

## Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

1995

This Form Is  
Open to Public  
InspectionDepartment of Treasury  
Internal Rev. Service

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

A For the 1995 calendar year, OR tax year period beginning 9/1, 1995, and ending 8/31, 1996

B Check if: <input type="checkbox"/> Change of address <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return (required also for State reporting)	Please use IRS label or print or type. See Specific Instructions.	C Name of organization, number and street, city, town, state, and ZIP code MACHINE ISRAEL INC.  770 EASTERN PARKWAY BROOKLYN, NY 11213	D Employer identification number 11-6042675
			E State registration number
			F Check <input type="checkbox"/> 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 If either box in H is checked "Yes," enter four-digit group exemption no. (GEN) \_\_\_\_\_(b) If "Yes," enter number of affiliates for which 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 ☐ 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 Revenue, Expenses, and Changes in Net Assets or Fund Balances (See instructions on pages 9 - 14.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support	1a	4,364,844.	
	b Indirect public support	1b		
	c Government contributions (grants)	1c		
	d Total (add lines 1a through 1c) (attach schedule of contributors)	1d	4,364,844.	
	(cash \$ 4,364,844. noncash \$ _____)			
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4	432,691.	
	5 Dividends and interest from securities	5	1,286,569.	
Revenue	6a Gross rents	6a	9,520.	
	b Less: rental expenses	6b		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c	9,520.	
	7 Other investment income (describe _____)	7		
	8a Gross amount from sale of assets other than inventory	(A) Securities	8a	
	2,183,743.	(B) Other	8b	
	b Less: cost or other basis & sales expenses	2,139,491.	8c	
	c Gain or (loss) (attach schedule)	44,252.	8d	44,252.
	d Net gain or (loss) (combine line 8c, columns (A) and (B))			
	9 Special events and activities (attach schedule)			
Expenses	a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a		
	b Less: direct expenses other than fundraising expenses	9b		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
	10a Gross sales of inventory, less returns and allowances	10a		
	b Less: cost of goods sold	10b		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
	11 Other revenue (from Part VII, line 103)	11		
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	6,137,876.	
	13 Program services (from line 44, column (B))	13	4,296,516.	
	14 Management and general (from line 44, column (C))	14	332,297.	
Net Assets	15 Fundraising (from line 44, column (D))	15	11,438.	
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses (add lines 13 and 44, column (A))	17	4,640,251.	
	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	1,497,625.	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	27,559,835.	
	20 Other changes in net assets or fund balances (attach explanation)	20		
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	29,057,460.	

**Part I 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 inst. on page 14.)

Do not include amounts reported on line 5b, 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 \$ 4069336 non-cash \$ )	22	4,069,336.	4,069,336.		
23 Specific assistance to individuals (att. sch.)	23				
24 Benefits paid to or for members (att. sch.)	24				
25 Compensation of officers, directors, etc. ....	25	111,526.	0.	111,526.	0.
26 Other salaries and wages .....	26	113,175.	55,806.	57,369.	
27 Pension plan contributions .....	27				
28 Other employee benefits .....	28	22,224.		22,224.	
29 Payroll taxes .....	29	18,460.	4,584.	13,876.	
30 Professional fundraising fees .....	30	12,000.			12,000.
31 Accounting fees .....	31	7,490.		7,490.	
32 Legal fees .....	32	66,839.	25,000.	41,839.	
33 Supplies .....	33	21,575.		21,575.	
34 Telephone .....	34	-987.		-987.	
35 Postage and shipping .....	35	26,533.	16,000.	10,533.	
36 Occupancy .....	36	65,466.	68,368.	-2,902.	
37 Equipment rental and maintenance .....	37				
38 Printing and publications .....	38				
39 Travel .....	39	7,086.	7,086.		
40 Conferences, conventions, and meetings ...	40				
41 Interest .....	41				
42 Depreciation, depletion, etc. (attach sch.) ...	42				
43 Other expenses (itemize): a Stmt Att	43a	99,528.	50,336.	49,754.	-562.
b	43b				
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22 through 43) Organizations completing cols. (B)-(D), carry these totals to lines 13-15. ...	44	4,640,251.	4,296,516.	332,297.	11,438.

**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) amt. allocated to Prog. services .. \$ \_\_\_\_\_; (iii) the amount allocated to Management and general ..... \$ \_\_\_\_\_; and (iv) amt. allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See Instructions on page 17.)

What is the organization's primary exempt purpose? **RELIGIOUS, EDUCATIONAL ACTIVITIES**

All organizations must describe their exempt purpose achievements. 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.)

What is the organization's primary exempt purpose?	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts; but optional for others.)
a RELIGIOUS, EDUCATIONAL, CHARITABLE AND REHABILITATION ACTIVITIES CONDUCTED IN THE UNITED STATES OF AMERICA IN SUPPORT OF TORAH JUDAISM (Grants and allocations \$ 2,632,137.)	2,723,605.
b RELIGIOUS, EDUCATIONAL, CHARITABLE, AND REHABILITATION ACTIVITIES CONDUCTED IN EUROPE AND OTHER COUNTRIES IN SUPPORT OF TORAH JUDAISM (Grants and allocations \$ 515,991.)	515,991.
c RELIGIOUS, EDUCATIONAL, CHARITABLE AND REHABILITATION ACTIVITIES CONDUCTED IN ISRAEL IN SUPPORT OF TORAH JUDAISM PROMOTION OF ACTIVITIES TO SUPPORT OBSERVANCE AND PRACTICE OF THE JEWISH FAITH (Grants and allocations \$ 164,663.)	164,919.
d PROMOTION OF STUDY AND RESEARCH WORK ON THE TEACHINGS OF TORAH JUDAISM ASSISTANCE TO THE NEEDY OF THE JEWISH FAITH (Grants and allocations \$ 756,545.)	892,001.
e Other program services (attach schedule) .....	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) .....	4,296,516.

**Part IV Balance Sheets** (See instructions on pages 17-19.)

Note: 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 .....	-4,776,139.	<b>45</b>	-5,076,716.
	<b>46</b> Savings and temporary cash investments .....	11,221,569.	<b>46</b>	10,941,664.
	<b>47a</b> Accounts receivable .....	<b>47a</b>		
	<b>b</b> Less: allowance for doubtful accounts .....	<b>47b</b>	<b>47c</b>	
	<b>48a</b> Pledges receivable .....	<b>48a</b>		
	<b>b</b> Less: allowance for doubtful accounts .....	<b>48b</b>	<b>48c</b>	
	<b>49</b> Grants receivable .....		<b>49</b>	
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) .....		<b>50</b>	
	<b>51a</b> Other notes and loans receivable (attach schedule) .....	<b>51a</b> 17,369,176.		
	<b>b</b> Less: allowance for doubtful accounts .....	<b>51b</b>	17,398,458.	<b>51c</b> 17,369,176.
	<b>52</b> Inventories for sale or use .....		<b>52</b>	
	<b>53</b> Prepaid expenses and deferred charges .....		<b>53</b>	
	<b>54</b> Investments -- securities (attach schedule) .....	2,690,084.	<b>54</b>	4,795,137.
	<b>55a</b> Investments -- land, buildings, and equipment: basis .....	<b>55a</b>		
	<b>b</b> Less: accumulated depreciation (attach schedule) .....	<b>55b</b>	<b>55c</b>	
<b>56</b> Investments -- other (attach schedule) .....		<b>56</b>		
<b>57a</b> Land, buildings, and equipment: basis .....	<b>57a</b> 1,285,386.			
<b>b</b> Less: accumulated depreciation (attach schedule) .....	<b>57b</b>	1,284,339.	<b>57c</b> 1,285,386.	
<b>58</b> Other assets (describe <u>▶ Stmt Atchd</u> ) .....	203,689.	<b>58</b>	206,512.	
<b>59</b> Total assets (add lines 45 through 58) (must equal line 74) .....	28,022,000.	<b>59</b>	29,521,159.	
<b>LIABILITIES</b>	<b>60</b> Accounts payable and accrued expenses .....		<b>60</b>	
	<b>61</b> Grants payable .....		<b>61</b>	
	<b>62</b> Deferred revenue .....		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) .....		<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) .....		<b>64a</b>	
	<b>b</b> Mortgages and other notes payable (attach schedule) .....		<b>64b</b>	
	<b>65</b> Other liabilities (describe <u>▶ Stmt Atchd</u> ) .....	462,165.	<b>65</b>	463,699.
<b>66</b> Total liabilities (add lines 60 through 65) .....	462,165.	<b>66</b>	463,699.	
<b>NET ASSETS/FUND BALANCES</b>	Organizations that follow SFAS 117, check here. <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	<b>67</b> Unrestricted .....		<b>67</b>	
	<b>68</b> Temporarily restricted .....		<b>68</b>	
	<b>69</b> Permanently restricted .....		<b>69</b>	
	Organizations that do not follow SFAS 117, check here. <input checked="" type="checkbox"/> and complete lines 70 through 74.			
	<b>70</b> Capital stock, trust principal, or current funds .....		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, bldg., and equipment fund .....		<b>71</b>	
	<b>72</b> Retained earnings, accumulated income, endowment, or other funds .....	27,559,835.	<b>72</b>	29,057,460.
	<b>73</b> 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) .....	27,559,835.	<b>73</b>	29,057,460.
	<b>74</b> Total liabilities and net assets/fund balances (add lines 66 and 73) .....	28,022,000.	<b>74</b>	29,521,159.

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## Part IV-B

### Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

<b>a</b> Total revenue, gains, and other support per audited financial statements .....	<b>a</b> N/A	<b>a</b> Total expenses and losses per audited financial statements .....	<b>a</b> N/A
<b>b</b> Amounts included on line a but not on line 12, Form 990:		<b>b</b> Amounts included on line a but not on line 17, Form 990:	
<b>(1)</b> Net unrealized gains on investments .. \$ .....		<b>(1)</b> Donated services & use of facilities ... \$ .....	
<b>(2)</b> Donated services & use of facilities ... \$ .....		<b>(2)</b> Prior year adjustments reported on line 20, Form 990 . \$ .....	
<b>(3)</b> Recoveries of prior year grants ..... \$ .....		<b>(3)</b> Losses reported on line 20, Form 990 . \$ .....	
<b>(4)</b> Other (specify): ..... \$ .....		<b>(4)</b> Other (specify): ..... \$ .....	
Add amounts on lines <b>(1)</b> through <b>(4)</b> ..	<b>b</b>	Add amounts on lines <b>(1)</b> through <b>(4)</b> ...	<b>b</b>
<b>c</b> Line a minus line b .....	<b>c</b>	<b>c</b> Line a minus line b .....	<b>c</b>
<b>d</b> Amounts included on line 12, Form 990 but not on line a:		<b>d</b> Amounts included on line 17, Form 990 but not on line a:	
<b>(1)</b> Investment expenses not included on line 6b, Form 990. .... \$ .....		<b>(1)</b> Investment expenses not included on line 6b, Form 990 .... \$ .....	
<b>(2)</b> Other (specify): ..... \$ .....		<b>(2)</b> Other (specify): ..... \$ .....	
Add amounts on lines <b>(1)</b> and <b>(2)</b> .....	<b>d</b>	Add amounts on lines <b>(1)</b> and <b>(2)</b> .....	<b>d</b>
<b>e</b> Total revenue per line 12, Form 990 (line c plus line d) .....	<b>e</b>	<b>e</b> Total expenses per line 17, Form 990 (line c plus line d) .....	<b>e</b>

[illegible][illegible]

**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 instructions on page 20.

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**Part VI Other Information** (See instructions on pages 20-23.)

	Yes	No
<b>76</b> Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.	<b>76</b>	X
<b>77</b> 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.	<b>77</b>	X
<b>78a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	<b>78a</b>	X
<b>b</b> If "Yes," has it filed a tax return on Form 990-T, Exempt Organization Business Income Tax Return, for this year?	<b>78b</b>	N/A
<b>79</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	<b>79</b>	X
<b>80a</b> 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?	<b>80a</b>	X
<b>b</b> If "Yes," enter the name of the organization <u>MERKOS L'INYONEI CHINUCH INC.</u> and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
<b>81a</b> Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	<b>81a</b>	
<b>b</b> Did the organization file Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations, for this year?	<b>81b</b>	
<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>	X
<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 for reporting in Part III.)	<b>82b</b>	
<b>83a</b> Did the organization comply with the public inspection requirements for returns and exemption applications?	<b>83a</b>	X
<b>b</b> Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<b>83b</b>	X
<b>84a</b> Did the organization solicit any contributions or gifts that were not tax deductible?	<b>84a</b>	X
<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>	N/A
<b>85</b> Section 501(c)(4), (5), or (6) organizations. -- <b>a</b> Were substantially all dues nondeductible by members?	<b>85a</b>	N/A
<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, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	<b>85b</b>	N/A
<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 in 85f?	<b>85g</b>	N/A
<b>h</b> 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?	<b>85h</b>	N/A
<b>86</b> Section 501(c)(7) organizations. -- Enter:	<b>86a</b>	
<b>a</b> Initiation fees and capital contributions included on line 12	<b>86b</b>	
<b>b</b> Gross receipts, included on line 12, for public use of club facilities	<b>87a</b>	
<b>87</b> Section 501(c)(12) organizations. -- Enter: <b>a</b> Gross income from members or shareholders.	<b>87b</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>88</b> 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.	<b>88</b>	X
<b>89</b> Public interest law firms. -- Attach information described in the instructions.		
<b>90</b> List the states with which a copy of this return is filed <u>NONE</u>	Telephone no. <u>(718) 493-9250</u>	
<b>91</b> The books are in care of <u>ORGANIZATION</u>	ZIP code <u>11213</u>	
Located at <u>770 EASTERN PARKWAY BROOKLYN, NEW YORK</u>		
<b>92</b> Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041, U.S. Income Tax Return for Estates and Trusts. -- Check here <input type="checkbox"/>		
and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

Form 990 (1995)

**Part VII Analysis of Income-Producing Activities** (See instructions on pages 23-24.)

Enter gross amounts unless otherwise indicated.

93 Program service revenue:

a \_\_\_\_\_  
 b \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_  
 f \_\_\_\_\_

g Fees and contracts from govt. agencies . . .

94 Membership dues and assessments . . . . .

95 Interest on savings and temporary cash investments . . . . .

96 Dividends and interest from securities . . . . .

97 Net rental income or (loss) from real estate:

a debt-financed property . . . . .

b not debt-financed property . . . . .

98 Net rental income or (loss) from personal property . . . . .

99 Other investment income . . . . .

100 Gain or (loss) from sales of assets other than inventory . . . . .

101 Net income or (loss) from special events . . . . .

102 Gross profit/(loss) from sales of inventory . . . . .

103 Other revenue: a \_\_\_\_\_

b \_\_\_\_\_

c \_\_\_\_\_

d \_\_\_\_\_

e \_\_\_\_\_

104 Subtotal (add cols. (B), (D), &amp; (E)) . . . . .

105 Total (add line 104, columns (B), (D), and (E)). . . . .

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes**

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). (See instructions on page 24.)

▼

**Part IX Information Regarding Taxable Subsidiaries** (Complete this Part if "Yes" box on line 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
	%			
	%			
	%			
	%			

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. (See Specific Instructions, page 9.)

Please Sign Here ☒ Signature of officer Yehuda Krinsky Date 8/6/98 Type or print name and title. YEHUDA KRINSKY, Sec'yPaid Preparer's Use Only Preparer's signature Abraham D. Greisman Date 8/4/98 Check self-employment ☐ EIN ABRAHAM D. GREISMAN, CPA ZIP 1371 CARROLL STREET  
Firm's name (or yours if self-employed) and address BROOKLYN, NY

**SCHEDULE A  
(Form 990)**

**Organization Exempt Under Section 501(c)(3)**  
(Except Private Foundation) and Section 501(e), 501(f), 501(k), or  
Section 4947(a)(1) Nonexempt Charitable Trust  
**Supplementary Information**

OMB No. 1545-0047

**1995**

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

**MACHNE ISRAEL INC.**

Employer identification number

**11-6042675**

**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 empl. 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		

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 990 (or Form 990-EZ).

**Schedule A (Form 990) 1995**

Schedule A (Form 990) 1995

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**Part II** Statements About Activities

	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 ▶ \$ _____ 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>1</b>	X
<b>2</b> 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:		
<b>a</b> Sale, exchange, or leasing of property? . . . . .	<b>2a</b>	X
<b>b</b> Lending of money or other extension of credit? . . . . .	<b>2b</b>	X
<b>c</b> Furnishing of goods, services, or facilities? . . . . .	<b>2c</b>	X
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	<b>2d</b>	X
<b>e</b> Transfer of any part of its income or assets? . . . . . If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	<b>2e</b>	X
<b>3</b> Does the organization make grants for scholarships, fellowships, student loans, etc.? . . . .	<b>3</b>	X
<b>4</b> 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 5.)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: (a) 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, and (b) 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. 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.)



Schedule A (Form 990) 1995

Page 3

**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 begin. in) ▶	(a) 1994	(b) 1993	(c) 1992	(d) 1991	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) . . . . .	4,198,933.	3,133,694.	4,892,056.	6,207,949.	18,432,632.
<b>16</b> Membership fees received . . . . .					
<b>17</b> 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 . . . . .					
<b>18</b> 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 . . . . .	623,418.	422,580.	438,107.	602,821.	2,086,926.
<b>19</b> Net income from unrelated business activities not included in line 18 . . . . .					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .					
<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>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets . . . . .					
<b>23</b> Total of lines 15 through 22 . . . . .	4,822,351.	3,556,274.	5,330,163.	6,810,770.	20,519,558.
<b>24</b> Line 23 minus line 17 . . . . .	4,822,351.	3,556,274.	5,330,163.	6,810,770.	20,519,558.
<b>25</b> Enter 1% of line 23 . . . . .	48,224.	35,563.	53,302.	68,108.	
<b>26</b> Organizations described in lines 10 or 11: <b>a</b> Enter 2% of amount in column (e), line 24 . . . . . ▶					<b>26a</b> 410,391.
<b>b</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 1991 through 1994 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts . . . . . ▶					<b>26b</b> 830,518.
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e). . . . . ▶					<b>26c</b> \$ 20519558
<b>d</b> Add: Amounts from col. (e) for lines: <b>18</b> \$ 2,086,926. <b>19</b> \$ . . . . . ▶					<b>26d</b> \$ 2,917,444.
<b>e</b> Public support (line 26c minus line 26d total). . . . . ▶					<b>26e</b> \$ 17602114
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator)). . . . . ▶					<b>26f</b> 85.7821 %
<b>27</b> Organizations described on line 12: <b>a</b> 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: (1994) _____ (1993) _____ (1992) _____ (1991) _____					
<b>b</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: (1994) _____ (1993) _____ (1992) _____ (1991) _____					
<b>c</b> Add: Amounts from col. (e) for lines: <b>15</b> \$ _____ <b>16</b> \$ _____ <b>17</b> \$ _____ <b>20</b> \$ _____ <b>21</b> \$ _____ . . . . . ▶					<b>27c</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>f</b> Total support for section 509(a)(2) test: Enter amount on line 23, col. (e). ▶					<b>27f</b> \$ _____
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator)) . . . . . ▶					<b>27g</b> %
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)). ▶					<b>27h</b> %
<b>28</b> Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1991 through 1994, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and the 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 5.)					

**Part IV Private School Questionnaire (See instructions on page 5.)**  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statements in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....	<b>29</b>	
<b>30</b> 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? .....	<b>30</b>	
<b>31</b> 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? .....	<b>31</b>	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff? .....	<b>32a</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	<b>32b</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	<b>32c</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? .....	<b>32d</b>	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges? .....	<b>33a</b>	
<b>b</b> Admissions policies? .....	<b>33b</b>	
<b>c</b> Employment of faculty or administrative staff? .....	<b>33c</b>	
<b>d</b> Scholarships or other financial assistance? .....	<b>33d</b>	
<b>e</b> Educational policies? .....	<b>33e</b>	
<b>f</b> Use of facilities? .....	<b>33f</b>	
<b>g</b> Athletic programs? .....	<b>33g</b>	
<b>h</b> Other extracurricular activities? .....	<b>33h</b>	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency? .....	<b>34a</b>	
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? .....	<b>34b</b>	
If you answered "Yes" to either 34a or b, please explain using an attached statement.		
<b>35</b> 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. ....	<b>35</b>	

Schedule A (Form 990) 1995

Page 5

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions on page 5.)  
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

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
<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 --			
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 . . . . .	<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>	0 . 0 .
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .		<b>44</b>	0 . 0 .

**Caution:** If there is an amount on either line 43 or line 44, 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) 1995	(b) 1994	(c) 1993	(d) 1992	(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 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:	Yes	No	Amount
<b>a</b> Volunteers . . . . .			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .			
<b>c</b> Media advertisements . . . . .			
<b>d</b> Mailings to members, legislators, or the public . . . . .			
<b>e</b> Publications, or published or broadcast statements . . . . .			
<b>f</b> Grants to other organizations for lobbying purposes . . . . .			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .			
<b>i</b> Total lobbying expenditures (add lines c through h) . . . . .			

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

**Part VII** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

**51** Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

**a Transfers from the reporting organization to a noncharitable exempt organization of:**

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

(i) Cash .....

(ii) Other assets.....

**b Other transactions:**

(l) Sales of assets to a noncharitable exempt organization . . . . .

**(II) Purchases of assets from a noncharitable exempt organization . . . . .**

(iii) Rental of facilities or equipment . . . . .

(iv) Reimbursement arrangements . . . . .

(v) Loans or loan guarantees, . . . . .

(vi) Performance of services or membership or fundraising solicitations. . . . .

**C Sharing of facilities, equipment, mailing lists, other assets, or paid employees . . . . .**

**d** If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

[illegible]

**52a** Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

**b** If "Yes," complete the following schedule:

[illegible]

## Supporting Schedules - 1995

Page: 1

Company: MACHNE ISRAEL INC.

EIN: 11-6042675

\*\*\*\*\*

Form 990 - Exempt Organization Tax Return

Part II - Line 22 - Grants and Allocations - Cash

Class of Activity	Name and Address	Amount	Relationship
NON PROFIT ORG	MERKOS L'INYONEI CHINUCH	1,564,980.	
NEEDY INDIVIDUALS	VARIOUS	590,445.	
EXEMPT ACTIVITIES	VARIOUS NON PROFIT ENTITI	1,072,201.	
NON PROFIT ORG	MACHNE ISRAEL - PHIL	289,000.	
NON PROFIT ORG	VARIOUS	552,710.	
TOTAL		4,069,336	

Form 990 - Exempt Organization Tax Return

Line 43 - Other Expenses

Description	(A) Total	(B) Program Services	(C) Mgmt. & General	(D) Fund-raising
SERVICE CHARGES	4,613.		4,613.	
ADVERTISING	53,587.	48,587.	5,000.	
FUNDRAISING EXPENSES	-562.			-562.
SECURITY	2,125.		2,125.	
OTHER FEES	38,016.		38,016.	
OTHER	1,749.	1,749.		
TOTAL	99,528.	50,336.	49,754.	-562.

Form 990 - Part IV - Balance Sheets

Line 54 - Investments - Securities

Description	Amount
TOFUTTI BRANDS	1,392,554.
CHEBRO INC.	501.
ALEX BROWN - SECURITIES	323,637.
MERRILL LYNCH - SECURITIES	1,033,843.
STATE OF ISRAEL BONDS	9,000.
IBM	10,000.
AM BRANDS	500.

Continued on Page 2

## Supporting Schedules - 1995

Page: 2

Company: MACHNE ISRAEL INC.

EIN: 11-6042675

\*\*\*\*\*

GP FINANCIAL	331,635.
SMITH BARNEY - SECURITIES	1,693,467.
	-----
TOTAL	4,795,137.
	=====

Form 990 - Part IV - Balance Sheets  
Line 58 - Other Assets

Description	Amount
-----	-----
MORTGAGE RECEIVABLE	105,000.
LOANS AND EXCHANGES	94,719.
PREPAID P/R TAXES	6,793.
	-----
TOTAL	206,512.
	=====

Form 990 - Part IV - Balance Sheets  
Line 65 - Other Liabilities

Description	Amount
-----	-----
ESCROW DEPOSITS	38,354.
EXCHANGE ITEMS	10,345.
DUE TO MACHNE ISRAEL RELIG/COR	415,000.
	-----
TOTAL	463,699.
	=====

Notes  
MACHNE ISRAEL INC.

1995  
11-6042675

-----  
Note # 1 - CAPITAL GAINS

CAPITAL GAINS ON SALE OF SECURITIES LINE 8C

---

SEE SCHEDULES ATTACHED                      \$ 44,252.

MACHINE ISRAEL INC  
ALEX BROWN  
8/31/96

41

		(1)	(2)	(3)	(4)	(5)	(6)
		ACQUIRED	COST	SOLD	SALES	GAIN	
1	100 SHRS NETWORK	11/27/95	1350-	11/27/95	200950		1
2	500 ^ BOSTON BEER	11/27/95	10000-	11/28/95	1467150		2
3	200 ^ CAPMAC	12/19/95	4000-	12/22/95	412308		3
4	400 ^ TECHFORCE	12/19/95	4400-	3/13/96	4397-		4
5	5000 ^ INFO STORAGE	12/21/95	46253-	12/22/95	49372-		5
6	1500 ^ WORLD FUEL	1/9/96	256988	3/25/96	2515865		6
7	2000 ^ KINETIC CON	1/30/96	20500-	2/1/96	22127-		7
8	2000 ^ ELECTRONIC FILM	2/8/96	1415326	3/25/96	14547-		8
9	150 ^ DOCUMENTUM	2/9/96	3600-	2/12/96	418449		9
10	200 ^ RAPTOR	2/12/96	3000-	2/12/96	4697-		10
11	100 ^ PRISM	3/20/96	1700-	3/20/96	2447-		11
12	200 ^ XEIKON	3/22/96	3000-	3/25/96	4047-		12
13	2200 ^ LOGAL ED	3/25/96	1826886	5/17/96	48202-		13
14	2500 ^ CIMATRON	3/26/96	1837950	4/3/96	17872-		14
15	200 ^ NONXGROUP	3/26/96	3000-	3/27/96	3597-		15
16	200 ^ INTEL MED	3/27/96	2200-	3/27/96	233204		16
17	300 ^ SECURE	4/2/96	5400-	4/3/96	6012-		17
18	5000 ^ TADRIAN	4/3/96	75000-	4/11/96	69947-		18
19	100 ^ YAHOO	4/17/96	1300-	4/17/96	308232		19
20	100 ^ OUTDOOR	4/29/96	1500-	4/30/96	203732		20
21	100 ^ HEARTBEAT	5/1/96	2100-	5/1/96	350132		21
22	100 ^ 12 TECH	5/1/96	2000	5/1/96	374777		22
23	500 ^ PAPA JOHN'S	5/7/96	23625-	5/17/96	2505225		23
24	3000 ^ TECHNOMATIX	5/17/96	54750-	5/17/96	6140506		24
25	3000 ^ HEALTH CARE	5/22/96	66000-	6/11/96	6393986		25
26	100 ^ OPEN MARKET	5/28/96	1800-	5/29/96	372312		26
27	1000 ^ PACIFIC GULF	5/30/96	16375-	6/5/96	1643645		27
28			46116450		48266873	2150423	28
29							29
30							30
31							31
32							32



Initials	Date
Prepared By	7/27/96
Approved By	

MACHINE ISRAEL INC.

MERRILL LYNCH WCM

8/31/96

2/2

		(1)	(2)	(3)	(4)	(5)	(6)
		ACQUIRED	COST	OLD	SALES	GAIN	DIVIDENDS
3000 SHRS	EXXON	3/13/96	244710-	3/28/96	24878170		
2000	EXXON	3/14/96	158200	3/29/96	16785440		CMR 455579
2500	GNL DYNAM	3/5/96	15056750	5/3/96	15731975		INV 888875
			55347750		57395585	2047835	1344454
						50	80
PORTFOLIO							
2000	AT&T	4/11/96	121140-				
1500	FRONTIER	4/25/96	45855-				
1000	LOEWS	3/1/96	84820-				
800		3/13/96	66956-				
400		3/13/96	33478-				
300		3/13/96	2510850				
1000		3/27/96	76600-				
1000		4/4/96	75600-				
1500		5/8/96	1126025-				
600	Pfizer	3/29/96	41148-				
400		3/29/96	27432-				
100	Revlon	3/5/96	2400-				
3000	GTE Rochester	3/5/96	68835-				
3000		3/11/96	68835-				
2000	Sheffield	3/13/96	11140-				
3000		3/29/96	16710-				
700	World Fuel	3/29/96	1186150				
100		3/29/96	107750 69221850				

**Sch. A-1 - Increases/Decreases on Sales**

12/1/94 Through 8/31/95

Page 1

Security	Shares	Bought	Sold	Sales Price	Cost Basis	Gain/Loss
<b>Machne Smith Barney</b>						
SB Machne Money Funds	88,016.75	12/30/94	1/29/95	88,016.75	88,016.75	0.00
ICN Pharm 7/15/98	7,000	1/23/95	4/28/95	7,000.00	7,395.28	-395.28
ICN Pharm 7/15/98	5,000	1/23/95	4/28/95	5,000.00	5,237.50	-237.50
SB Machne Money Funds	11,983.25	12/30/94	5/9/95	11,983.25	11,983.25	0.00
SB Machne Money Funds	186.61	1/29/95	5/9/95	186.61	186.61	0.00
SB Machne Money Funds	103.84	2/10/95	5/9/95	103.84	103.84	0.00
SB Machne Money Funds	52.46	3/10/95	5/9/95	52.46	52.46	0.00
SB Machne Money Funds	66.1	4/28/95	5/9/95	66.10	66.10	0.00
SB Machne Money Funds	4,761.18	5/9/95	5/9/95	4,761.18	4,761.18	0.00
SB Machne Money Funds	3,211.24	5/9/95	5/9/95	3,211.24	3,211.24	0.00
SB Machne Money Funds	1,070.77	5/9/95	5/9/95	1,070.77	1,070.77	0.00
<b>TOTAL ...</b>				<b>121,452.20</b>	<b>122,084.98</b>	<b>-632.78</b>

## Sch. A-1 - Increases/Decreases on Sales

9/1/95 Through 8/31/96

Page 1

Security	Shares	Bought	Sold	Sales Price	Cost Basis	Gain/Loss
Machne Smith Barney						
ICN Pharm 7/15/98	22,000	1/23/95	10/13/95	22,000.00	23,044.98	-1,044.98
SB Machne Money Funds	4,198.85	5/9/95	11/29/95	4,198.85	4,198.85	0.00
SB Machne Money Funds	57.31	5/9/95	11/29/95	57.31	57.31	0.00
SB Machne Money Funds	18.2	6/9/95	11/29/95	18.20	18.20	0.00
SB Machne Money Funds	3,090	7/17/95	11/29/95	3,090.00	3,090.00	0.00
SB Machne Money Funds	22.62	7/17/95	11/29/95	22.62	22.62	0.00
SB Machne Money Funds	800	8/1/95	11/29/95	800.00	800.00	0.00
SB Machne Money Funds	30.84	8/1/95	11/29/95	30.84	30.84	0.00
SB Machne Money Funds	33.36	9/8/95	11/29/95	33.36	33.36	0.00
SB Machne Money Funds	22,692.39	10/13/95	11/29/95	22,692.39	22,692.39	0.00
SB Machne Money Funds	41.65	10/13/95	11/29/95	41.65	41.65	0.00
SB Machne Money Funds	800	11/1/95	11/29/95	800.00	800.00	0.00
SB Machne Money Funds	192.88	11/1/95	11/29/95	192.88	192.88	0.00
SB Machne Money Funds	58,723.9	11/1/95	11/29/95	58,723.90	58,723.90	0.00
SB Machne Money Funds	41,276.1	11/1/95	12/26/95	41,276.10	41,276.10	0.00
SB Machne Money Funds	67,648.4	12/20/95	12/26/95	67,648.40	67,648.40	0.00
ICN Pharm 7/15/98	6,000	1/23/95	12/29/95	6,000.00	6,284.99	-284.99
ICN Pharm 7/15/98	16,000	5/5/95	12/29/95	16,000.00	17,153.44	-1,153.44
ICN Pharm 7/15/98	3,000	5/5/95	12/29/95	3,000.00	3,211.24	-211.24
ICN Pharm 7/15/98	1,000	5/9/95	12/29/95	1,000.00	1,070.77	-70.77
SB Machne Money Funds	105,454.17	12/20/95	1/2/96	105,454.17	105,454.17	0.00
SB Machne Money Funds	26,897.43	12/20/95	1/2/96	26,897.43	26,897.43	0.00
SB Machne Money Funds	728.44	12/26/95	1/2/96	728.44	728.44	0.00
SB Machne Money Funds	41,505.74	1/2/96	1/2/96	41,505.74	41,505.74	0.00
SB Machne Money Funds	103,623.44	1/2/96	1/8/96	103,623.44	103,623.44	0.00
SB Machne Money Funds	8,621.5	1/2/96	1/22/96	8,621.50	8,621.50	0.00
SB Machne Money Funds	20,111.5	1/2/96	1/22/96	20,111.50	20,111.50	0.00
SB Machne Money Funds	3,662.79	1/2/96	3/19/96	3,662.79	3,662.79	0.00
SB Machne Money Funds	258.35	1/22/96	3/19/96	258.35	258.35	0.00
SB Machne Money Funds	1,572.5	2/6/96	3/19/96	1,572.50	1,572.50	0.00
SB Machne Money Funds	5,765	2/6/96	3/19/96	5,765.00	5,765.00	0.00
SB Machne Money Funds	240	2/6/96	3/19/96	240.00	240.00	0.00
SB Machne Money Funds	51.39	2/6/96	3/19/96	51.39	51.39	0.00
SB Machne Money Funds	2.8	2/27/96	3/19/96	2.80	2.80	0.00
SB Machne Money Funds	3,719.5	3/4/96	3/19/96	3,719.50	3,719.50	0.00
TWA Common	192	2/6/96	6/18/96	3,875.73	0.00	3,875.73
SB Machne Money Funds	4,280.5	3/4/96	7/19/96	4,280.50	4,280.50	0.00
SB Machne Money Funds	520	3/18/96	7/19/96	520.00	520.00	0.00
SB Machne Money Funds	42.89	3/19/96	7/19/96	42.89	42.89	0.00
SB Machne Money Funds	39.79	4/12/96	7/19/96	39.79	39.79	0.00
SB Machne Money Funds	2,538.75	5/2/96	7/19/96	2,538.75	2,538.75	0.00
SB Machne Money Funds	280	5/16/96	7/19/96	280.00	280.00	0.00
SB Machne Money Funds	240	5/23/96	7/19/96	240.00	240.00	0.00
SB Machne Money Funds	21.06	5/23/96	7/19/96	21.06	21.06	0.00
SB Machne Money Funds	520	6/18/96	7/19/96	520.00	520.00	0.00
SB Machne Money Funds	3,875.73	6/18/96	7/19/96	3,875.73	3,875.73	0.00
SB Machne Money Funds	35.57	6/18/96	7/19/96	35.57	35.57	0.00
SB Machne Money Funds	228,367.42	7/16/96	7/19/96	228,367.42	228,367.42	0.00
TWA Inc	30,000	12/26/95	7/23/96	29,246.00	27,454.00	1,792.00
SB Machne Money Funds	28,490.12	7/16/96	7/25/96	28,490.12	28,490.12	0.00
SB Machne Money Funds	93,142.46	7/16/96	7/25/96	93,142.46	93,142.46	0.00
SB Machne Money Funds	8,738.97	7/24/96	7/25/96	8,738.97	8,738.97	0.00
SB Machne Money Funds	20,507.03	7/24/96	8/13/96	20,507.03	20,507.03	0.00
SB Machne Money Funds	43.74	7/25/96	8/13/96	43.74	43.74	0.00
SB Machne Money Funds	543.23	8/2/96	8/13/96	543.23	543.23	0.00

**Sch. A-1 - Increases/Decreases on Sales**

9/1/95 Through 8/31/96

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Security	Shares	Bought	Sold	Sales Price	Cost Basis	Gain/Loss
SB Machne Money Funds	1,401.77	8/2/96	8/29/96	1,401.77	1,401.77	0.00
SB Machne Money Funds	1,800	8/7/96	8/29/96	1,800.00	1,800.00	0.00
SB Machne Money Funds	6,605	8/16/96	8/29/96	6,605.00	6,605.00	0.00
SB Machne Money Funds	270	8/23/96	8/29/96	270.00	270.00	0.00
SB Machne Money Funds	398.04	8/28/96	8/29/96	398.04	398.04	0.00
<b>TOTAL ...</b>				<b>1,005,664.85</b>	<b>1,002,762.54</b>	<b>2,902.31</b>

*Abraham D. Greisman*  
*Certified Public Accountant*  
*1371 Carroll Street*  
*Brooklyn, New York 11213*

718/773-3028 FAX 718/773-3074

August 4, 1998

Internal Revenue Service  
Ogden, Utah 84201

RE: Machne Israel Inc.  
# 11-6042675

Gentlemen:

Please excuse the late filing of the accompanying 990 return, y/e 8/31/96, and abate any penalties that might be assessed against the organization. The organization has been a tax exempt entity for over 47 years and tax returns were filed for all years.

On March 2, 1992 the late Lubavitcher Rebbe, Rabbi M. Schneerson O.B.M., president of the organization, suffered a stroke and ultimately passed away on June 3, 1994. The Rebbe's office and adjoining offices and rooms were converted into a mini-hospital to support the Rebbe's care. The entire attention of the Rebbe's staff and organization personnel was primarily focused to the Rebbe's well being and medical care. As a result, the office operations and accounting duties were disrupted and delayed. In consideration of the above circumstances, we respectfully request that you abate any penalties against the organization.

Very truly yours,

*Abraham D. Greisman*

Abraham D. Greisman