

## Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,  
 this application will be open  
 for public inspection.

Read the instructions for each Part carefully. **A User Fee must be attached to this application.**  
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment  
 of the appropriate user fee), the application may be returned to the organization.

**Complete the Procedural Checklist on page 6 of the instructions.**

**Part I. Identification of Applicant** (Must be completed by all applicants; also complete appropriate schedule.)  
 Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a  Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b  Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c  Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d  Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e  Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f  Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g  Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h  Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i  Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j  Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k  Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l  Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m  Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n  Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

<b>1a</b> Full name of organization (as shown in organizing document) <i>Ruby Ranch Internet Cooperative Ass'n</i>	<b>2</b> Employer identification number (EIN) (if none, see Specific Instructions on page 2) <i>84-1591921</i>
<b>1b</b> c/o Name (if applicable) <i>Oppedahl &amp; Larson LLC</i>	<b>3</b> Name and telephone number of person to be contacted if additional information is needed  <i>Carl Oppedahl</i>  <i>(970) 468-6600</i>
<b>1c</b> Address (number and street) <i>P O Box 5088</i>	<b>Room/Suite</b> 
<b>1d</b> City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. <i>Dillon CO 80435-5088</i>	
<b>1e</b> Web site address <i>www.RRIC.NET</i>	<b>4</b> Month the annual accounting period ends <i>December</i>
	<b>5</b> Date incorporated or formed <i>29 May 2001</i>

**6** Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code?  Yes  No  
 If "Yes," attach an explanation.

**7** Has the organization filed Federal income tax returns or exempt organization information returns?  Yes  No  
 If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

**8** Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a  Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
- b  Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c  Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE SIGN HERE

*Carl Oppedahl*  
 (Signature)

*Carl Oppedahl Director*  
 (Type or print name and title or authority of signer)

*2 Sept 01*  
 (Date)

**Part II. Activities and Operational Information (Must be completed by all applicants)**

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Providing always-on high-speed Internet access service to the people of the Willowbrook Metropolitan District. The percentage of time is 100%. This furthers the organization's exempt purpose of providing always-on high-speed Internet access to the people of the Willowbrook Metropolitan District. The activity will be initiated shortly after the incumbent local exchange carrier permits the organization to rent subloops. The activity will be conducted within the Willowbrook Metropolitan District, primarily in our horse barn. The activity will be conducted by the members of the organization.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

Its members.

## Part II. Activities and Operational Information (continued)

3 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.

b Annual compensation

Carl Oppedahl PO Box 5088 Dillo, CO  
80435, Director

0

Jeffrey Bonk, PO Box 2597  
Silverthorne, ~~CO~~, CO, 80498, Director

0

John Drake, 8706 Vista Gate Dr.  
Dallas TX 75243, Director

0

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

NONE

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

NONE

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

NONE

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

Residence in the Willowbrook Metropolitan District.  
there is only one class. each member can  
vote in elections.

8 Explain how your organization's assets will be distributed on dissolution.

Distribution to the Willowbrook  
Metropolitan District.

Part II. Activities and Operational Information (continued)

9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? . . . . .  Yes  No  
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.

10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? .  Yes  No  
If "Yes," state in detail the amount received and the character of the services performed or to be performed.

None. The services to be performed are the provision of high-speed Internet access.

11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? . . . . .  Yes  No  
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? . . . . .  Yes  No  
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? . . . . .  Yes  No  
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

14 Does the organization now lease or does it plan to lease any property? . . . . .  Yes  No  
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? . . .  Yes  No  
If "Yes," explain in detail and list the amounts spent or to be spent in each case.

16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? . . . . .  Yes  No  
If "Yes," attach a recent copy of each.

**Part III. Financial Data** (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From 5/29/01 To present	(b) 2002	(c) 2003	(d) _____	
1 Gross dues and assessments of members	0	9000	9000		
2 Gross contributions, gifts, etc.	0	0	0		
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	0				
4 Gross amounts from unrelated business activities (attach schedule)	0	0	0		
5 Gain from sale of assets, excluding inventory items (attach schedule)	0	0	0		
6 Investment income (see page 3 of the instructions)	0	0	0		
7 Other revenue (attach schedule)	0	0	0		
8 Total revenue (add lines 1 through 7)	0	9000	9000		
<b>Expenses</b>					
9 Expenses attributable to activities related to the organization's exempt purposes.	0	8400	7800		
10 Expenses attributable to unrelated business activities	0	0	0		
11 Contributions, gifts, grants, and similar amounts paid (attach schedule).	0	0	0		
12 Disbursements to or for the benefit of members (attach schedule)	0	0	0		
13 Compensation of officers, directors, and trustees (attach schedule)	0	0	0		
14 Other salaries and wages.	0	0	0		
15 Interest	0	600	600		
16 Occupancy	0	0	0		
17 Depreciation and depletion	0	0	0		
18 Other expenses (attach schedule)	0	0	0		
19 Total expenses (add lines 9 through 18)	0	9000	8400		
20 Excess of revenue over expenses (line 8 minus line 19)	0	0	600		

**B. Balance Sheet (at the end of the period shown)**

Assets		Current Tax Year as of _____	
1	Cash	1	0
2	Accounts receivable, net	2	0
3	Inventories	3	0
4	Bonds and notes receivable (attach schedule)	4	0
5	Corporate stocks (attach schedule)	5	0
6	Mortgage loans (attach schedule)	6	0
7	Other investments (attach schedule)	7	0
8	Depreciable and depletable assets (attach schedule)	8	0
9	Land	9	0
10	Other assets (attach schedule)	10	0
11	<b>Total assets</b>	11	0
<b>Liabilities</b>			
12	Accounts payable	12	0
13	Contributions, gifts, grants, etc., payable	13	0
14	Mortgages and notes payable (attach schedule)	14	0
15	Other liabilities (attach schedule)	15	0
16	<b>Total liabilities</b>	16	0
<b>Fund Balances or Net Assets</b>			
17	Total fund balances or net assets	17	0
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17)	18	0

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

**Schedule G Organizations described in section 501(c)(12) (Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations)**

- 1 Attach a schedule in columnar form for each tax year for which the organization is claiming exempt status. On each schedule:
  - a Show the total gross income received from members or shareholders.
  - b List, by source, the total amounts of gross income received from other sources.

- 2 If the organization is claiming exemption as a local benevolent insurance association, state:
  - a The counties from which members are accepted or will be accepted.

*Not applicable*

- b Whether stipulated premiums are or will be charged in advance, or whether losses are or will be paid solely through assessments.

- 3 If the organization is claiming exemption as a "like organization," explain how it is similar to a mutual ditch or irrigation company, or a mutual or cooperative telephone company.

*Internet service providers qualify for exemption under ~~IRC~~ IRC 501(c)(12). See Rev. Rul. 57-420, 1957-2 C.B.302 and Rev. Rul. 83-170, 1983-2 C.B. 97*

- 4 Are the rights and interests of members in the organization's annual savings determined in proportion to their business with it?  Yes  No  
 If "Yes," does the organization keep the records necessary to determine at any time each member's rights and interests in such savings, including assets acquired with the savings?  Yes  No

- 5 If the organization is a mutual or cooperative telephone company and has contracts with other systems for long-distance telephone services, attach copies of the contracts.

*Not applicable*

**Instructions**

Mutual or cooperative electric or telephone companies should show income received from qualified pole rentals separately. Mutual or cooperative telephone companies should also show separately the gross amount of income received from nonmember telephone companies for performing services that

involve their members and the gross amount of income received from the sale of display advertising in a directory furnished to their members.

Do not net amounts due or paid to other sources against amounts due or received from those sources.

