

EXHIBIT 1

SOME DISADVANTAGES OF A NOT-FOR-PROFIT CORPORATION FOUNDATION.

1. Since any corporation receives its charter from the State, the State claims the right to require reports of the corporation's activities, and on occasion question its officers, at the discretion of such officials as the Attorney General and others. However, this affair is usually a simple one even though the power to do so exists.
2. The right claimed by the State to dissolve the corporation under certain grounds such as those listed in Section 50 of the Illinois General Not-For-Profit Corporation Act. However, the performance of the Act which brought about the dissolution will in some circumstances abate any action by the State (e.g. Illinois N.F.P. Act, Section 51.) Consult your own State Law and Counsel for interpretation.
3. Foundations must spend their money for so-called "exempt purposes" -- nevertheless, the foundation may operate in a very wide sphere of activity in furthering its exempt purposes.
4. Dispositions of property of a highly personal nature are prohibited by law and should not be done with foundation money, such as -- gifts to friends or family with no restriction as to purpose, or an entirely personal purpose, such as payment of a gambling debt, loan money to a family member or a friend for a highly speculative business venture, etc. One should avoid situations which might be helpful to a friend yet could cause trouble for his foundation.