directors at the initial portion of the time relevant to this lawsuit, is currently a member of the Board of Directors, and was a member of the "Deferred Compensation Committee" until it was abandoned and dissolved in 1988.

COUNT I

Upon information and belief, commencing on or about January of 1985, Defendants Hoyt and Irwin, President and Treasurer of The Humane Society of the United States, to wit, the Chief Executive Officer and the Chief Fiscal Officer of the organization, created a dummy or shell bank account utilizing a dormant organization, namely, The National Humane Education Center (NHEC), opened a bank account through utilizing a

false affidavit indicating that that corporation had taken appropriate action to authorize such an account, and funneled through that organization to themselves the sum of $94,000 from funds in an HSUS annuity account at the Mellon Bank in Pittsburgh, Pennsylvania, with the sole purpose of having these transactions and these funds coming to them not show up anywhere on the books of The Humane Society of the United States and therefore to be hidden from the Board of Directors of The Humane Society of the United States, the membership of The Humane Society of the United States, the Federal Government, all of which entities had a right to know the total compensation paid to these two officers, and the public at large, which had a right to an accurate report of the financial affairs of this public charity. More specifically, Mr. Hoyt arranged to have himself paid through this shell corporation the sum of $13,000 in 1985, $14,000 in 1986, $14,000 in 1987, and $14,000 in 1988. Mr. Irwin, the Treasurer, arranged to have himself paid the sum of $9,000 in 1985, $9,000 in 1986, $10,000 in 1987, and $10,000 in 1988.

In order to complete the deception, defendants caused these payments to be transferred from an annuity trust account at the Mellon Bank through this dormant corporation, NHEC, to defendants Hoyt and Irwin and listed in the HSUS 990 Tax Returns as "payments to beneficiaries," and it is further alleged that in order to open the bank account for this dormant corporation NHEC, to receive the annuity trust money and pay it out to Mr. Hoyt and Mr. Irwin, defendants Hoyt and Irwin filed a false document certifying that the Board of the NHEC had authorized the opening of the account.

In addition, on or about March 17, 1987, a new and unexplained HSUS account was opened at American Security Bank, a $5,000 sum was deposited in that account and simultaneously a check was drawn on that account payable to The HSUS Treasurer,

Mr. Irwin, marked "contribution" and then the account was immediately closed.

All of these transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT II

Upon information and belief, on or about July 24, 1986, the President and the Treasurer, defendants Hoyt and Irwin respectively, arranged to have the ownership of certain life insurance policies that had been owned by The Humane Society of the United States transferred to them individually, and further arranged that The Humane Society of the United States would pay future premiums thereon, which has, in fact, occurred from that time until the present. These transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT III

Upon information and belief, on or about May 4, 1987, Defendants Hoyt and Irwin arranged to have The Humane Society of the United States purchase Defendant Hoyt's house in Germantown, Maryland, for the price of $310,000. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT IV

Upon information and belief, on October 22, 1987, and October 26, 1987, the Treasurer, Paul Irwin, had checks issued to him in the sum of $50,000 and $35,000 respectively for a total of $85,000, allegedly to reimburse himself for his purchase of some recreational property in Maine. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee, which operated secretly, hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT V

Upon information and belief, there was an alleged committee called the Deferred Compensation Committee supposedly created by the Board of Directors in 1983 which from its inception not only never reported any of its activities to the Board but actively worked with Defendants Hoyt and Irwin to conceal its activities from the Board of Directors. This Committee was made up of Defendants Coleman Burke, William Wiseman, and Jack Lydman, and it is alleged that it was an utter sham, that it did nothing more than rubber-stamp the improper and illegal activities of the President and the Treasurer, and that the Committee members that made this concealment continue over the years are fully culpable and responsible for the activities that went on unchecked during this period, that the concealment and secrecy of this Committee continued until it came to light in December of 1987 due to inquiries made by some of the members of the Board of Directors. The activities of Defendants Hoyt and Irwin in manipulating this committee and the committee in permitting itself to be so manipulated, and operating itself in secret from the Board of Directors and serving as nothing more than a vehicle to put an apparent stamp of approval on improper and illegal benefits taken by the President and Treasurer, constituted the grossest imaginable breach of fiduciary duty, misappropriation of charitable assets and fraud.

COUNT VI

Upon information and belief, at divers times during 1988 and 1989, in spite of the clear evidence that the President and Treasurer, Defendants Hoyt and Irwin, had been guilty of multiple

acts of grevious misconduct in office, including but not limited to violations of clear fiduciary duties, conflict of interest, self inurement, self dealing, unjust enrichment and misappropriation of charitable assets, Defendants Hoyt and Irwin manipulated the Board into giving them very beneficial long range employment and benefits contracts, initially drafted by Defendants Hoyt and Irwin themselves, through their private attorneys being paid by The HSUS. This unconscionable and illegal action was taken without the informed approval of the Board of Directors and without the knowledge of, much less approval of the membership, and as such said contracts are improper, illegal, unenforceable and void and of no effect, and not binding upon the charity, The HSUS. It is alleged that these actions constituted a breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT VII

Upon information and belief, Defendants Hoyt and Irwin caused false and misleading official reports to be prepared and filed with the Federal Government and with divers State governmental authorities in that the compensation paid to Defendants Hoyt and Irwin was grossly understated. As a result, The HSUS itself could receive penalties for false filings and the tax exempt status as a charity has been placed in jeopardy. Such irresponsible, self serving, illegal conduct constitutes a gross breach of the fiduciary duty owed by Defendants Hoyt and Irwin to The HSUS.

COUNT VIII

As and for a general charge of breach of fiduciary duty, the following is further alleged against each and every Defendant:

(1) The Defendants and each of them owe an uncompromising duty as fiduciaries to protect the interests of The Humane Society of the United States.

(2) Defendants Hoyt and Irwin violated their fiduciary duty to at all times be completely open, above board and frank, and to make full disclosure at all times to all members of the Board of Directors and to the membership of the organization. Defendants Wiseman, Lydman, and Burke breached their fiduciary duty to their fellow members of the Board of Directors, even to the membership of the smaller Executive Committee, and to the membership at large of The Humane Society of the United States.

(3) Defendants are charged with not only breach of fiduciary duty to conduct the corporation's affairs with a high degree of care and skill but are charged with affirmatively practicing deceit and deception.

(4) The deceit and deception in broadest terms includes knowingly or negligently permitting the "Deferred Compensation Committee" to be used solely as a vehicle for granting hidden and unwarranted benefits to Defendants Hoyt and Irwin, acting solely under the guidance and direction of Defendants Hoyt and Irwin, never exercising the slightest bit of independent judgment, knowingly participating in several years of duplicity and cover-up and secret activities and, in effect, participating in absolute sham. It is alleged that the facts will show that meetings were called when Defendants Hoyt or Irwin needed some action or benefit to be granted to them personally, the agendas were set by Defendants Hoyt and Irwin, the minutes were written by Defendants Hoyt and Irwin, and the Directors Wiseman, Lydman and Burke shamefully permitted themselves to be manipulated in

this manner over a substantial period of time, all to the disastrous detriment of the organization they were charged with protecting and representing.

PRAYER FOR RELIEF

As a result of the misconduct alleged above, The Humane Society of the United States has been severely damaged, in part as set forth below:

(1) The HSUS has been held up to scorn as a result of common knowledge of these matters and its once fine reputation for integrity and honesty has been severely damaged with present and future supporters, and its influence to perform its charitable purposes severely curtailed.

(2) The HSUS has been forced to spend in excess of one-half million dollars ($500,000.00) as a direct result of the misconduct of Defendants Hoyt and Irwin and the misconduct and breach of fiduciary duty of Defendants Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct, and, finally, the subsequent misconduct and breach of fiduciary duty of all of the defendants once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include, but are not limited to:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

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(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

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over the country "one on one" in order to deal with these charges of misconduct.

WHEREFORE,

plaintiffs pray for judgment against the defendants, and each of them, jointly and severally, for the following:

1. Seven Hundred Fifty Thousand Dollars ($750,000.00), to be reimbursed, disgorged, or in any event paid to or for the benefit of The Humane Society of the United States.

CONCLUSION

It appearing that in the past, members of the Board of Directors who have raised questions concerning the above matters have been dropped from the Board as a result of the manipulation and control of the Board by President Hoyt and Treasurer Irwin and the other defendants, and it further appearing that the Board of Directors of The HSUS cannot and will not exercise the required control over the affairs of the charity;

It is therefore concluded that the Attorney General must exercise its power to repair the damage suffered by this public charity.

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versus

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individually and as President of
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and

PAUL G. IRWIN,
individually and as Treasurer of
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and

K. WILLIAM WISEMAN,
individually and as current
Chairman of the Board of Directors
and member of the "Deferred
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Woolwich, ME 04579

and

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individually and as a member of
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Committee" of The Humane Society
of the United States,
2815 Q Street, N.W.
Washington, D.C. 20007

and

COLEMAN BURKE,
individually and as former
Chairman of the Board of
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COMPLAINT FOR DAMAGES TO
THE HUMANE SOCIETY OF THE UNITED STATES

The Humane Society of the United States is a charitable corporation organized for the prevention of cruelty to animals and other purposes under the laws of the State of Delaware, with its headquarters at 2100 L Street, N.W., Washington, D.C. It raises funds and operates in every state of the United States including _____ and maintains facilities in a number of states of the United States, including _____. It enjoys a status under the Internal Revenue Code of the United States as a 501(c)(3) charitable organization with numerous tax and other advantages arising from this status. It also enjoys certain tax-exempt status in many of the states of the United States where it conducts its affairs and, accordingly, not only individual members, Directors, taxpayers at large but the government officials of the various states whose duty it is to supervise and regulate charities have a public interest in the conduct of the affairs of The Humane Society of the United States.

Defendant, JOHN A. HOYT, was at all times relevant to this lawsuit President of The Humane Society of the United States.

Defendant, PAUL G. IRWIN, was at all times relevant to this lawsuit Treasurer of The Humane Society of the United States.

Defendant, K. WILLIAM WISEMAN, was at all times relevant to this lawsuit a member of the "Deferred Compensation Committee" until its dissolution in 1988, and an officer of the Board of Directors during all times relevant to this lawsuit, and is the current Chairman of the Board of Directors of The Humane Society of the United States.

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Defendant, COLEMAN BURKE, was Chairman of the Board of Directors at the initial portion of the time relevant to this lawsuit, is currently a member of the Board of Directors, and was a member of the "Deferred Compensation Committee" until it was abandoned and dissolved in 1988.

COUNT I

Upon information and belief, commencing on or about January of 1985, Defendants Hoyt and Irwin, President and Treasurer of The Humane Society of the United States, to wit, the Chief Executive Officer and the Chief Fiscal Officer of the organization, created a dummy or shell bank account utilizing a dormant organization, namely, The National Humane Education Center (NHEC), opened a bank account through utilizing a

false affidavit indicating that that corporation had taken appropriate action to authorize such an account, and funneled through that organization to themselves the sum of $94,000 from funds in an HSUS annuity account at the Mellon Bank in Pittsburgh, Pennsylvania, with the sole purpose of having these transactions and these funds coming to them not show up anywhere on the books of The Humane Society of the United States and therefore to be hidden from the Board of Directors of The Humane Society of the United States, the membership of The Humane Society of the United States, the Federal Government, all of which entities had a right to know the total compensation paid to these two officers, and the public at large, which had a right to an accurate report of the financial affairs of this public charity. More specifically, Mr. Hoyt arranged to have himself paid through this shell corporation the sum of $13,000 in 1985, $14,000 in 1986, $14,000 in 1987, and $14,000 in 1988. Mr. Irwin, the Treasurer, arranged to have himself paid the sum of $9,000 in 1985, $9,000 in 1986, $10,000 in 1987, and $10,000 in 1988.

In order to complete the deception, defendants caused these payments to be transferred from an annuity trust account at the Mellon Bank through this dormant corporation, NHEC, to defendants Hoyt and Irwin and listed in the HSUS 990 Tax Returns as "payments to beneficiaries," and it is further alleged that in order to open the bank account for this dormant corporation NHEC, to receive the annuity trust money and pay it out to Mr. Hoyt and Mr. Irwin, defendants Hoyt and Irwin filed a false document certifying that the Board of the NHEC had authorized the opening of the account.

In addition, on or about March 17, 1987, a new and unexplained HSUS account was opened at American Security Bank, a $5,000 sum was deposited in that account and simultaneously a check was drawn on that account payable to The HSUS Treasurer,

Mr. Irwin, marked "contribution" and then the account was immediately closed.

All of these transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT II

Upon information and belief, on or about July 24, 1986, the President and the Treasurer, defendants Hoyt and Irwin respectively, arranged to have the ownership of certain life insurance policies that had been owned by The Humane Society of the United States transferred to them individually, and further arranged that The Humane Society of the United States would pay future premiums thereon, which has, in fact, occurred from that time until the present. These transactions were undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its actions from the Board of Directors. It is alleged that these actions constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT III

Upon information and belief, on or about May 4, 1987, Defendants Hoyt and Irwin arranged to have The Humane Society of the United States purchase Defendant Hoyt's house in Germantown, Maryland, for the price of $310,000. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee which operated secretly, carefully hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

COUNT IV

Upon information and belief, on October 22, 1987, and October 26, 1987, the Treasurer, Paul Irwin, had checks issued to him in the sum of $50,000 and $35,000 respectively for a total of $85,000, allegedly to reimburse himself for his purchase of some recreational property in Maine. This transaction was consummated without the knowledge of the Board of Directors and was undertaken and conducted surreptitiously by the chief officials of the organization, who manipulated and were aided and abetted by an illegal and sham so-called Deferred Compensation Committee, which operated secretly, hiding its action from the Board of Directors. It is alleged that this action constituted breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets, and fraud.

COUNT V

Upon information and belief, there was an alleged committee called the Deferred Compensation Committee supposedly created by the Board of Directors in 1983 which from its inception not only never reported any of its activities to the Board but actively worked with Defendants Hoyt and Irwin to conceal its activities from the Board of Directors. This Committee was made up of Defendants Coleman Burke, William Wiseman, and Jack Lydman, and it is alleged that it was an utter sham, that it did nothing more than rubber-stamp the improper and illegal activities of the President and the Treasurer, and that the Committee members that made this concealment continue over the years are fully culpable and responsible for the activities that went on unchecked during this period, that the concealment and secrecy of this Committee continued until it came to light in December of 1987 due to inquiries made by some of the members of the Board of Directors. The activities of Defendants Hoyt and Irwin in manipulating this committee and the committee in permitting itself to be so manipulated, and operating itself in secret from the Board of Directors and serving as nothing more than a vehicle to put an apparent stamp of approval on improper and illegal benefits taken by the President and Treasurer, constituted the grossest imaginable breach of fiduciary duty, misappropriation of charitable assets and fraud.

COUNT VI

Upon information and belief, at divers times during 1988 and 1989, in spite of the clear evidence that the President and Treasurer, Defendants Hoyt and Irwin, had been guilty of multiple

acts of grevious misconduct in office, including but not limited to violations of clear fiduciary duties, conflict of interest, self inurement, self dealing, unjust enrichment and misappropriation of charitable assets, Defendants Hoyt and Irwin manipulated the Board into giving them very beneficial long range employment and benefits contracts, initially drafted by Defendants Hoyt and Irwin themselves, through their private attorneys being paid by The HSUS. This unconscionable and illegal action was taken without the informed approval of the Board of Directors and without the knowledge of, much less approval of the membership, and as such said contracts are improper, illegal, unenforceable and void and of no effect, and not binding upon the charity, The HSUS. It is alleged that these actions constituted a breach of fiduciary duty, conflict of interest, self dealing, private inurement, unjust enrichment, misappropriation of charitable assets and fraud.

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Upon information and belief, Defendants Hoyt and Irwin caused false and misleading official reports to be prepared and filed with the Federal Government and with divers State governmental authorities in that the compensation paid to Defendants Hoyt and Irwin was grossly understated. As a result, The HSUS itself could receive penalties for false filings and the tax exempt status as a charity has been placed in jeopardy. Such irresponsible, self serving, illegal conduct constitutes a gross breach of the fiduciary duty owed by Defendants Hoyt and Irwin to The HSUS.

COUNT VIII

As and for a general charge of breach of fiduciary duty, the following is further alleged against each and every Defendant:

(1) The Defendants and each of them owe an uncompromising duty as fiduciaries to protect the interests of The Humane Society of the United States.

(2) Defendants Hoyt and Irwin violated their fiduciary duty to at all times be completely open, above board and frank, and to make full disclosure at all times to all members of the Board of Directors and to the membership of the organization. Defendants Wiseman, Lydman, and Burke breached their fiduciary duty to their fellow members of the Board of Directors, even to the membership of the smaller Executive Committee, and to the membership at large of The Humane Society of the United States.

(3) Defendants are charged with not only breach of fiduciary duty to conduct the corporation's affairs with a high degree of care and skill but are charged with affirmatively practicing deceit and deception.

(4) The deceit and deception in broadest terms includes knowingly or negligently permitting the "Deferred Compensation Committee" to be used solely as a vehicle for granting hidden and unwarranted benefits to Defendants Hoyt and Irwin, acting solely under the guidance and direction of Defendants Hoyt and Irwin, never exercising the slightest bit of independent judgment, knowingly participating in several years of duplicity and cover-up and secret activities and, in effect, participating in absolute sham. It is alleged that the facts will show that meetings were called when Defendants Hoyt or Irwin needed some action or benefit to be granted to them personally, the agendas were set by Defendants Hoyt and Irwin, the minutes were written by Defendants Hoyt and Irwin, and the Directors Wiseman, Lydman and Burke shamefully permitted themselves to be manipulated in

this manner over a substantial period of time, all to the disastrous detriment of the organization they were charged with protecting and representing.

PRAYER FOR RELIEF

As a result of the misconduct alleged above, The Humane Society of the United States has been severely damaged, in part as set forth below:

(1) The HSUS has been held up to scorn as a result of common knowledge of these matters and its once fine reputation for integrity and honesty has been severely damaged with present and future supporters, and its influence to perform its charitable purposes severely curtailed.

(2) The HSUS has been forced to spend in excess of one-half million dollars ($500,000.00) as a direct result of the misconduct of Defendants Hoyt and Irwin and the misconduct and breach of fiduciary duty of Defendants Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct, and, finally, the subsequent misconduct and breach of fiduciary duty of all of the defendants once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include, but are not limited to:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

(b) substantial legal fees to Jacob Stein, the attorney hired following the obliteration of the Audit Committee, firing of Harmon & Weiss and their replacement by a controlled "Select" Committee and new counsel Stein;

(c) substantial legal fees paid to Theodore Sonde, private attorney for Defendants Hoyt and Irwin;

(d) substantial legal fees paid to Bardyl Tirana of Silverstein and Mullens, the attorney that several "dissident" Board members were forced to hire in order to receive any information as to what was going on internally at The HSUS, the organization of which they were Board members;

(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

(f) substantial extra fees paid to the regular HSUS accounting firm of Thomas Havey & Co.;

(g) the $85,000 which Defendant Treasurer Irwin wrongfully paid to himself in connection with the Maine property;

(h) the loss incurred in having $310,000 invested in the purchase of Defendant Hoyt's home in Germantown, Maryland, which constituted having these funds diverted from normal charitable use, or earning interest as an investment;

(i) the value of the personal insurance policies turned over to Defendants Hoyt and Irwin and the premiums already paid on them since the turnover;

(j) the funds illegally funnelled to Defendants Hoyt and Irwin through the sham bank account for the dormant NHEC corporation;

(k) the extra costs incurred by The HSUS, various staff members and Directors in connection with special meetings and the diversion of time and energy from the charitable purposes of The HSUS;

(l) the extra costs incurred by HSUS in oonnection with the time spent away from useful and HSUS-related charitable matters for Defendants Hoyt and Irwin, to wit, the hours, weeks or months and the thousands of dollars of travel expenses expended by President Hoyt and Treasurer Irwin, meeting with Directors all

over the country "one on one" in order to deal with these charges of misconduct.

WHEREFORE,

plaintiffs pray for judgment against the defendants, and each of them, jointly and severally, for the following:

1. Seven Hundred Fifty Thousand Dollars ($750,000.00), to be reimbursed, disgorged, or in any event paid to or for the benefit of The Humane Society of the United States.

CONCLUSION

It appearing that in the past, members of the Board of Directors who have raised questions concerning the above matters have been dropped from the Board as a result of the manipulation and control of the Board by President Hoyt and Treasurer Irwin and the other defendants, and it further appearing that the Board of Directors of The HSUS cannot and will not exercise the required control over the affairs of the charity;

It is therefore concluded that the Attorney General must exercise its power to repair the damage suffered by this public charity.

OFFICE OF THE ATTORNEY GENERAL