

Operation HEAL, Inc.

Guidelines for Financial Assistance

A. Operation HEAL, Inc., will make short-term, zero-interest, loans, monetary grants or provide other assistance, within our current abilities, to all qualified Veterans and Military Service Members who have served in a combat zone (CZ) or other qualified hazardous duty area (QHDA) who demonstrate a need consistent with our mission statement.

B. Our primary goal is to provide stop-gap assistance to United States veterans and service members who experience unforeseeable, temporary and undue hardship for reasons generally beyond their control. The veterans' or service members' needs would generally arise from unreasonable gaps in the receipt of pay or benefits justly due the veteran or service member as a direct result of his or her service to the United States.

C. In order to serve as many United States veterans and service members as possible, Operation HEAL, Inc., is not intended to be a long-term source of income or services to any individual. Qualified persons having repetitive financial hardships or a need for ongoing services will be referred to an appropriate agency for such challenges.

D. We will not discriminate among veterans or service members on the basis of age, gender, religious preference, race, sexual orientation or ethnicity. Our decision to provide any form of assistance is strictly based upon the needs of the qualified individual and his/her immediate family and our ability to extend the assistance.

In order to receive we will ask the following from each of our applicants:

1. You must be an Honorably Discharged (or it's equivalent) veteran of the United States Military or, be a current member of The United States Military who has served in a CZ or QHDA. You must be able to provide proof of same at the time of application. (See below.)
2. You must be willing to provide Operation Heal, Inc., with reasonable information sufficient to establish your identity, your domicile and, the reason for and nature of, your need. (The Application For Loan) Be willing to sign a release of information to allow the Financial Outreach Committee of Operation HEAL, Inc., to obtain additional information necessary to verify financial need and/or medical condition.
3. You must in good faith be willing and agree to repay any loan extended to you in a reasonable period of time when your financial situation has improved or, when the reason for the financial need has been corrected by your branch of military affiliation, Department of Veterans Affairs or by your own personal fortitude.
4. You should be willing to advise the Financial Outreach Committee of any substantial changes in your domicile and circumstances which might have an effect upon your ability to repay your loan. Operation HEAL, Inc., reserves the right to request reasonable repayment if the Financial Outreach Committee concludes that the applicant has an ability to make full or partial repayment.

How does Operation HEAL, Inc., determine need?

1. First we will look at the information you have provided including the evidence establishing you to be a qualified veteran or service member. We will then look

at those circumstances which lead to your application for assistance, such as:

- a. Military transition pay issues
 - b. Awaiting VA benefits
 - c. Extraordinary unforeseen life events
 - d. Size and composition of family ¹
 - e. Special medical needs
2. If you are a qualified veteran or service member and your need is bonafide, we will then attempt to verify your pay or benefit challenge. We will also evaluate the likely length of time before the issue can be resolved.
3. With a qualified applicant and a verified need we will then determine if the type of service or amount requested is reasonable. If so, we will issue a loan (or contact a service provider) with an agreed upon term and projected repayment date.

What if I can't repay the loan?

1. We will work with the veteran or service member to modify the repayment plan or, in some cases, completely forgive the loan. In either case, the veteran or service member must contact us before the loan's default date. If we are not contacted by the veteran or service member before the default date, we may send him or her a form 1099 misc., showing the amount received by the veteran or service member from Operation HEAL, Inc., as taxable income. At this time it is unclear whether or not we will have to impute a fair interest rate in accordance with the Internal Revenue Code and add imputed interest to amount of the loan.
2. In situations where our complete recovery of the loan would place the veteran, service member or their

family in dire straights, we will consider forgiveness or cancellation of the debt. This resolution will not be automatic. The veteran or service member (or their duly authorized representative) will need to contact us to request the particular relief sought.

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2005 HHS Poverty Guidelines

Persons in Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 9,570	\$11,950	\$11,010
2	12,830	16,030	14,760
3	16,090	20,110	18,510
4	19,350	24,190	22,260
5	22,610	28,270	26,010
6	25,870	32,350	29,760
7	29,130	36,430	33,510
8	32,390	40,510	37,260
For each additional person, add	3,260	4,080	3,750

SOURCE: *Federal Register*, Vol. 70, No. 33, February 18, 2005, pp. 8373-8375.