

United States



of America

Department of the Treasury
Internal Revenue Service

Date: March 3, 2006

CERTIFICATE OF OFFICIAL RECORD

I certify that the annexed: is a true copy of the Form 990, Return of Organization Exempt From Income Tax, plus attachments, for Holy Land Foundation for Relief and Development, Employer Identification Number 95-4227517, for tax year 1997, consisting of eighteen (17) pages

under the custody of this office.

IN WITNESS WHEREOF, I have hereunto set my hand, and caused the seal of this office to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:

A handwritten signature in cursive script that reads "Susan M. Bononcini".

Susan M. Bononcini
Resident Agent-in-Charge
Delegation Order CI - 18

GOVERNMENT
EXHIBIT
HLF Tax - 6
3:04-CR-240-G
U.S. v. HLF, et al.

1997

This Form is Open to Public Inspection

Return of Organization Exempt From Income Tax

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

Note: The organization may have to use a copy of this return to satisfy state reporting requirements.

For the 1997 calendar year, OR tax year period beginning 1997, and ending 19

B Check if:

- Change of address
Initial return
Final return
Amended return (required also for State reporting)

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: HOLY Land Foundation for Relief & Develop
Number and street (or P.O. box if mail is not delivered to street address) Room/suite: P.O. BOX 832390
City or town, state or country, and ZIP+4: Richardson, TX. 75083-2390

D Employer identification number: 95 422 7517

E State registration number: 1454143

F Check if exemption application is pending

G Type of organization - Exempt under section 501(c)(3) (insert number) OR section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H(a) Is this a group return filed for affiliates? Yes No
I If either box in H is checked "Yes," enter four-digit group exemption number (GEN)

(b) "Yes," enter the number of affiliates for which this return is filed:
J Accounting method: Cash Accrual

(c) Is this a separate return filed by an organization covered by a group ruling? Yes No
K Other (specify)

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 11.)

Table with 21 rows and 4 columns. Rows include Revenue (1-12), Expenses (13-17), and Net Assets (18-21). Columns include description, sub-rows (a-c), and final amounts. Includes handwritten entries like '5,527,942' and '9,454'.

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 15.)

Do not include amounts reported on line 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) (cash \$ 1,164,635 noncash \$ 2,150,021)	3,319,656	3,319,656		
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	31,200			
26	Other salaries and wages	485,220	253,353	108,270	123,597
27	Pension plan contributions				
28	Other employee benefits	21,664	11,694	5,752	4,218
29	Payroll taxes	31,997	17,184	9,288	5,525
30	Professional fundraising fees	120,682	408	17,788	162,486
31	Accounting fees				
32	Legal fees	43,430	5,198	38,232	
33	Supplies	14,693	2,101	6,276	6,316
34	Telephone	42,110	17,848	14,419	9,813
35	Postage and shipping	267,160	168,533	11,765	86,862
36	Occupancy	56,023	25,187	17,045	13,791
37	Equipment rental and maintenance	15,759	2,145	10,969	2,645
38	Printing and publications	114,824	37,372	28,256	49,196
39	Travel	92,721	20,281	9,310	63,130
40	Conferences, conventions, and meetings	9,398	1,627	6,210	1,561
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	67,975		67,975	
43	Other expenses (itemize): a	454,798	127,589	159,690	176,517
b					
c					
d					
e					
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	5,158,108	4,010,176	502,245	645,687

Reporting of Joint Costs.—Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 18.)

What is the organization's primary exempt purpose? ▶ _____

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a _____ _____ (Grants and allocations \$ _____)	
b _____ _____ (Grants and allocations \$ _____)	
c _____ _____ (Grants and allocations \$ _____)	
d _____ _____ (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	

Part IV Balance Sheets (See Specific Instructions on page 18.)

		(A) Beginning of year	(B) End of year
Assets	45 Cash—non-interest-bearing	506,374	45 340,484
	46 Savings and temporary cash investments		46
	47a Accounts receivable	7,389	47c 7,425
	b Less: allowance for doubtful accounts		
	48a Pledges receivable	158,049	48c 110,899
	b Less: allowance for doubtful accounts		
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50
	51a Other notes and loans receivable (attach schedule).	51a	51c
	b Less: allowance for doubtful accounts	51b	
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges		53
	54 Investments—securities (attach schedule)	378,675	54 792,572
	55a Investments—land, buildings, and equipment: basis	55a	55c
	b Less: accumulated depreciation (attach schedule).	55b	
	56 Investments—other (attach schedule)	70,000	56 54,456
	57a Land, buildings, and equipment: basis	395,704	57c 139,689
	b Less: accumulated depreciation (attach schedule).		
	58 Other assets (describe ► SEE ATTACHED)	98,660	58 27,316
59 Total assets (add lines 45 through 58) (must equal line 74)	22,282	59 1,472,841	
Liabilities	60 Accounts payable and accrued expenses		60 24,134
	61 Grants payable		61
	62 Deferred revenue		62 583
	63 Loans from officers, directors, trustees, and key employees (attach schedule).		63
	64a Tax-exempt bond liabilities (attach schedule)		64a
	b Mortgages and other notes payable (attach schedule)		64b
	65 Other liabilities (describe ►)		65
	66 Total liabilities (add lines 60 through 65)		66 24,717
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	1,083,380	67 1,448,124
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
	73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	1,083,380	73 1,448,124
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	1,083,380	74 1,472,841

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part I-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 20.)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a Total revenue, gains, and other support per audited financial statements. ▶

b Amounts included on line a but not on line 12, Form 990:

(1) Net unrealized gains or investments \$ _____

(2) Donated services and use of facilities \$ _____

(3) Recoveries of prior year grants \$ _____

(4) Other (specify): _____

_____ \$ _____

Add amounts on lines (1) through (4) ▶

c Line a minus line b. ▶

d Amounts included on line 12, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$ _____

(2) Other (specify): _____

_____ \$ _____

Add amounts on lines (1) and (2) ▶

e Total revenue per line 12, Form 990 (line c plus line d) ▶

a Total expenses and losses per audited financial statements. ▶

b Amounts included on line a but not on line 17, Form 990:

(1) Donated services and use of facilities \$ _____

(2) Prior year adjustments reported on line 20, Form 990 \$ _____

(3) Losses reported on line 20, Form 990 \$ _____

(4) Other (specify): _____

_____ \$ _____

Add amounts on lines (1) through (4) ▶

c Line a minus line b. ▶

d Amounts included on line 17, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$ _____

(2) Other (specify): _____

_____ \$ _____

Add amounts on lines (1) and (2) ▶

e Total expenses per line 17, Form 990 (line c plus line d) ▶

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 20.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
GHASSAN ELASHI 304 Towne House Ln. RICHARDSON, TX 75081	TREASURER 10 hours	- 0 -	- 0 -	- 0 -
MOHAMMAD ELMEZAIN 151 DERHAM AVE, PATERSON, NJ 07501	CHAIRMAN 10 hours	- 0 -	- 0 -	- 0 -
SHIKHRI A. BAKER 2917 Fair Meadow DR, Garland, TX 75044	CEO 50 hours	31,200	- 0 -	- 0 -
AHMAD AGHA 2500 WILDWOOD DR. PONCA CITY, OK 74604	MEMBER 2 hours	- 0 -	- 0 -	- 0 -
HAITHAM AL-DEEK 9414 HOLBROOK DR. ORLANDO, FL 32817	MEMBER 2 hours	- 0 -	- 0 -	- 0 -
MACE ABDULLAH 3250 WILSHIRE BLVD, STE 1908 LA, CA 90010	MEMBER 2 hours	- 0 -	- 0 -	- 0 -

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If "Yes," attach schedule—see Specific Instructions on page 20.

Part VI Other Information (See Specific Instructions on page 21.)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
78b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b		X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	79		X
80a	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?	80a		X
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	81a		
b	Did the organization file Form 1120-POL for this year?	81b		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.)	82b		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a		X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b		X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	501(c)(4), (5), or (6) organizations.—a Were substantially all dues nondeductible by members?	85a		X
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b		X
c	Dues, assessments, and similar amounts from members	85c		
d	Section 162(e) lobbying and political expenditures	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	501(c)(7) organizations.—Enter: a Initiation fees and capital contributions included on line 12	86a		
b	Gross receipts, included on line 12, for public use of club facilities.	86b		
87	501(c)(12) organizations.—Enter: a Gross income from members or shareholders	87a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX.	88		X
89a	501(c)(3) organizations.—Enter: Amount of tax imposed during the year under: section 4911 _____; section 4912 _____; section 4955 _____			
b	501(c)(3) and 501(c)(4) organizations.—Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction.	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.			
d	Enter: Amount of tax in 89c, above, reimbursed by the organization			
90a	List the states with which a copy of this return is filed			CALIFORNIA
b	Number of employees employed in the pay period that includes March 12, 1997 (See instructions).	90b		
91	The books are in care of			MOHAMMAD YAKH
	Located at			525 International PKWY #509, RICHARDSON, TX 75081
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92		

**SCHEDULE A
(Form 990)**

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information

See separate instructions.

OMB No. 1545-0047

1997

Department of the Treasury
Internal Revenue Service

▶ Must be completed by the above organizations and attached to their Form 990 or 990-EZ.

Name of the organization

OLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT

Employer identification number

95 4227517

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions on page 1. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000				

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions on page 1. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services		

Part III **Stat m nts About Activities**

- | | | Yes | No |
|--|----|-----|----|
| 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum?
If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities. | 1 | | X |
| 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any 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)? | 2d | | X |
| e Transfer of any part of its income or assets?
If the answer to any question is "Yes," attach a detailed statement explaining the transactions. | 2e | | X |
| 3 Does the organization make grants for scholarships, fellowships, student loans, etc.? | 3 | X | |
| 4 Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions on page 2.) | | | |

Part IV **Reason for Non-Private Foundation Status** (See instructions on pages 2 through 4.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 4.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10 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 the **Support Schedule** in Part IV-A.)
- 11a 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 the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 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. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 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 on page 4.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions on page 4.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 1996	(b) 1995	(c) 1994	(d) 1993	() Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	5,655,792	3,283,389	2,146,971	2,047,584	13,133,736
Membership fees received					
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					
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	5,670	6,096	8,347	13,333	33,446
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization 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 a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	5,661,462	3,289,485	2,155,318	2,060,917	13,167,182
24 Line 23 minus line 17	5,661,462	3,289,485	2,155,318	2,060,917	13,167,182
25 Enter 1% of line 23	56,615	32,895	21,553	20,609	
26 Organizations described in lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 263,344
b Attach a list (which is 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 1993 through 1996 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts.					26b -0-
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 13,167,182
d Add: Amounts from column (e) for lines: 18 33,446 19 -0-					26d 33,446
22 -0- 26b -0-					26e 13,133,736
e Public support (line 26c minus line 26d total)					26f 99.8%
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year:	(1996)	(1995)	(1994)	(1993)	
b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:	(1996)	(1995)	(1994)	(1993)	
c Add: Amounts from column (e) for lines: 15 _____ 16 _____					27c
17 _____ 20 _____ 21 _____					27d
d Add: Line 27a total _____ and line 27b total _____					27e
e Public support (line 27c total minus line 27d total)					27f \$
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27g %
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27h %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1993 through 1996, attach a list (which is 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. (See instructions on page 4.)					

Part V

Private School Questionnaire (See instructions on page 4.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32 Does the organization 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 the organization or on its 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 Does the organization 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?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has 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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions on page 6.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

NA

Check here a if the organization belongs to an affiliated group.
 Check here b If you checked "a" above and "limited control" provisions apply.

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)		
37	Total lobbying expenditures to influence a legislative body (direct lobbying)		
38	Total lobbying expenditures (add lines 36 and 37)		
39	Other exempt purpose expenditures		
40	Total exempt purpose expenditures (add lines 38 and 39)		
41	Lobbying nontaxable amount. Enter the amount from 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	
	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 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
42	Grassroots nontaxable amount (enter 25% of line 41)		
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36		
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

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 through 50 on page 7.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
45	Lobbying nontaxable amount.				
46	Lobbying ceiling amount (150% of line 45(e)).				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions on page 7.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a Volunteers.
- b Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (add lines c through h).

Yes	No	Amount

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT

T.Y.E. 12/31/97

FORM 990

PART I, LINE 20, OTHER CHANGES IN NET ASSETS

THE \$14,544 DECREASE IN NET ASSETS REPRESENT AMOUNTS RECORDED AS INCOME IN PREVIOUS YEARS AND SHOULD BE TREATED AS DRAWS FROM INVESTMENT ACCOUNT.

HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT

T.Y.E. 1997

FORM 990

PART III. STATEMENT OF PROGRAM SERVICES ACCOMPLISHMENT

PROGRAM GRANTS ARE APPROPRIATED TO VARIOUS PROJECTS, INCLUDING ASSISTANCE TO NON- PROFIT MEDICAL/DENTAL CLINICS, ORPHANGES, EDUCATIONAL FACILITIES, REFUGEE CAMPS, SOCIAL WELFARE CENTERS AND RELIGIOUS FACILITIES IN THE UNITED STATES AND OVERSEAS.

PART IV. LINE 54: INVESTMENTS

	BEGINNING BALANCE	CONTRIBUTION 1997	EARININGS	DRAW	ENDING BALANCE
INVESTMENT IN MSI	82,622.00	-	-	62,375.00	20,247.00
INVESTMENT IN ICCF FUND	234,829.00	75,000.00	9,454.00	-	319,283.00
INVESTMENT IN SATURNA CAP	61,224.00	374,500.00	13,637.00	-	449,361.00
MISCELLANOUS STOCKS	-	3,681.00	-	-	3,681.00
	<u>378,675.00</u>	<u>453,181.00</u>	<u>23,091.00</u>	<u>62,375.00</u>	<u>792,572.00</u>

HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT

T.Y.E. 12/31/97

FORM 990

PART II. LINE 43, STATEMENT OF FUNCTIONAL EXPENSES

	TOTAL	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUND RAISING
ADVERTISING	122,667.00	53,230.00	453.00	68,984.00
TECHNICAL SUPPORT	22,569.00	3,064.00	17,647.00	1,858.00
AUDIT	3,000.00	300.00	2,700.00	-
VIDEO PRODUCTION	45,591.00	27,359.00	3,374.00	14,858.00
EXHIBIT & THEATER	6,328.00	4,403.00	384.00	1,541.00
PHOTOGRAPHY & DESIGN	29,456.00	13,183.00	1,506.00	14,767.00
OUTSIDE SERVICES	1,142.00	303.00	703.00	136.00
TRAINING & SEMINARS	6,232.00	2,720.00	2,384.00	1,128.00
SUBSCRIPTIONS	621.00	78.00	485.00	58.00
REPAIRS & MAINTENANCE	8,054.00	821.00	6,443.00	790.00
BANK CHARGES	9,185.00	1,598.00	5,860.00	1,727.00
OFFICE EXPENSE	78,721.00	17,618.00	51,967.00	9,136.00
LUNCHEONS	58,975.00	2,622.00	5,591.00	50,762.00
MISC.	15,105.00	290.00	4,043.00	10,772.00
BAD DEBTS	47,150.00	-	47,150.00	-
OTHERS		-		
	<u>454,796.00</u>	<u>127,589.00</u>	<u>150,690.00</u>	<u>176,517.00</u>

HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT

T.Y.E. 1997

FORM 990

PART IV, LINE 57: SCHEDULE OF FIXED ASSETS

CLASS	COST	ACCUM. DEPR	NET
VIDEO PRODUCTION 1	14,975.00	14,975.00	-
VIDEO PRODUCTION 2	8,400.00	8,244.00	156.00
VIDEO PRODUCTION 3	14,330.00	14,064.00	266.00
VIDEO PRODUCTION 4	60,000.00	21,331.00	38,669.00
FURNITURE & FIXTURE	60,208.00	43,083.00	17,125.00
VEHICLE	4,550.00	3,764.00	786.00
EQUIPMENT & MACHINERY	233,241.00	150,554.00	82,687.00
	<u>395,704.00</u>	<u>256,015.00</u>	<u>139,689.00</u>

PART IV, LINE 56: Investment- Other

INVESTMENT IN A-1 JEWELERS

BEGINNING BALANCE	70,000.00
LESS: DRAW	(15,544.00)
BALANCE AS OF 12/31/97	<u>54,456.00</u>

PART IV, LINE 58: Other Assets

	BEGENNING	ENDING
GOLD	9,219.00	4,010.00
TELEPHONE DEPOSIT	1,680.00	1,680.00
LICENCE DEPOSIT	3,600.00	-
CREDIT CARD DEPOSIT	3,000.00	-
RENT DEPOSIT	4,658.00	4,058.00
UTILITY DEPOSIT	125.00	(78.00)
PREPAID EXPENSES	-	17,646.00
	<u>22,282.00</u>	<u>27,316.00</u>

HOLY LAND FOUNDATION FOR RELIEF AND DEVELOPMENT

T.Y.E. 1997

FORM 990

SCHEDULE A, PART III, LINE 4: STATEMENT ABOUT ACTIVITIES

SCHOLARSHIPS OR EDUCATIONAL ASSISTANCE DISBURSEMENTS ARE MADE TO THE NEEDY STUDENTS AT VARIOUS LEVELS OF THE EDUCATIONAL SYSTEM IN THE HOLY LAND BASED UPON THE RECOMMENDATIONS FROM COMMUNITY LEADERS AND CHARITABLE ORGANIZATIONS IN THE AREAS. THE CRITERIA USED FOR SELECTION INCLUDES NEEDS, AREA OF STUDY, PAST PERFORMANCE AND DESIRE.

Holy Land Foundation

(Please Print)

525 International Pkwy, Ste. 509

Richardson, TX 75081



Package 990

NORTH TEXAS 750

INTERNAL REVENUE SERVICE CENTER
OGDEN UT 84201-0027

