



JOHNSON EUBANK & COMPANY PA

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April 7, 2008

The Board of Officers and Executive Committee
APCO International, Inc.
351 N. Williamson Blvd.
Daytona Beach, Florida 32114

APCO Tax Status Conversion and Combined Group Reorganization

Ladies and Gentlemen:

I have reviewed the letter dated March 31, 2008, from Jacqueline A. Henson, Esquire, special tax and corporate counsel, regarding advise with respect to the proposed conversion of APCO International from a Section 501(c)(6) organization to a Section 501(c)(3) organization and then the proposed merger of APCO Institute, APCO AFC and the Heritage Foundation into APCO International and I agree completely with her recommendation to implement this proposal.

Over the past few years in my role as auditor, tax consultant and most recently as the outsourced controller for APCO, I have had the opportunity to have various discussions with members of management regarding the issues of the current structure for the APCO group and the practical advantages of combining the operations into one legal structure all with the same Section 501(c)(3) tax designation. This is for all practicable purposes the manner in which the organization has been operating in recent years but with the additional administrative burdens of separate legal entities with separate financial reporting and IRS tax filings.

Under generally accepted accounting principles, all of the separate entities are required to prepare combined financial statements for financial reporting as a result of the common control with the same board members, management and staff and the related nature of the financial operations. The financing compliance requirements were also recently clarified by the bank indicating that operations would be evaluated for compliance on a consolidated financial basis of all entities. The actual reorganization of the group into one legal entity will facilitate these requirements and general operations on a more direct and efficient basis.

This reorganization can also be done while maintaining all of the necessary financial accountability of each operating division through the maintenance of separate operating accounts within the general ledger so that the necessary financial reporting and management data for the divisions continues to be available. This reorganization will actually simplify the accounting and tax reporting process which will yield significant savings in overall administrative expenses.



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As for the ability of APCO International to meet the requirements of a 501(c)(3) organization, I have reviewed the specific items mentioned in Ms Henson's letter pertaining to questions regarding two elements of the public support test and find no current indications of any reasons that these requirements can not be satisfied by the operations of APCO International as well as for the combined reorganized group.

I totally support the proposed recommendations for the conversion of APCO International into a 501(c)(3) organization and the reorganization of the separate entities into one group of combined operating divisions as one association - APCO International, Inc.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert L. Johnson', written in a cursive style.

Robert L. Johnson, CPA