

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

Entered

DEPARTMENT OF THE TREASURY

Date:

DEC 21 2005

FREE ENTERPRISE INSTITUTE  
1850 M ST NW STE 800  
WASHINGTON, DC 20036

Employer Identification Number:

20-3024597

DLN:

17053221044005

Contact Person:

JULIE CHEN

ID# 31261

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b) (1) (A) (vi)

Form 990 Required:

Yes

Effective Date of Exemption:

June 15, 2005

Contribution Deductibility:

Yes

Advance Ruling Ending Date:

December 31, 2009

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

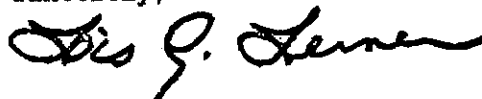
Letter 1045 (DO/CG)

-2-

FREE ENTERPRISE INSTITUTE

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,



Lois G. Lerner  
Director, Exempt Organizations  
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)  
Statute Extension

Letter 1045 (DO/CG)

District  
Director

1100 Commerce St.  
Dallas, Texas 75243

Free Enterprise Institute  
9525 Katy Freeway, Ste. 303  
Houston, TX 77024-1415

Person to Contact  
EOMF Tax Examiner  
Telephone Number  
214-767-1155  
Refer Reply to  
RM:CSB:306:EO  
Date  
March 21, 1985

EIN:  
74-1887755

Gentlemen:

Our records show that Free Enterprise Institute is exempt from Federal Income Tax under section 501(c)(3) of the Internal Revenue Code. This exemption was granted April, 1977 and remains in full force and effect. Contributions to your organizations are deductible in the manner and to the extent provided by section 170 of the Code.

We have classified your organization as one that is not a private foundation within the meaning of section 509 (a) of the Internal Revenue Code because you are an organization described in section 509(a)(2).

If we may be of further assistance, Please contact the person whose name and telephone number are shown above.

Sincerely yours,

Devonya Williams  
EOMF Tax Examiner

(This a reprint of original document. Copy of original available upon request.)