

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

**A For the 2007 calendar year, or tax year beginning , and ending**

- B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Termination  
 Amended return  
 Application pending

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

**C Name of organization**

**PROPERTIES OF MERIT OF PA INC.**

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

**840 HAMILTON STREET 203**

City or town, state or country, and ZIP + 4

**ALLENTOWN PA 18101**

**D Employer identification number**  
**23-3092981**

**E Telephone number**  
**484-550-6835**

**F Accounting method:**  Cash  
 Accrual  Other (specify)

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

**H(a)** Is this a group return for affiliates?  Yes  No

**H(b)** If "Yes," enter number of affiliates **u** .....

**H(c)** Are all affiliates included?  Yes  No

(If "No," attach a list. See instructions.)

**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I Group Exemption Number** **u**

**M** Check  if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

**G Website:** **j WWW.MYPOM.ORG**

**J Organization type**

(check only one)  501(c) ( **3** ) **t** (insert no.)  4947(a)(1) or  527

**K** Check here   if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally **not** more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**L Gross receipts:** Add lines 6b, 8b, 9b, and 10b to line 12 **u** **127,009**

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)**

Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Contributions to donor advised funds	<b>1a</b>			
	<b>b</b> Direct public support (not included on line 1a)	<b>1b</b>		<b>13,568</b>	
	<b>c</b> Indirect public support (not included on line 1a)	<b>1c</b>			
	<b>d</b> Government contributions (grants) (not included on line 1a)	<b>1d</b>		<b>110,000</b>	
	<b>e Total</b> (add lines 1a through 1d) (cash \$ <b>123,568</b> noncash \$ )				<b>1e 123,568</b>
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)				<b>2</b>
	<b>3</b> Membership dues and assessments				<b>3</b>
	<b>4</b> Interest on savings and temporary cash investments				<b>4 3,441</b>
	<b>5</b> Dividends and interest from securities				<b>5</b>
	<b>6a</b> Gross rents	<b>6a</b>			
	<b>b</b> Less: rental expenses	<b>6b</b>			
<b>c</b> Net rental income or (loss). Subtract line 6b from line 6a				<b>6c</b>	
<b>7</b> Other investment income (describe <b>u</b> )				<b>7</b>	
<b>8a</b> Gross amount from sales of assets other than inventory		(A) Securities	(B) Other		
		<b>8a</b>			
	<b>b</b> Less: cost or other basis and sales expenses	<b>8b</b>			
	<b>c</b> Gain or (loss) (attach schedule)	<b>8c</b>			
<b>d</b> Net gain or (loss). Combine line 8c, columns (A) and (B)				<b>8d</b>	
<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input checked="" type="checkbox"/>	<b>a</b> Gross revenue (not including \$ of contributions reported on line 1b)	<b>9a</b>			
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>			
	<b>c</b> Net income or (loss) from special events. Subtract line 9b from line 9a				<b>9c</b>
<b>10a</b> Gross sales of inventory, less returns and allowances		<b>10a</b>			
	<b>b</b> Less: cost of goods sold	<b>10b</b>			
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a				<b>10c</b>
<b>11</b> Other revenue (from Part VII, line 103)				<b>11</b>	
<b>12 Total revenue.</b> Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11				<b>12 127,009</b>	
Expenses	<b>13</b> Program services (from line 44, column (B))	<b>13</b>		<b>138,328</b>	
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>		<b>32,467</b>	
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>		<b>604</b>	
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>			
	<b>17 Total expenses.</b> Add lines 16 and 44, column (A)	<b>17</b>		<b>171,399</b>	
Net Assets	<b>18</b> Excess or (deficit) for the year. Subtract line 17 from line 12	<b>18</b>		<b>-44,390</b>	
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		<b>58,008</b>	
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>			
	<b>21</b> Net assets or fund balances at end of year. Combine lines 18, 19, and 20	<b>21</b>		<b>13,618</b>	

**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 the instructions.)

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
<b>22a</b>	Grants paid from donor advised funds (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>22b</b>	Other grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>23</b>	Specific assistance to individuals (attach schedule)				
<b>24</b>	Benefits paid to or for members (attach schedule)				
<b>25a</b>	Compensation of current officers, directors, key employees, etc. listed in Part V-A <b>SEE STATEMENT 1</b>	<b>88,846</b>	<b>87,756</b>	<b>545</b>	<b>545</b>
<b>25b</b>	Compensation of former officers, directors, key employees, etc. listed in Part V-B				
<b>25c</b>	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>26</b>	Salaries and wages of employees not included on lines 25a, b, and c	<b>20,192</b>		<b>20,192</b>	
<b>27</b>	Pension plan contributions not included on lines 25a, b, and c				
<b>28</b>	Employee benefits not included on lines 25a - 27				
<b>29</b>	Payroll taxes	<b>8,038</b>	<b>6,552</b>	<b>1,486</b>	
<b>30</b>	Professional fundraising fees				
<b>31</b>	Accounting fees	<b>891</b>		<b>891</b>	
<b>32</b>	Legal fees	<b>869</b>		<b>869</b>	
<b>33</b>	Supplies				
<b>34</b>	Telephone				
<b>35</b>	Postage and shipping	<b>154</b>		<b>154</b>	
<b>36</b>	Occupancy	<b>6,875</b>	<b>6,875</b>		
<b>37</b>	Equipment rental and maintenance				
<b>38</b>	Printing and publications				
<b>39</b>	Travel				
<b>40</b>	Conferences, conventions, and meetings				
<b>41</b>	Interest	<b>193</b>		<b>193</b>	
<b>42</b>	Depreciation, depletion, etc. (attach schedule)	<b>1,725</b>	<b>862</b>	<b>863</b>	
<b>43</b>	Other expenses not covered above (itemize):				
<b>43a</b>	<b>SEE STATEMENT 2</b>	<b>43,616</b>	<b>36,283</b>	<b>7,274</b>	<b>59</b>
<b>43b</b>					
<b>43c</b>					
<b>43d</b>					
<b>43e</b>					
<b>43f</b>					
<b>43g</b>					
<b>44</b>	<b>Total functional expenses.</b> Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	<b>171,399</b>	<b>138,328</b>	<b>32,467</b>	<b>604</b>

**Joint Costs.** Check  if you are following SOP 98-2.  
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  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 IV Balance Sheets** (See the instructions.)

<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>45</b> Cash—non-interest-bearing .....	32,805	45	3,751
	<b>46</b> Savings and temporary cash investments .....	25,203	46	13,644
	<b>47a</b> Accounts receivable .....			
	<b>b</b> Less: allowance for doubtful accounts .....		47c	
	<b>48a</b> Pledges receivable .....			
	<b>b</b> Less: allowance for doubtful accounts .....		48c	
	<b>49</b> Grants receivable .....		49	
	<b>50a</b> Receivables from current and former officers, directors, trustees, and key employees (attach schedule) .....		50a	
	<b>b</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att. schedule) .....		50b	
	<b>51a</b> Other notes and loans receivable (attach schedule) .....			
	<b>b</b> Less: allowance for doubtful accounts .....		51c	
	<b>52</b> Inventories for sale or use .....		52	
	<b>53</b> Prepaid expenses and deferred charges .....		53	
	<b>54a</b> Investments—publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV .....		54a	
	<b>b</b> Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV .....		54b	
	<b>55a</b> Investments—land, buildings, and equipment: basis .....			
	<b>b</b> Less: accumulated depreciation (attach schedule) .....		55c	
	<b>56</b> Investments—other (attach schedule) .....		56	
	<b>57a</b> Land, buildings, and equipment: basis .....	8,625		
<b>b</b> Less: accumulated depreciation (attach schedule) <b>SEE STATEMENT 4</b> .....	1,725	57c	6,900	
<b>58</b> Other assets, including program-related investments (describe <input type="checkbox"/> ) .....		58		
<b>59 Total assets</b> (must equal line 74). Add lines 45 through 58 .....		58,008	59	24,295
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses .....		60	
	<b>61</b> Grants payable .....		61	
	<b>62</b> Deferred revenue .....		62	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) .....		63	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) .....		64a	
	<b>b</b> Mortgages and other notes payable (attach schedule) .....		64b	
	<b>65</b> Other liabilities (describe <input type="checkbox"/> <b>SEE STATEMENT 5</b> ) .....		65	10,677
<b>66 Total liabilities.</b> Add lines 60 through 65 .....		0	66	10,677
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.</b>			
	<b>67</b> Unrestricted .....	58,008	67	13,618
	<b>68</b> Temporarily restricted .....		68	
	<b>69</b> Permanently restricted .....		69	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.</b>			
	<b>70</b> Capital stock, trust principal, or current funds .....		70	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund .....		71	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds .....		72	
<b>73 Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) .....		58,008	73	13,618
<b>74 Total liabilities and net assets/fund balances.</b> Add lines 66 and 73 .....		58,008	74	24,295





Part VI Other Information (continued)		Yes	No
<b>82a</b>	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?	<b>82a</b>	<b>X</b>
<b>b</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 in Part III.)	<b>82b</b>	<b>30,960</b>
<b>83a</b>	Did the organization comply with the public inspection requirements for returns and exemption applications?	<b>83a</b>	<b>X</b>
<b>b</b>	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<b>83b</b>	<b>X</b>
<b>84a</b>	Did the organization solicit any contributions or gifts that were not tax deductible?	<b>84a</b>	<b>X</b>
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>84b</b>	<b>N/A</b>
<b>85a</b>	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	<b>85a</b>	<b>N/A</b>
<b>b</b>	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, <b>do not</b> complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	<b>85b</b>	<b>N/A</b>
<b>c</b>	Dues, assessments, and similar amounts from members	<b>85c</b>	
<b>d</b>	Section 162(e) lobbying and political expenditures	<b>85d</b>	
<b>e</b>	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	<b>85e</b>	
<b>f</b>	Taxable amount of lobbying and political expenditures (line 85d less 85e)	<b>85f</b>	
<b>g</b>	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	<b>85g</b>	<b>N/A</b>
<b>h</b>	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	<b>85h</b>	<b>N/A</b>
<b>86</b>	501(c)(7) orgs. Enter: <b>a</b> Initiation fees and capital contributions included on line 12	<b>86a</b>	
<b>b</b>	Gross receipts, included on line 12, for public use of club facilities	<b>86b</b>	
<b>87</b>	501(c)(12) orgs. Enter: <b>a</b> Gross income from members or shareholders	<b>87a</b>	
<b>b</b>	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>87b</b>	
<b>88a</b>	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	<b>88a</b>	<b>X</b>
<b>b</b>	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	<b>88b</b>	<b>X</b>
<b>89a</b>	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <b>u</b> <u>0</u> ; section 4912 <b>u</b> <u>0</u> ; section 4955 <b>u</b> <u>0</u>		
<b>b</b>	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	<b>89b</b>	<b>X</b>
<b>c</b>	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	<b>u</b>	<b>0</b>
<b>d</b>	Enter: Amount of tax on line 89c, above, reimbursed by the organization	<b>u</b>	<b>0</b>
<b>e</b>	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	<b>89e</b>	<b>X</b>
<b>f</b>	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	<b>89f</b>	<b>X</b>
<b>g</b>	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>89g</b>	<b>X</b>
<b>90a</b>	List the states with which a copy of this return is filed <b>u</b> <u>PA</u>		
<b>b</b>	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)	<b>90b</b>	<b>0</b>
<b>91a</b>	The books are in care of <b>u</b> <u>THE ORGANIZATION</u> <b>840 HAMILTON ST.</b> Located at <b>u</b> <u>ALLENTOWN, PA</u> Telephone no. <b>u</b> <u>484-550-6835</u> ZIP + 4 <b>u</b> <u>18101</u>		
<b>b</b>	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country <b>u</b> _____ See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1</b> , Report of Foreign Bank and Financial Accounts.	<b>91b</b>	<b>X</b>

**Part VI Other Information (continued)**

**c** At any time during the calendar year, did the organization maintain an office outside of the United States? 91c  Yes  No  
 If "Yes," enter the name of the foreign country **u** \_\_\_\_\_

**92** Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here  **u**   
 and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92

**Part VII Analysis of Income-Producing Activities (See the instructions.)**

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue:					
<b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>f</b> Medicare/Medicaid payments _____					
<b>g</b> Fees and contracts from government agencies _____					
<b>94</b> Membership dues and assessments _____					
<b>95</b> Interest on savings and temporary cash investments _____			<b>14</b>	<b>3,441</b>	
<b>96</b> Dividends and interest from securities _____					
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property _____					
<b>b</b> not debt-financed property _____					
<b>98</b> Net rental income or (loss) from personal property _____					
<b>99</b> Other investment income _____					
<b>100</b> Gain or (loss) from sales of assets other than inventory _____					
<b>101</b> Net income or (loss) from special events _____					
<b>102</b> Gross profit or (loss) from sales of inventory _____					
<b>103</b> Other revenue: <b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>104</b> Subtotal (add columns (B), (D), and (E)) _____		<b>0</b>		<b>3,441</b>	<b>0</b>
<b>105 Total</b> (add line 104, columns (B), (D), and (E)) _____ <b>u</b>					<b>3,441</b>

**Note:** Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)**

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
<b>9</b>	
<b>N/A</b>	

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)**

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
<b>N/A</b>	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

**(a)** Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**(b)** Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If "Yes" to **(b)**, file Form 8870 and Form 4720 (see instructions).

**Part XI Information Regarding Transfers To and From Controlled Entities.** Complete only if the organization is a controlling organization as defined in section 512(b)(13).

<b>106</b> Did the reporting organization <b>make</b> any transfers <b>to</b> a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.	Yes	No
		<b>X</b>

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a	.....			
b	.....			
c	.....			
<b>Totals</b>				

<b>107</b> Did the reporting organization <b>receive</b> any transfers <b>from</b> a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.	Yes	No
		<b>X</b>

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a	.....			
b	.....			
c	.....			
<b>Totals</b>				

<b>108</b> Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?	Yes	No

**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.

\_\_\_\_\_ Date  
 Signature of officer

\_\_\_\_\_  
 Type or print name and title

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date <b>6/19/08</b>	Check if self-employed <input checked="" type="checkbox"/> <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Instr. X) <b>207-58-2667</b>
	Firm's name (or yours if self-employed), address, and ZIP + 4	<b>BUCKNO LISICKY &amp; COMPANY, P.C.</b> <b>1524 W LINDEN ST</b> <b>ALLENTOWN, PA 18102-4251</b>		EIN <input checked="" type="checkbox"/> <b>23-2426656</b> Phone no. <input checked="" type="checkbox"/> <b>610-821-8580</b>



<b>Part III Statements About Activities</b> (See page 2 of the instructions.)		Yes	No
<b>1</b>	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 ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		<b>X</b>
	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.		
<b>2</b>	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, 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? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
<b>a</b>	Sale, exchange, or leasing of property?		<b>X</b>
<b>b</b>	Lending of money or other extension of credit?		<b>X</b>
<b>c</b>	Furnishing of goods, services, or facilities?		<b>X</b>
<b>d</b>	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <b>SEE PART V-A, FORM 990</b>	<b>X</b>	
<b>e</b>	Transfer of any part of its income or assets?		<b>X</b>
<b>3a</b>	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		<b>X</b>
<b>b</b>	Did the organization have a section 403(b) annuity plan for its employees?		<b>X</b>
<b>c</b>	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		<b>X</b>
<b>d</b>	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		<b>X</b>
<b>4a</b>	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		<b>X</b>
<b>b</b>	Did the organization make any taxable distributions under section 4966?		
<b>c</b>	Did the organization make a distribution to a donor, donor advisor, or related person?		
<b>d</b>	Enter the total number of donor advised funds owned at the end of the tax year	<b>u</b>	
<b>e</b>	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	<b>u</b>	
<b>f</b>	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	<b>u</b>	<b>0</b>
<b>g</b>	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year	<b>u</b>	<b>0</b>

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions.)

I certify that 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.)
- 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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:  
 Type I     Type II     Type III-Functionally Integrated     Type III-Other

**Provide the following information about the supported organizations.** (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b> .....					<b>u</b>

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

**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) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	<b>101,300</b>	<b>8,835</b>	<b>18,014</b>	<b>11,988</b>	<b>140,137</b>
<b>16</b> Membership fees received					<b>0</b>
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					<b>0</b>
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					<b>0</b>
<b>19</b> Net income from unrelated business activities not included in line 18					<b>0</b>
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					<b>0</b>
<b>21</b> 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					<b>0</b>
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					<b>0</b>
<b>23</b> Total of lines 15 through 22	<b>101,300</b>	<b>8,835</b>	<b>18,014</b>	<b>11,988</b>	<b>140,137</b>
<b>24</b> Line 23 minus line 17	<b>101,300</b>	<b>8,835</b>	<b>18,014</b>	<b>11,988</b>	<b>140,137</b>
<b>25</b> Enter 1% of line 23	<b>1,013</b>	<b>88</b>	<b>180</b>	<b>120</b>	
<b>26 Organizations described on lines 10 or 11:</b>					
<b>a</b> Enter 2% of amount in column (e), line 24					<b>26a</b> <b>0</b>
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. <b>Do not file this list with your return.</b> Enter the total of all these excess amounts					<b>26b</b>
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e)					<b>26c</b>
<b>d</b> Add: Amounts from column (e) for lines:	18 _____	19 _____	22 _____	26b _____	<b>26d</b>
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b>
<b>f</b> <b>Public support percentage (line 26e (numerator) divided by line 26c (denominator))</b>					<b>26f</b> %
<b>27 Organizations described on line 12:</b>					
<b>a</b> For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year:					
(2006) <b>0</b> (2005) <b>0</b> (2004) <b>0</b> (2003) <b>0</b>					
<b>b</b> For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the <b>larger</b> of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) <b>Do not file this list with your return.</b> 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:					
(2006) <b>0</b> (2005) <b>0</b> (2004) <b>0</b> (2003) <b>0</b>					
<b>c</b> Add: Amounts from column (e) for lines:	15 <b>140,137</b>	16 _____	17 _____	20 _____	<b>27c</b> <b>140,137</b>
<b>d</b> Add: Line 27a total _____ and line 27b total _____					<b>27d</b>
<b>e</b> Public support (line 27c total minus line 27d total)					<b>27e</b> <b>140,137</b>
<b>f</b> Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					<b>27f</b> <b>140,137</b>
<b>g</b> <b>Public support percentage (line 27e (numerator) divided by line 27f (denominator))</b>					<b>27g</b> <b>100.0000</b> %
<b>h</b> <b>Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</b>					<b>27h</b> %
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. <b>Do not file this list with your return.</b> Do not include these grants in line 15.					

**Part V Private School Questionnaire** (See page 9 of the instructions.)

**(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? .....	29		
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? .....	30		
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? .....	31		
	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? .....	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 the organization or on its 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	Does the organization 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? .....	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	Does the organization receive any financial aid or assistance from a governmental agency? .....	34a		
b	Has the organization's right to such aid ever been revoked or suspended? .....	34b		
	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 .....	35		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

Check  **a** if the organization belongs to an affiliated group. Check  **b** if you checked "a" 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
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	<b>36</b>		
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....	<b>37</b>		
<b>38</b> Total lobbying expenditures (add lines 36 and 37) .....	<b>38</b>		
<b>39</b> Other exempt purpose expenditures .....	<b>39</b>		
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39) .....	<b>40</b>		
<b>41</b> Lobbying nontaxable amount. Enter the amount from the following table-			
<b>If the amount on line 40 is-</b> <b>The lobbying nontaxable amount is-</b>			
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	<b>41</b>	
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		
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41) .....	<b>42</b>		
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	<b>43</b>		
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	<b>44</b>		

**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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount .....					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) .....					
<b>47</b> Total lobbying expenditures .....					
<b>48</b> Grassroots nontaxable amount .....					
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) .....					
<b>50</b> 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 page 14 of the instructions.) **N/A**

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.



**Schedule B**  
**(Form 990, 990-EZ,**  
**or 990-PF)**  
Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

OMB No. 1545-0047

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

**2007**

Name of organization

Employer identification number

**PROPERTIES OF MERIT OF PA INC.**

**23-3092981**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule—see instructions.)

**General Rule—**

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules—**

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ..... ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization <b>PROPERTIES OF MERIT OF PA INC.</b>	Employer identification number <b>23-3092981</b>
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**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	SUSQUEHANNA PATRIOT BANK 3920 W. TILGHMAN ST. <hr/> ALLENTOWN PA 18104	\$ 10,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	PA DEPT. OF COMMUNITY AND ECON. DEV. 400 NORTH STREET, 4TH FLOOR COMMONWEALTH KEYSTONE BUILDING HARRISBURG PA 17120	\$ 110,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

## Federal Statements

### Statement 1 - Form 990, Part II, Line 25a - Compensation of Current Officers

<u>Name</u>	<u>Program Services</u>	<u>Management &amp; General</u>	<u>Fundraising</u>
EXPENSES	\$	\$	\$
COMPENSATION OF OFFICE COMPENSATION	87,756	545	545
TOTAL	\$ <u>87,756</u>	\$ <u>545</u>	\$ <u>545</u>

**Federal Statements****Statement 2 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
EXPENSES	\$	\$	\$	\$
AWARDS RECEPTIONS	1,825	1,825		
AWARDS BALLOTING	3,966	3,966		
AWARDS NOMINATIONS	1,187	1,187		
AWARDS ADMINISTRATION	2,510		2,510	
POM SERVICE CORPS	1,156	1,156		
VOLUNTEER RECOGNITION	798	798		
ADVERTISING & PROMOTION	27,351	27,351		
INSURANCE	348		348	
PAYROLL EXPENSE	1,796		1,796	
FUNDRAISING	59			59
OFFICE EXPENSE	1,545		1,545	
DUES & SUBSCRIPTIONS	75		75	
PROFESSIONAL FEES	1,000		1,000	
TOTAL	<u>\$ 43,616</u>	<u>\$ 36,283</u>	<u>\$ 7,274</u>	<u>\$ 59</u>

**Statement 3 - Form 990, Part III - Organization's Primary Exempt Purpose**

Description

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IMPROVE COMMUNITY PROBLEMS THROUGH THE REGULAR  
REINFORCEMENT PROVIDED BY ANNUAL AWARDS PROGRAMS AND  
FACILITATE SIMPLE, CONCRETE "BOTTOM UP" COMMUNITY PROGRAMS  
SUCH AS REGULAR TREE PLANTING AND NEIGHBORHOOD CLEANUP  
PROGRAMS.

23-3092981

**Federal Statements**

FYE: 12/31/2007

**Statement 4 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment**

Description	Beginning of Year	Accum Depr	End of Year	Accum Depr
FURNITURE & FIXTURES	\$	\$	\$ 8,625	\$ 1,725
TOTAL	\$ 0	\$ 0	\$ 8,625	\$ 1,725

**Statement 5 - Form 990, Part IV, Line 65 - Other Liabilities**

Description	Beginning of Year	End of Year
LOAN PAYABLE	\$	\$ 9,587
PAYROLL TAXES PAYABLE		1,090
TOTAL	\$ 0	\$ 10,677

## Federal Statements

### Statement 6 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
SIOBHAN L BENNET 25 SOUTH 15TH ST ALLENTOWN PA 18102	FOUNDER	40	88,846	0	0
JIM MOLCHANY 117 S. 11TH STREET ALLENTOWN PA 18102	PRESIDENT	5	0	0	0
ERNIE ATIYEH 1909 E. CONGRESS ST ALLENTOWN PA 18109	1-VICE CHAIR	1	0	0	0
JOHN KRUMENACKER 961 W. CEDAR ST ALLENTOWN PA 18102	2-VICE CHAIR	1	0	0	0
ELLEN BISHOP, M.D. 2734 GORDON ST ALLENTOWN PA 18104	3-VICE CHAIR	1	0	0	0
BEN GRESS 220 W. EMAUS AVE ALLENTOWN PA 18103	TREASURER	1	0	0	0
PAT SOLT 1826 17TH ST-SW ALLENTOWN PA 18103	SECRETARY	4	0	0	0
DAVID EVANS C/O HADC, 513-515 CHEW ST ALLENTOWN PA 18102	BOARD MEMBER	VAR	0	0	0
MIKE MILLER 2280 TONTO DR AUBURN PA 17922	BOARD MEMBER	VAR	0	0	0

## Federal Statements

### Statement 6 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

<u>Name and Address</u>	<u>Title</u>	<u>Average Hours</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Expenses</u>
HARRY ROBERTS 247 N. 13 ST-APT 1 ALLENTOWN PA 18102	BOARD MEMBER	VAR	0	0	0
WILLIAM ASAYAG PO BOX 4085 ALLENTOWN PA 18105	BOARD MEMBER	VAR	0	0	0