

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

DEPARTMENT OF THE TREASURY

Date: OCT 21 2004

GRACE CLASSICAL ACADEMY INC  
PO BOX 6539  
LAGUNA NIGUEL, CA 92607-6539

Employer Identification Number:  
46-0518785

DIN:  
17053077051014

Contact Person:  
TERRY W BREWER

ID# 31227

Contact Telephone Number:  
(877) 829-5500

Accounting Period Ending:  
December 31

Public Charity Status:  
170(b)(1)(A)(ii)

Form 990 Required:  
Yes

Effective Date of Exemption:  
November 14, 2002

Contribution Deductibility:  
Yes

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. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

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

Revenue Procedure 75-50, published in Cumulative Bulletin 1975-2 on page 578, sets forth guidelines and record keeping requirements for determining whether private schools have racially nondiscriminatory policies as to students. You must comply with this revenue procedure to maintain your tax-exempt status.

Letter 947 (DO/CG)