

Form **990-PF**

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

OMB No 1545 0052

2001

Department of the Treasury
Internal Revenue Service

Note The organization may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2001, or tax year beginning 03/01/01, 2001, and ending 02/28/02

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label Otherwise, print or type See Specific Instructions

Name of organization: **THE C O U Q FOUNDATION, INC**

Employer identification number: **13-3996471**

Number and street (or P O box number if mail is not delivered to street address): **C/O GEORGE V DELSON ASSOCIATES, 110 EAST 59TH ST.**

Room/suite: _____

Telephone number (see page 10 of the instructions): _____

City or town, state, and ZIP code: **NEW YORK, NY 10022**

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16): **12,573,103**

J Accounting method: Cash Accrual
 Other (specify) _____
 (Part I, column (d) must be on cash basis)

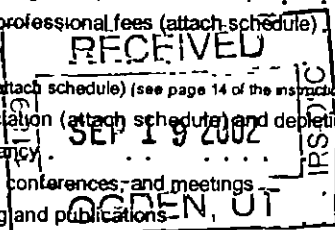
C If exemption application is pending check here

D 1 Foreign organizations check here
 2 Foreign organizations meeting the 85% test check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A) check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc. received (attach schedule). Check <input type="checkbox"/> if the foundation is not required to attach Sch B	32			
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments	39,223	39,223		
	4 Dividends and interest from securities	219,790	219,790		
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain or (loss) from sale of assets not on line 10	13,101,951			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		13,101,951		
	8 Net short-term capital gain			13,168,397	
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	13,360,996	13,360,964	13,168,397		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	1,962			1,962
	b Accounting fees (attach schedule)	4,332			4,332
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	253			
	19 Depreciation (attach schedule) and depletion	600			
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ST 2	50,809			50,809
	24 Total operating and administrative expenses. Add lines 13 through 23	57,956			57,103
	25 Contributions, gifts, grants paid	845,000			845,000
26 Total expenses and disbursements. Add lines 24 and 25	902,956	0	0	902,103	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	12,458,040				
b Net investment income (if negative, enter -0-)		13,360,964			
c Adjusted net income (if negative, enter -0-)			13,168,397		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	2,144	14,811	14,811		
	2	Savings and temporary cash investments	79	12,307,404	12,307,404		
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶					
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)					
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10 a	Investments - U.S. and state government obligations (attach schedule)					
	b	Investments - corporate stock (attach schedule)	111,329				
	c	Investments - corporate bonds (attach schedule)					
	11	Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶					
	12	Investments - mortgage loans					
	13	Investments - other (attach schedule)					
	14	Land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶	2,988	888	888		
15	Other assets (describe ▶ <u>Property rights</u>)	1,498	250,000	250,000			
16	Total assets (to be completed by all filers - see page 16 of the instructions. Also, see page 1, item I)	115,050	12,573,103	12,573,103			
Liabilities	17	Accounts payable and accrued expenses					
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable (attach schedule)					
	22	Other liabilities (describe ▶)					
	23	Total liabilities (add lines 17 through 22)					
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31						
	24	Unrestricted					
	25	Temporarily restricted					
	26	Permanently restricted					
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31 ▶ <input checked="" type="checkbox"/>						
	27	Capital stock, trust principal, or current funds					
	28	Paid-in or capital surplus, or land, bldg. and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds	115,050	12,573,103	12,573,103			
30	Total net assets or fund balances (see page 17 of the instructions)	115,050	12,573,103	12,573,103			
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	115,050	12,573,103	12,573,103			

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	115,050
2	Enter amount from Part I, line 27a	2	12,458,040
3	Other increases not included in line 2 (itemize) ▶ <u>Rounding</u>	3	13
4	Add lines 1, 2, and 3	4	12,573,103
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	12,573,103

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock 200 shs MLC Co.)		(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a Statement 3				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	13,101,951
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	}		3	13,168,397

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . . Yes No
 If "Yes," the organization does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2000	183,255	208,595	0.878521
1999	153,695	307,635	0.499602
1998	54,655	6,642	8.228697
1997			
1996			
2 Total of line 1, column (d)			2 9,606,820
3 Average distribution ratio for the 5-year base period-divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 3,202,273
4 Enter the net value of noncharitable-use assets for 2001 from Part X, line 5			4 7,498,097
5 Multiply line 4 by line 3			5 24,010,954
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 133,610
7 Add lines 5 and 6			7 24,144,564
8 Enter qualifying distributions from Part XII, line 4			8 902,103

If line 8 is equal to or greater than line 7, check the box in Part VI line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling letter _____ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	267,219
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	
3	Add lines 1 and 2	3	267,219
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	267,219
6	Credits/Payments		
a	2001 estimated tax payments and 2000 overpayment credited to 2001	6a	
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	89
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	89
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	6,609
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	273,739
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2002 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1 a		X
b		X
c		X
2		X
3		X
4 a		X
4 b	N	A
5		X
6	X	
7	X	
8 a		
8 b	X	
9		X
10	X	
11	X	

1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? 1a

1 b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? 1b
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities

1 c Did the organization file Form 1120-POL for this year? 1c

2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year
(1) On the organization \$ (2) On organization managers \$

3 Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers \$

2 Has the organization engaged in any activities that have not previously been reported to the IRS?
If "Yes," attach a detailed description of the activities

3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes 3

4 a Did the organization have unrelated business gross income of \$1,000 or more during the year? 4a

4 b If "Yes," has it filed a tax return on Form 990-T for this year? 4b

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
If "Yes," attach the statement required by General Instruction T

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:
• By language in the governing instrument or
• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 6

7 Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV

8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) New York

8 b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation 8b

9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2001 or the taxable year beginning in 2001 (see instructions for Part XIV on page 25)? If "Yes," complete Part XIV 9

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses 10

11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? 11
Web site address _____

12 The books are in care of George V. Delson Associates Telephone no (212) 909-9680
Located at 110 East 59th Street, New York, NY ZIP+4 10022

13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here
and enter the amount of tax-exempt interest received or accrued during the year 13

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies

- 1 a During the year did the organization (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance...
c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2001?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2001, did the organization have any undistributed income...
b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2)...
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3 a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2001 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period...
4 a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2001?
5 a During the year did the organization pay or incur any amount to
(1) Carry on propaganda, or otherwise attempt to influence legislation...
(2) Influence the outcome of any specific public election...
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes...
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance...
c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant?
6 a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

Table with columns: Yes, No. Rows corresponding to questions 1a, 1b, 1c, 2a, 2b, 2c, 3a, 3b, 4a, 4b, 5a, 5b, 5c, 6a, 6b. Contains 'N', 'A', and 'X' marks.

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions)

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Jeffrey Epstein 6100 Red Hook Quarter, St Thomas VI	Pres/Dir One Hour	0	0	0
Darren K Indyke 457 Madison Avenue, New York, NY	V Pres/Dir One Hour	0	0	0
Ghislaine Maxwell c/o Delson Asso., 110 E 59th St NY, NY	Treas/Dir One Hour	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 21 of the instructions) If 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 employee benefit plans and deferred compensation	(e) Expense account other allowances
NONE				

Total number of other employees paid over \$50,000 0

3 Five highest-paid independent contractors for professional services - (see page 21 of the instructions) If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 ----- -----	
2 ----- -----	
All other program-related investments See page 22 of the instructions	
3 ----- -----	
Total Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part Foreign foundations, see page 22 of the instructions)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1a	1,366,729
b Average of monthly cash balances	1b	6,162,219
c Fair market value of all other assets (see page 22 of the instructions)	1c	83,333
d Total (add lines 1a, b, and c)	1d	7,612,281
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	7,612,281
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	4	114,184
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	7,498,097
6 Minimum investment return. Enter 5% of line 5	6	374,905

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1 Minimum investment return from Part X, line 6	1	374,905
2a Tax on investment income for 2001 from Part VI, line 5	2a	267,219
b Income tax for 2001 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	267,219
3 Distributable amount before adjustments Subtract line 2c from line 1	3	107,686
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	
5 Add lines 3 and 4c	5	107,686
6 Deduction from distributable amount (see page 23 of the instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	107,686

Part XII Qualifying Distributions (see page 23 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	902,103
b Program-related investments - Total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8 and Part XII, line 4	4	902,103
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	
6 Adjusted qualifying distributions Subtract line 5 from line 4	6	902,103

Note The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2000	(c) 2000	(d) 2001
1 Distributable amount for 2001 from Part XI, line 7				107,686
2 Undistributed income if any as of the end of 2000				
a Enter amount for 2000 only			0	
b Total for prior years		0		
3 Excess distributions carryover, if any, to 2001				
a From 1996				
b From 1997				
c From 1998				54,323
d From 1999				138,485
e From 2000				172,914
f Total of lines 3a through e		365,722		
4 Qualifying distributions for 2001 from Part XII, line 4				902,103
a Applied to 2000, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required - see page 24 of the instructions)		0		
c Treated as distributions out of corpus (Election required - see page 24 of the instructions)	0			
d Applied to 2001 distributable amount				107,686
e Remaining amount distributed out of corpus	794,417			
5 Excess distributions carryover applied to 2001 (if an amount appears in column (d), the same amount must be shown in column (a))				0
6 Enter the net total of each column as indicated below				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,160,139			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b Taxable amount - see page 25 of the instructions		0		
e Undistributed income for 2000 Subtract line 4a from line 2a Taxable amount - see page 25 of the instructions			0	
f Undistributed income for 2001 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2002				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	0			
8 Excess distributions carryover from 1996 not applied on line 5 or line 7 (see page 25 of the instructions)	0			
9 Excess distributions carryover to 2002 Subtract lines 7 and 8 from line 6a	1,160,139			
10 Analysis of line 9				
a Excess from 1997				
b Excess from 1998				54,323
c Excess from 1999				138,485
d Excess from 2000				172,914
e Excess from 2001				794,417

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9)

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2001, enter the date of the ruling ▶

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test. Enter 2/3 of minimum investment return shown in Part X line 6 for each year listed					
c "Support" alternative test enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)) or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(ii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 26 of the instructions)

1 Information Regarding Foundation Managers

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

Jeffrey E Epstein

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc , Programs

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c and d

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> Statement 4				
Total			▶ 3a	845,000
b <i>Approved for future payment</i> None				
Total			▶ 3b	0

THE C.O.U.Q. FOUNDATION, INC.

STATEMENT 1

13-3996471

FORM 990-PF - Y/E 2/28/02

Part I, Line 1 and Part VII-A, Line 10

Contributions Received

From Leslie H Wexner, as Grantor of
The Wexner Children's Trust
6525 West Campus Oval, Suite 105
New Albany, OH 43054

600,000 shares of Too, Inc common stock having a market value of
\$11,205,000 at date of gift recorded on the Foundation's books at the
donor's basis

THE C.O.U.Q. FOUNDATION
13-3996471
FORM 990-PF - Y/E 2/28/02

STATEMENT 2

PART I, LINE 23

OTHER EXPENSES

Bank Charges	85
Consulting & Research	50,000
Filing Fees	419
Office Expense	<u>305</u>
Total	<u><u>50,809</u></u>

THE C.O.U.Q. FOUNDATION, INC.
13-3996471
FORM 990-PF - Y/E 2/28/02

STATEMENT 3

PART IV. CAPITAL GAINS AND LOSSES

Number of Shares	Description	How Acquired	Date Acquired	Date Sold	Sales Price	Cost	Gain (Loss)
2,000	Too, Inc	D	4/23/01	4/22/01	38,939	1	38,938
23,000	Too, Inc	D	4/23/01	4/27/01	444,802	2	444,800
3,200	Too, Inc	D	4/23/01	5/2/01	63,901	1	63,900
50,000	Too, Inc	D	4/23/01	5/8/01	932,799	3	932,796
15,700	Too, Inc	D	4/23/01	5/10/01	297,830	2	297,828
18,800	Too, Inc	D	4/23/01	5/10/01	353,692	3	353,689
70,000	Too, Inc	D	4/23/01	5/16/01	1,333,687	3	1,333,684
17,300	Too, Inc	D	4/23/01	5/17/01	365,487	2	365,485
2,100	AT&T	P	6/8/99	5/21/01	44,883	111,329	-66,446
100,000	Too, Inc	D	4/23/01	5/24/01	2,433,051	5	2,433,046
143,600	Too, Inc	D	4/23/01	5/31/01	3,321,141	5	3,321,136
136,200	Too, Inc	D	4/23/01	6/6/01	3,583,100	5	3,583,095
					<u>13,213,312</u>	<u>111,361</u>	<u>13,101,951</u>

THE C.O.U.Q. FOUNDATION, INC..
13-3996471
FORM 990-PF Y/E 2/28/02

STATEMENT 4

PART I, LINE 25 AND PART LINE 3
CONTRIBUTIONS PAID

UNRESTRICTED

6/11/01	University of Maryland	50,000
6/15/01	Institute of Advanced Study	400,000
6/21/01	Nelson Mandela Children's Fund	50,000
7/27/01	UNM Foundation	100,000
8/24/01	Edge Foundation	25,000
10/2/01	Ackerman Institute for the Family	10,000
10/9/01	The Prize for Promise	50,000
10/9/01	New York University School of Medicine	10,000
12/20/01	Harvard University	125,000
2/28/01	The Prize for Promise	25,000
		<u>845,000</u>

Form 8868

(December 2000)

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

Department of the Treasury Internal Revenue Service

File a separate application for each return

If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box [X]

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form)

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only []

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Table with 3 columns: Type or print, Name of Exempt Organization, Employer Identification number. Includes address: THE C.O.U.Q. FOUNDATION, INC., 110 EAST 59TH STREET, NEW YORK, NY 10022

Check type of return to be filed (file a separate application for each return)

- Form 990, Form 990-BL, Form 990-EZ, Form 990-PF, Form 990-T (corporation), Form 990-T(sec 401(a) or 408(a) trust), Form 990-T (trust other than above), Form 1041-A, Form 4720, Form 5227, Form 6069, Form 8870

If the organization does not have an office or place of business in the United States, check this box []

If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) [] If this is for the whole group, check this box [] If it is for part of the group, check this box [] and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until OCTOBER 15, 2002, to file the exempt organization return for the organization named above. The extension is for the organization's return for [] calendar year or [X] tax year beginning March 1, 2001, and ending February 28, 2002

2 If this tax year is for less than 12 months, check reason: [] Initial return [] Final return [] Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ 89
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit \$ 0
c Balance Due. Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ 89

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete, and that I am authorized to prepare this form

Signature [] Title CPA Date 7/12/02

For Paperwork Reduction Act Notice, see instruction

Form 8868 (12-2000)

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation
Note: The organization may be able to use a copy of this return to satisfy state reporting requirements

2003

For calendar year 2003, or tax year beginning **March 1**, 2003, and ending **February 29**, 2004

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of organization: **The C.O.U.Q. Foundation, Inc.**

Employer identification number: **13-3996471**

Number and street (or P O box number if mail is not delivered to street address): **c/o George V. Delson Associates, 110 East 59th St.**

Room/suite: _____

Telephone number (see page 10 of the instructions): _____

City or town, state, and ZIP code: **New York, NY 10022**

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ **20,391,162**

J Accounting method: Cash Accrual
 Other (specify) _____

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2. Foreign organizations meeting the 85% test, check here and attach computation

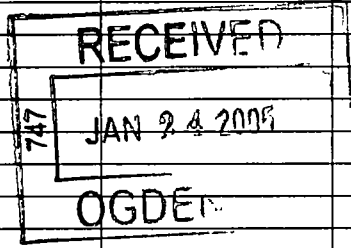
E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule). Check <input type="checkbox"/> if the foundation is not required to attach Sch B	10,000,000			
2	Distributions from split-interest trusts				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	116,028	116,028		
5a	Gross rents				
b	(Net rental income or (loss))				
6a	Net gain or (loss) from sale of assets not on line 10				
b	Gross sales price for all assets on line 6a				
7	Capital gain net income (from Part IV, line 2)				
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)				
12	Total. Add lines 1 through 11	10,116,028	116,028		
13	Compensation of officers, directors, trustees, etc.				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)	2,462			2,462
b	Accounting fees (attach schedule)				
c	Other professional fees (attach schedule)	30,000			30,000
17	Interest				
18	Taxes (attach schedule) (see page 13 of the instructions)				
19	Depreciation (attach schedule) and depletion	288			
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) St. 1	895			895
24	Total operating and administrative expenses. Add lines 13 through 23	33,645	0		33,357
25	Contributions, gifts, grants paid	1,008,203			1,008,203
26	Total expenses and disbursements Add lines 24 and 25	1,041,848	0		1,041,560
27	Subtract line 26 from line 12.				
a	Excess of revenue over expenses and disbursements	9,074,180			
b	Net investment income (if negative, enter -0-)		116,028		
c	Adjusted net income (if negative, enter -0-)				

SCANNED JAN 28 2005

Operating and Administrative Expenses



P

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	11,252,689	10,229,739	10,229,739
	3	Accounts receivable			
		Less allowance for doubtful accounts			
	4	Pledges receivable			
		Less allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule)			
		Less allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges		50,000	50,000
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule)			
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule)				
12	Investments - mortgage loans				
13	Investments - other (attach schedule) Partnership		10,000,000	10,073,623	
14	Land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)	288			
15	Other assets (describe Sundry)		37,800	37,800	
16	Total assets (to be completed by all filers - see page 16 of the instructions Also, see page 1, item I)	11,252,977	20,317,539	20,391,162	
Liabilities	17	Accounts payable and accrued expenses	9,619		
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
23	Total liabilities (add lines 17 through 22)	9,619			
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	11,243,358	20,317,539		
30	Total net assets or fund balances (see page 17 of the instructions)	11,243,358	20,317,539		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	11,252,977	20,317,539		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	11,243,358
2	Enter amount from Part I, line 27a	2	9,074,180
3	Other increases not included in line 2 (itemize) Rounding	3	1
4	Add lines 1, 2, and 3	4	20,317,539
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	20,317,539

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	}		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . . Yes No
 If "Yes," the organization does not qualify under section 4940(e) Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 17 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2002	1,243,915	12,221,528	0.101944
2001	902,103	7,498,097	0.120310
2000	183,255	208,595	0.878521
1999	153,695	307,635	0.499602
1998	54,655	6,642	8.228697
2 Total of line 1, column (d)			2 9.829074
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 1.965814
4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5			4 12,227,806
5 Multiply line 4 by line 3			5 24,037,592
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,160
7 Add lines 5 and 6			7 24,038,752
8 Enter qualifying distributions from Part XII, line 4			8 1,041,560

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 17

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 17 of the instructions)

Table with 11 rows for excise tax calculations. Includes sub-rows 6a-6d for credits. Total tax due is 2,679.

Part VII-A Statements Regarding Activities

Table with 13 rows for activity statements. Includes Yes/No columns. Includes details for state registration in New York and website address.

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1 a During the year did the organization (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)?
c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2003?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003?
b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3 a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2003 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4 a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2003?
5 a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)?
c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant?
6 a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
If you answered "Yes" to 6b, also file Form 8870

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Jeffrey E. Epstein 6100 Red Hook Quarters, St. Thomas, VI	Pres/Dir One hour	0	0	0
Darren K. Indyke 457 Madison Avenue, New York, NY	V. Pres/Dir One hour	0	0	0
Ghislaine Maxwell c/o Delson Assoc, 110 E. 59th St, NY	Treasurer One Hour	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 20 of the instructions). If 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 employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

Total number of other employees paid over \$50,000 ▶ 0

3 Five highest-paid independent contractors for professional services - (see page 20 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 _____ _____	
2 _____ _____	
All other program-related investments See page 21 of the instructions	
3 _____ _____	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 21 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	
b Average of monthly cash balances	1b	10,741,214
c Fair market value of all other assets (see page 22 of the instructions)	1c	1,672,802
d Total (add lines 1a, b, and c)	1d	12,414,016
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	12,414,016
4 Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 23 of the instructions)	4	186,210
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	12,227,806
6 Minimum investment return. Enter 5% of line 5	6	611,390

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1 Minimum investment return from Part X, line 6	1	611,390
2a Tax on investment income for 2003 from Part VI, line 5	2a	2,321
b Income tax for 2003. (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	2,321
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	609,069
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	0
5 Add lines 3 and 4c	5	609,069
6 Deduction from distributable amount (see page 23 of the instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	609,069

Part XII Qualifying Distributions (see page 23 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,041,560
b Program-related investments - Total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,041,560
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	0
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,041,560

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2002	(c) 2002	(d) 2003
1 Distributable amount for 2003 from Part XI, line 7				609,069
2 Undistributed income, if any, as of the end of 2002				
a Enter amount for 2002 only			0	
b Total for prior years		0		
3 Excess distributions carryover, if any, to 2003				
a From 1998	54,323			
b From 1999	138,485			
c From 2000	172,914			
d From 2001	794,417			
e From 2002	638,745			
f Total of lines 3a through e	1,798,884			
4 Qualifying distributions for 2003 from Part XII, line 4 ▶ \$ 1,041,560				
a Applied to 2002, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required - see page 24 of the instructions)		0		
c Treated as distributions out of corpus (Election required - see page 24 of the instructions)	0			
d Applied to 2003 distributable amount				609,069
e Remaining amount distributed out of corpus	432,491			
5 Excess distributions carryover applied to 2003 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	2,231,375			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount - see page 24 of the instructions		0		
e Undistributed income for 2002 Subtract line 4a from line 2a Taxable amount - see page 24 of the instructions			0	
f Undistributed income for 2003 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2004				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	0			
8 Excess distributions carryover from 1998 not applied on line 5 or line 7 (see page 25 of the instructions)	54,323			
9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a	2,177,052			
10 Analysis of line 9				
a Excess from 1999	138,485			
b Excess from 2000	172,914			
c Excess from 2001	794,417			
d Excess from 2002	638,745			
e Excess from 2003	432,491			

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9)

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2003, enter the date of the ruling

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 25 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

Jeffrey E. Epstein

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds
 If the organization makes gifts, grants, etc (see page 25 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> Statement 2				
Total ▶ 3a				1,008,203
b <i>Approved for future payment</i> None				
Total ▶ 3b				0

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

		Yes	No
1	Did the 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:		
	(1) Cash		X
	(2) Other assets		X
b	Other transactions		
	(1) Sales of assets to a noncharitable exempt organization		X
	(2) Purchases of assets from a noncharitable exempt organization		X
	(3) Rental of facilities, equipment, or other assets		X
	(4) Reimbursement arrangements		X
	(5) Loans or loan guarantees		X
	(6) Performance of services or membership or fundraising solicitations		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X
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.		

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2 a 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

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer or trustee: <u>Darren K. Delson</u>		Date: <u>11/10/05</u>		Title: <u>Vice President</u>		
	Paid Preparer's Use Only	Preparer's signature: <u>[Signature]</u>		Date: <u>11/10/05</u>		Check if self-employed: <input type="checkbox"/>	
		Firm's name (or yours if self-employed), address, and ZIP code: <u>George V. Delson Associates</u> <u>110 East 59th Street</u> <u>New York, NY 10022</u>				Preparer's SSN or PTIN (See Signature on page 28 of the instructions): <u>065-12-5087</u> EIN: <u>13-2842281</u> Phone no: <u>212-909-9680</u>	

Name of organization The C.O.U.Q. Foundation, Inc.	Employer identification number 13-3996471
--	---

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

501(c)() (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 box(es) 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 1 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).

Name of organization The C.O.U.Q. Foundation, Inc.	Employer identification number 13-3996471
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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	The Leslie H. Wexner Charitable Fund c/o George V. Delson Assoc, 110 E. 59th St New York, NY 10022	10,000,000	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
_____	_____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
_____	_____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
_____	_____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
_____	_____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
_____	_____	_____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization The C.O.U.Q. Foundation, Inc.	Employer identification number 13-3996471
--	---

Part II Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____
_____	<hr/> <hr/> <hr/> <hr/>	_____	_____

Name of organization

The C.O.U.Q. Foundation, Inc.

Employer identification number

13-3996471

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. (Complete columns (a) through (e) and the following line entry.)

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once - see instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

THE C.O.U.Q. FOUNDATION, INC.
13-3996471
FORM 990-PF - Y/E 2/29/04

Part I, Line 23

Other Expenses

Fees	\$30
Bank charges	<u>865</u>
Total	<u><u>\$895</u></u>

THE C.O.U.Q. FOUNDATION INC.

STATEMENT 2

13-3996471

FORM 990-PF Y/E 2/29/04

PART I, LINE 25 AND PART LINE 3
CONTRIBUTIONS PAID

<u>Date</u>	<u>Name</u>	<u>Amount</u>	<u>Purpose</u>
3/4/03	Ballet Florida	15,000	Unrestricted
3/27/03	South University	10,000	Scholarship
4/7/03	Interlochen Center for the Arts	17,000	Unrestricted
4/7/03	Council on Foreign Relations	25,000	Unrestricted
4/10/03	The New York Botanical Garden	5,000	Unrestricted
5/6/03	Aveda Institute	6,000	Unrestricted
5/29/03	Columbus Jewish Foundation	100,000	Unrestricted
6/24/03	Don Quijote	4,079	Scholarship
7/23/03	Ovarian Cancer Research Fund	25,000	Unrestricted
8/12/03	Rutgers University	1,798	Unrestricted
8/21/03	Julliard School of Music	10,000	Unrestricted
8/22/03	Santa Fe Institute	110,000	Unrestricted
9/2/03	DARE	10,000	Unrestricted
9/2/03	Ballet Florida	10,000	Unrestricted
9/2/03	Harvard University	5,700	Unrestricted
9/2/03	Harvard University	7,495	Unrestricted
9/15/03	The Ricardo O'Gorman Garden & Center	10,000	Unrestricted
9/17/03	Physics Dept, Case Western Reserve U	15,000	Unrestricted
9/25/03	Harvard University	100,000	Unrestricted
10/7/03	South University	10,000	Unrestricted
10/9/03	Stockholm School of University	25,000	Unrestricted
10/16/03	Town of Palm Beach	36,000	Unrestricted
10/20/03	Council on Foreign Relations	25,000	Unrestricted
10/22/03	Harvard University	30,000	Unrestricted
12/1/03	American Ballet Theatre	50,000	Unrestricted
12/8/03	California School of Culinary Arts	20,000	Scholarship
12/15/03	Harvard University	120,000	Unrestricted
12/15/03	Snyder Fund for Young Musicians	7,000	Unrestricted
1/6/04	Hunter College	2,500	Unrestricted
1/6/04	New York University	11,000	Scholarship
1/6/04	Ballet Florida	15,000	Unrestricted
1/7/04	The International Institute for Strategic	18,200	Unrestricted
1/8/04	Columbia University	11,431	Scholarship
1/9/04	New School University	15,000	Scholarship
1/21/04	Trilateral Commission	50,000	Unrestricted
1/21/04	City College	50,000	Unrestricted
1/23/04	Center for Health and Healing	25,000	Unrestricted
		<u>1,008,203</u>	

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Name of Exempt Organization: THE C.O.U.Q. FOUNDATION, INC.
Employer identification number: 13-3996471
Number, street, and room or suite no.: C/O GEORGE V. DELSON ASSOCIATES, 110 EAST 59TH ST
City, town or post office, state, and ZIP code: NEW YORK, NY 10022

Check type of return to be filed (File a separate application for each return):

Form 990, Form 990-EZ, Form 990-T (sec 401(a) or 408(a) trust), Form 1041-A, Form 5227, Form 8870, Form 990-BL, Form 990-PF, Form 990-T (trust other than above), Form 4720, Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

If the organization does not have an office or place of business in the United States, check this box.
If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN)
for the whole group, check this box. If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

I request an additional 3-month extension of time until January 15, 2005
For calendar year, or other tax year beginning March 1, 2003 and ending February 29, 2004
If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period
State in detail why you need the extension: Certain information necessary for the proper completion of the return is not yet available.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ 5,000
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ 5,000
8c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature [Handwritten Signature] Title CPA

EXTENSION APPROVED
OCT 25 2004
FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a 10-day grace period.
We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
Other

EXTENSION APPROVED
OCT 25 2004
FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Director

By

Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: George V. Delson Associates
Number and street (include suite, room, or apt. no.) Or a P.O. box number: 110 East 59th Street
City or town, province or state, and country (including postal or ZIP code): New York, NY 10022

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2007

Department of the Treasury
Internal Revenue Service

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2007, or tax year beginning 3/01, 2007, and ending 2/29, 2008

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

The C.O.U.Q. Foundation, Inc
250 South Australian Avenue #1404
West Palm Beach, FL 33401

A Employer identification number

13-3996471

B Telephone number (see the instructions)

C If exemption application is pending, check here

D 1 Foreign organizations, check here

2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16) **J** Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

▶ \$ 80,192.

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc., received (att sch)	100,000.			
	2 Ck ▶ <input type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	200,920.	200,920.		
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	315,439.			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		315,439.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule) See Statement 1	45,379.	45,379.			
12 Total. Add lines 1 through 11	661,738.	561,738.	0.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch)				
	c Other prof fees (attach sch) See St. 2	180,000.	120,000.		60,000.
	17 Interest	1,420.			
	18 Taxes (attach schedule) See Stmt. 3	252.			252.
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule) See Statement 4	28,971.	28,727.		244.	
24 Total operating and administrative expenses. Add lines 13 through 23	210,643.	148,727.		60,496.	
25 Contributions, gifts, grants and Part. XV	18,615,370.			18,615,370.	
26 Total expenses and disbursements. Add lines 24 and 25	18,826,013.	148,727.	0.	18,675,866.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-18,164,275.				
b Net investment income (if negative, enter -0-)		413,011.			
c Adjusted net income (if negative, enter -0-)			0.		

SCANNED OCT 30 2006

RECEIVED
OCT 30 2006

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	4,817,748.	80,192.	80,192.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7	Other notes and loans receivable (attach sch.)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)			
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)	13,426,719.			
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe				
16	Total assets (to be completed by all filers – see instructions. Also, see page 1, item l)	18,244,467.	80,192.	80,192.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe			
	23	Total liabilities (add lines 17 through 22)	0.	0.	
NET ASSET BALANCES	Foundations that follow SFAS 117, check here				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	18,244,467.	80,192.	
30	Total net assets or fund balances (see the instructions)	18,244,467.	80,192.		
31	Total liabilities and net assets/fund balances (see the instructions)	18,244,467.	80,192.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	18,244,467.
2	Enter amount from Part I, line 27a	2	-18,164,275.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	80,192.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	80,192.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)

(b) How acquired
P - Purchase
D - Donation

(c) Date acquired (month, day, year)

(d) Date sold (month, day, year)

1 a			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). [If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]	2	315,439.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): [If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0- in Part I, line 8.]	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2006	1,186,000.	22,142,808.	0.053561
2005	1,255,795.	22,630,448.	0.055491
2004	936,665.	20,159,106.	0.046464
2003	1,041,560.	12,227,806.	0.085180
2002	1,243,915.	12,221,528.	0.101781

2 Total of line 1, column (d)	2	0.342477
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.068495
4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5	4	13,057,835.
5 Multiply line 4 by line 3	5	894,396.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,130.
7 Add lines 5 and 6	7	898,526.
8 Enter qualifying distributions from Part XII, line 4	8	18,675,866.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see the instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here. <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here. <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b.		1	4,130.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-).		2	0.
3 Add lines 1 and 2.		3	4,130.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-).		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-.		5	4,130.
6 Credits/Payments:			
a 2007 estimated tax pmts and 2006 overpayment credited to 2007.	6a	18,872.	
b Exempt foreign organizations - tax withheld at source.	6b		
c Tax paid with application for extension of time to file (Form 8868).	6c	5,000.	
d Backup withholding erroneously withheld.	6d		
7 Total credits and payments. Add lines 6a through 6d.		7	23,872.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached.		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed.		9	0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.		10	19,742.
11 Enter the amount of line 10 to be: Credited to 2008 estimated tax. 5,000. Refunded.		11	14,742.

Part VII Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
<i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955)-imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV.</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) <u>NY</u>		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2007 or the taxable year beginning in 2007 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV.</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

Part VII A Statements Regarding Activities Continued

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule. (see instructions).....		X
11b	If 'Yes', did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, an annuities described in the attachment for line 11a?.....	N/A	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?.....		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?..... Website address..... ▶ N/A	X	
14	The books are in care of ▶ <u>Darren K. Indyke, PLLC</u> Telephone no. ▶ _____ Located at ▶ <u>457 Madison Avenue, 4th Floor New York NY</u> ZIP + 4 ▶ <u>10022</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here..... N/A ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year..... ▶ 15 N/A		

Part VII B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)?..... <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here..... ▶ <input type="checkbox"/>	1b	N/A
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007?.....	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__ .		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions.).....	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20__ , 20__ , 20__ , 20__ .		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If 'Yes,' did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007.).....	3b	N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?.....	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?.....	4b	X

Part VIII Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

If you answered 'Yes' to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

5b	N/A	
6b	X	
7b	N/A	

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Jeffrey E. Epstein 6100 Red Hook Quarters St. Thomas, USV,	Pres./Direct 0	0.	0.	0.
Darren k. Indyke 457 Madison Avenue, 4th Floor New York, NY 10022	VP/Director 0	0.	0.	0.
Richard Kahn 130 East 75th St New York, NY 10021	Treasurer/Di 0	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see instructions). If 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 employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

Total number of other employees paid over \$50,000 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services – (see instructions). If none, enter 'NONE'.

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Marvin Minsky		
	Consulting	50,000.

Total number of others receiving over \$50,000 for professional services 0

Part IX A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

Part IX B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
3	

All other program-related investments. See instructions.

3	
Total. Add lines 1 through 3.	0.

BAA

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:		
a	Average monthly fair market value of securities	1a	
b	Average of monthly cash balances	1b	1,295,287.
c	Fair market value of all other assets (see instructions)	1c	11,961,398.
d	Total (add lines 1a, b, and c)	1d	13,256,685.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	13,256,685.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	198,850.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	13,057,835.
6	Minimum investment return. Enter 5% of line 5	6	652,892.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	652,892.
2a	Tax on investment income for 2007 from Part VI, line 5	2a	4,130.
b	Income tax for 2007. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,130.
3	Distributable amount before adjustments. Subtract line 2c from line 1.	3	648,762.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	648,762.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1.	7	648,762.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes:		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	18,675,866.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4.	4	18,675,866.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	4,130.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	18,671,736.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7.....				648,762.
2 Undistributed income, if any, as of the end of 2006:				
a Enter amount for 2006 only.....			0.	
b Total for prior years: 20___, 20___, 20___		0.		
3 Excess distributions carryover, if any, to 2007:				
a From 2002.....	638,745.			
b From 2003.....	432,491.			
c From 2004.....				
d From 2005.....	139,200.			
e From 2006.....	1,237,003.			
f Total of lines 3a through e.....	2,447,439.			
4 Qualifying distributions for 2007 from Part XII, line 4: ▶ \$ 18,675,866.				
a Applied to 2006, but not more than line 2a...			0.	
b Applied to undistributed income of prior years (Election required - see instructions).....		0.		
c Treated as distributions out of corpus (Election required - see instructions).....	0.			
d Applied to 2007 distributable amount.....				648,762.
e Remaining amount distributed out of corpus.....	18,027,104.			
5 Excess distributions carryover applied to 2007. (If an amount appears in column (d), the same amount must be shown in column (a).)		0.		0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4a. Subtract line 5.....	20,474,543.			
b Prior years' undistributed income. Subtract line 4b from line 2b.....		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed...		0.		
d Subtract line 5c from line 5b. Taxable amount - see instructions.....		0.		
e Undistributed income for 2006. Subtract line 4a from line 2a. Taxable amount - see instructions.....			0.	
f Undistributed income for 2007. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2008.....				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).....	0.			
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see instructions)..	638,745.			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a.....	19,835,798.			
10 Analysis of line 9:				
a Excess from 2003....	432,491.			
b Excess from 2004....				
c Excess from 2005....	139,200.			
d Excess from 2006....	1,237,003.			
e Excess from 2007....	18,027,104.			

BAA

Part VII Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2007, enter the date of the ruling: ▶

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test — enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test — enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part VIII Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year — see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

Jeffrey E. Epstein

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

None

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc, (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part VII **Supplementary Information** (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p><i>a Paid during the year</i> See Statement 5</p>				
Total				3a 18,615,370.
<i>b Approved for future payment</i>				
Total				3b

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545-0047

2007

Name of organization

The C.O.U.Q. Foundation, Inc

Employer identification number

13-3996471

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)() (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)

BAA 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

Employer identification number

The C.O.U.Q. Foundation, Inc

13-3996471

Part I Contributors (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Epstein Interests 457 Madison Avenue New York, NY	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

The C.O.U.Q. Foundation, Inc

13-3996471

Part I Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Name of organization: **The C.O.U.Q. Foundation, Inc** Employer identification number: **13-3996471**

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. (Complete cols (a) through (e) and the following line entry.)

For organizations completing Part III, enter total of exclusively religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once - see instructions.) \$ **N/A**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
-----		-----	
-----		-----	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
-----		-----	
-----		-----	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
-----		-----	
-----		-----	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
-----		-----	
-----		-----	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
-----		-----	
-----		-----	

Client COUQ

The C.O.U.Q. Foundation, Inc

13-3996471

10/15/08

10:03AM

Statement 1
Form 990-PF, Part I, Line 11
Other Income

Foreign Exchange Gain.....	\$	49,320.
Other Investment Income.....		-3,941.
Total	\$	<u>45,379.</u>

Statement 2
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Consulting.....	\$ 60,000.			\$ 60,000.
Second City Cap Partners I, LP K-1	120,000.	\$ 120,000.		
Total	<u>\$ 180,000.</u>	<u>\$ 120,000.</u>	<u>\$ 0.</u>	<u>\$ 60,000.</u>

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Other Tax.....	\$ 252.			\$ 252.
Total	<u>\$ 252.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 252.</u>

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bad debt expense - Second City Capital	\$ 20,417.	\$ 20,417.		
Bank charges.....	7.			\$ 7.
Filing fee	237.			237.
Miscellaneous - Second City Capital	1,253.	1,253.		
Professional fees - Second City Capital	7,057.	7,057.		
Total	<u>\$ 28,971.</u>	<u>\$ 28,727.</u>	<u>\$ 0.</u>	<u>\$ 244.</u>

Client COUQ

The C.O.U.Q. Foundation, Inc

13-3996471

10/15/08

10:03AM

Statement 5
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found-ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Havard University 124 Mount Auburn St Cambridge, MA 02138	NONE	N/A	Scholarship	\$ 50,000.
Harlem Link Charter School 134 W 122nd Street New York, NY 10027	NONE	N/A	Unrestricted	25,000.
Robin Hood Foundation 826 Broadway-7th Floor New York, NY 10003	NONE	N/A	Unrestricted	50,000.
President and Fellows of Harvard College 124 Mount Auburn St Cambridge, MA 02138	NONE	N/A	Unrestricted	100,000.
National Multiple Sclerosis Society 4237 Salisbury Rd Suite #406 Jacksonville, FL 32216	NONE	N/A	Unrestricted	1,000.
Ballet Florida 500 Fern St West Palm Beach, FL 33401	NONE	N/A	Unrestricted	15,000.
President and Fellows of Harvard College 124 Mount Auburn St Cambridge, MA 02138	NONE	N/A	Unrestricted	486,000.
Bay Point School 22025 S.W. 87th Ave Miami, FL 33190	NONE	N/A	Unrestricted	50,000.
Innocence Project 100 5th Ave New York, NY 10011	NONE	N/A	Unrestricted	50,000.
Naked Angels, Ltd. 9 Desbrosses St 2nd Floor New York, NY 10013	NONE	N/A	Unrestricted	1,000.
Ohio State University 1480 W. Lane Ave Columbus, OH 43221	NONE	N/A	Unrestricted	2,500,000.
Foundation for Criminal Justice 1660 L Street, N.W. Washington, DC 20036	NONE	N/A	Unrestricted	250,000.

Client COUQ

The C.O.U.Q. Foundation, Inc

13-3996471

10/15/08

10:03AM

Statement 5 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Edge Foundation, Inc. 5 East 59th St New York, NY 10022	NONE	N/A	Unrestricted	\$ 50,000.
Aspen Jewish Congregation PO Box 1167 Aspen , CO 81612	NONE	N/A	Unrestricted	50,000.
Weill Medical College 445 East 69th St New York, NY 10021	NONE	N/A	Unrestricted	25,812.
Alliance for Lupus Research 28 West 44th St New York, NY 10036	NONE	N/A	Unrestricted	5,000.
Mount Sinai Breast Health Resource PO Box 1049 New York, NY 10029	NONE	N/A	Unrestricted	5,000.
Robin Hood Foundation 826 Broadway 7th Floor New York, NY 10003	NONE	N/A	Unrestricted	5,000.
Ballet Florida 500 Fern St West Palm Beach, FL 33401	NONE	N/A	Unrestricted	10,000.
National Council of Jewish Woman 513 West MT. Pleasant Ave Livingston, NJ 07039	NONE	N/A	Unrestricted	5,000.
Freestate Soccer Alliance PO Box 2093 Bowie, MD 20718	NONE	N/A	Unrestricted	25,000.
Stockholm School of Economics Sveavagen 65 113 83 Stockholm, Sweden,	NONE	N/A	Unrestricted	30,000.
Faith in the Future, Inc. PO Box 780188 Maspeth, NY 11378	NONE	N/A	Unrestricted	5,000.
Ramaz School 114 East 85th St New York, NY 10028	NONE	N/A	Unrestricted	500,000.

Client COUQ

The C.O.U.Q. Foundation, Inc

13-3996471

10/15/08

12:00PM

Statement 5 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
Saint Peters Prep 144 Grand St Jersey City, NJ 07302	NONE	N/A	Unrestricted	\$ 3,000.
Weill Medical College 445 East 69th St New York, NY 10021	NONE	N/A	Unrestricted	25,877.
Stockholm School of Economics Sveavagen 65 113 83 Stockholm, Sweden,	NONE	N/A	Unrestricted	25,000.
YLK Charitable Fund 8000 Walton Parkway New Albany, OH 43054	NONE		Unrestricted	14,267,681.
Total				<u>\$ 18,615,370.</u>

Client COUQ

The C.O.U.Q. Foundation, Inc

13-3996471

10/15/08

10:03AM

Other Revenue
Amount
Foreign Exchange Gain

Foreign Exchange Gain.....	Total	\$	49,320.
		\$	<u>49,320.</u>

THE C.O.U.Q. FOUNDATION, INC.
STATEMENT OF SUBSTANTIAL CONTRACTION
FEBRUARY 29, 2008

On January 1, 2008 the Foundation transferred its interests in Second City Capital Partners I, LP and Bear Stearns Asset Backed Securities Overseas Ltd. To YLK Charitable Fund. 8000 Walton Parkway, New Albany, Ohio 43054 TIN 26-1605864.

Second City Capital Partners I, LP	\$ 6,977,770
Bear Stearns Asset Backed Securities Overseas Ltd	<u>7,289,911</u>
Total	<u>\$ 14,267,681</u>

GRANT AGREEMENT

AGREEMENT, made as of the 2nd day of January, 2008, by and between The C.O.U.Q. Foundation, Inc., a Delaware not for profit corporation (the "Grantor"), and The YLK Charitable Fund, a Delaware corporation (the "Grantee").

WITNESSETH:

WHEREAS, the Grantor has conducted a pre-grant inquiry, including inquiries regarding the organization, the application for exemption, the exempt purposes and the intended activities of the Grantee, as well as the identity, prior history and experience of the Grantee's managers, and has given due consideration to all information available to the Grantor concerning the management and stated policies of the Grantee;

WHEREAS, the Grantee represents to the Grantor that the Grantee has applied for and expects to be granted status as an exempt organization, qualified under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Grantor desires to make a grant to the Grantee for the purpose of furthering the Grantee's charitable purposes, and the Grantee desires to receive such grant from the Grantor; and

WHEREAS, the Grantor and the Grantee desire to set forth the terms and conditions upon which the Grantor is making the grant to the Grantee, including inter alia, the parties' obligations under the "expenditure responsibility" provisions contained in the Code and the regulations promulgated thereunder;

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Making of Grant. The Grantor shall grant, assign and transfer to the Grantee the assets described on Schedule A hereto (the "Grant") as soon as is reasonably practicable after the execution hereof. For the purposes of this Agreement, the term "Grant" shall include any earnings of the Grantee attributable to the Grant.

2. Purpose of Grant. The purpose of the Grant is to provide funding to further the Grantee's charitable purposes permissible for exempt organizations under Section 501(C)(3) or related provisions of the Code, the grants of the Grantee that may be made with such funds to be made at such times, in such amounts and to such recipients as the Grantee shall determine, subject always to the requirement that such grants must be permissible for private foundations exempt under Section 501(c)(3) or related provisions of the Code and otherwise be in compliance with the provisions of this Agreement. The Grant may not be used for any other purpose.

3. Terms of the Grant. The Grantee agrees as follows:

- (a) to use the full amount of the grant solely as provided herein, and to repay the unused portion of the grant in the event it is determined by

final non-appealable decision or order of any federal or state court or governmental agency of competent jurisdiction that any portion of the grant has been used in violation of this Agreement;

- (b) For so long as any portion of the grant has neither been spent nor returned to the Grantor, to submit a full and complete annual report, by not later than March 31 of each year, commencing March 31, 2009, on the manner in which the funds were spent during the immediately preceding calendar year and the progress made in accomplishing the purposes of the Grant;
- (c) For so long as any portion of the grant has neither been spent nor returned to the Grantor, to maintain records of receipts and expenditures regarding the grant and to make its books and records regarding the grant available to the Grantor at reasonable times;
- (d) not to use any of the Grant;
 - (i) to carry on propaganda, or otherwise attempt to influence legislation (within the meaning of Section 4945(d)(1) of the Code);
 - (ii) to influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive (within the meaning of Section 4945(d)(2) of the Code);
 - (iii) to make any grant which does not comply with the individual grant requirements of Section 4945(d)(3) of the code or the organization grant requirements of Section 4945(d)(4) of the Code; or
 - (iv) to undertake any activity for any noncharitable purpose (i.e., a purpose not specified in Section 170(c)(2)(B) of the Code).

4. Additional Covenants of the Grantee.

- (a) The Grantee shall provide to the Grantor any and all information, documents and reports required to satisfy the "expenditure responsibility" requirements of Sections 4945(d) and (h) of the Code and the corresponding Treasury Regulations promulgated thereunder (including, but not limited to, Treas. Reg. Sec. 53.4945-5). In the event of any changes in the laws and regulations governing expenditure responsibility with respect to the Grant, the Grantee agrees to comply with such changes and to provide to the


Grantor any additional information, documents and reports as may be required.

- (b) The Grantee need not keep the Grant physically segregated from its other assets, but agrees to account for the Grant separately on its books and records.
- (c) Without limiting the generality of Section 4(a) above, the Grantee agrees to maintain records of receipts and expenditures under the Grant, as well as copies of reports submitted to the Grantor, for at least four years following the full disposition of the grant and the expenditure of all proceeds thereof.

- 5. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio, without regard to its choice of laws doctrine.
- 6. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement.
- 7. Modifications. This Agreement may not be modified or amended, nor may any provisions hereof be waived, except in writing signed by the parties hereto.
- 8. Headings. The headings in this Agreement shall not be construed as substantive provisions and are included only for the convenience of reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the day and year first above written.


For The C.O.U.Q. Foundation, Inc.


For The YLK Charitable Fund
Secretary/Treasurer

Grant Agreement

Schedule A

1. All of The COUQ Foundation, Inc.'s, right, title and interest in and to Bear Stearns Asset Backed Securities Overseas Ltd., an exempted company organized under the laws of the Cayman Islands, effective as of January 1, 2008.
2. All of The COUQ Foundation, Inc.'s, right, title and interest in and to the limited partnership interest in Second City Capital Partners I, a Delaware limited partnership, effective as of January 1, 2008.

IRREVOCABLE ASSIGNMENT

This IRREVOCABLE ASSIGNMENT by and between The C.O.U.Q. Foundation, Inc., a Delaware not-for-profit corporation ("Assignor"), as assignor of the Assigned Interest (as defined below) and The YLK Charitable Fund, a Delaware corporation ("Assignee").

WHEREAS, Assignor is presently the owner of a limited partnership interest in Second City Capital Partners I, a Delaware limited partnership (the "Fund"); and

WHEREAS, Assignor desires to assign all of Assignor's right, title and interest in and to the Fund, which the Fund represented as having partner equity of \$6,518,065 as of September 30, 2007 (the "Assigned Interest"), to Assignee, and Assignee desires to accept Assignor's assignment of the Assigned Interest.

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

1. For and as a grant and charitable contribution, Assignor hereby irrevocably pledges, assigns, transfers and sets over unto Assignee, effective as of January 1, 2008, all of the right, title and interest of Assignor in and to the Assigned Interest, subject to Assignor's obligations under the partnership agreement of the Fund and Assignor's executed subscription agreement with respect to the Assigned Interest (the "Partnership Documents"). Assignor also hereby irrevocably assigns all of the right, title and interest of Assignor under the Put Agreement dated for reference March 5, 2004 between Assignor and Gibralt Capital Corporation to Assignee subject only to the conditions set forth in Section 4.3 of said Put Agreement.

2. Each of the Assignor and the Assignee hereby covenants and agrees with the other that it shall execute and deliver such further instruments and do such further acts and things as may be required from the Assignor or the Assignee as the case may be for the Fund to consent to the assignment of the Assigned Interest as provided herein and to admit the Assignee as a substituted limited partner of the Fund to the extent of the Assigned Interest, including providing any necessary representations, warranties or indemnities, required by the Fund to effect the assignment and the substitution of Assignee as a limited partner.

3. Assignee hereby accepts the assignment of the Assigned Interest effective as of January 1, 2008.

4. Assignor hereby represents and warrants as of both the date of execution and as of January 1, 2008 that (i) it is the owner of the Assigned Interest and is transferring the Assigned Interest to the Assignee free and clear of any adverse claims created by or through or known to Assignor, (ii) there is no

investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of Assignor who might be entitled to any fee or commission from Assignee or any other person or entity (other than Assignor) in connection with the offering or transfer of the Assigned Interest, and (iii) it is not in default of any capital contribution or other obligation with respect to the Assigned Interest.

5. Assignor does hereby represent and warrant to Assignee as of both the date of execution and as of January 1, 2008 that:

(a) Assignor is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and the execution, delivery and performance by it of this Assignment are within its powers, have been duly authorized by all necessary corporate or other action on its behalf, require no action by or in respect of, or filing with, any governmental body, agency or official and do not and will not contravene, or constitute a default under, any provision of applicable law or regulation or of its certificate of incorporation or other comparable organizational documents or any agreement (other than the Partnership Documents which, inter alia, require consent to the assignment), judgment, injunction, order, or decree to which Assignor is a party or by which Assignor or any of the properties or assets of Assignor is bound.

(b) The officer executing this Assignment on behalf of Assignor is fully authorized and empowered to do so.

(c) This Assignment constitutes a valid, binding and irrevocable assignment of Assignor in accordance with its terms, subject only to the consent of the Fund.

6. Assignee (i) acknowledges receipt of a copy of the Partnership Documents, and (ii) agrees to be bound by and to accept the Assigned Interest subject to the terms and conditions of the Partnership Documents, and (iii) represents and warrants that it is a corporation organized to be an entity which qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and on or before January 1, 2008, will have filed an application with the Internal Revenue Service for, and expects to be granted, status as an exempt organization under Section 501(c)(3) of the Code. The Assignee further agrees, promptly after the execution hereof, upon presentation to it by the General Partner of a signature page thereof, to sign the limited partnership agreement.

7. Neither this Assignment nor any provisions hereof shall be waived, modified, discharged or terminated except by an instrument in writing signed by

the party against whom any waiver, modification, discharge or termination is sought.

8. This Assignment shall be binding upon and inure to the benefit of the parties and their successors, permitted assigns, heirs, estates, executors, administrators and personal representatives. The representations and warranties of the parties shall survive the assignment of the Assigned Interest.

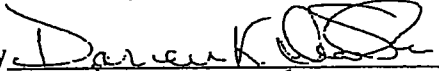
9. This Assignment shall be governed by and construed in accordance with the internal laws of the State of New York without regard to conflict of laws principles.

10. This Assignment may be executed in counterparts with the same effect as if the parties executing the counterparts had all executed one counterpart.

IN WITNESS WHEREOF, the undersigned have executed this Assignment.

ASSIGNOR:

The C.O.U.Q. Foundation, Inc.

By 

Name: Darren K. Indyke
Title: Vice President

ASSIGNEE:

The YLK Charitable Fund

By _____

Name:
Title:

182529

the party against whom any waiver, modification, discharge or termination is sought.

8. This Assignment shall be binding upon and inure to the benefit of the parties and their successors, permitted assigns, heirs, estates, executors, administrators and personal representatives. The representations and warranties of the parties shall survive the assignment of the Assigned Interest.

9. This Assignment shall be governed by and construed in accordance with the internal laws of the State of New York without regard to conflict of laws principles.

10. This Assignment may be executed in counterparts with the same effect as if the parties executing the counterparts had all executed one counterpart.

IN WITNESS WHEREOF, the undersigned have executed this Assignment.

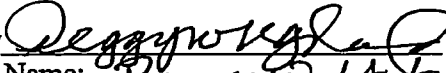
ASSIGNOR:

The C.O.U.Q. Foundation, Inc.

By _____
Name:
Title:

ASSIGNEE:

The YLK Charitable Fund

By 
Name: Peggy D. Votard
Title: Secretary/Treasurer

182529

IRREVOCABLE ASSIGNMENT

This IRREVOCABLE ASSIGNMENT by and between The C.O.U.Q. Foundation, Inc., a New York not-for-profit corporation ("Assignor"), as assignor of the Assigned Interest (as defined below) and The YLK Charitable Fund, a Delaware corporation ("Assignee").

WHEREAS, Assignor is presently the owner of shares of Bear Stearns Asset Backed Securities Overseas Ltd., an exempted company organized under the laws of the Cayman Islands (the "Fund"); and

WHEREAS, Assignor desires to assign all of Assignor's right, title and interest in and to the Fund, which the Fund valued at \$11,841,632.82 as of June 30, 2007 (and as to which the Fund provided monthly estimates intended not to be relied upon as ending values, but based on which the estimated value of the interest would be reduced to approximately \$6,907,849 as of November 30, 2007) (the "Assigned Interest"), to Assignee and Assignee desires to accept Assignor's assignment of the Assigned Interest.

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

1. For and as a grant and charitable contribution to Assignee, Assignor hereby irrevocably pledges, assigns, transfers and sets over unto Assignee, effective as of January 1, 2008, all of the right, title and interest of Assignor in and to the Assigned Interest subject to the provisions of the organization documents and subscription agreement of the Fund (the "Investment Documents").

2. Each of the Assignor and the Assignee hereby covenants and agrees with the other that it shall execute and deliver such further instruments and do such further acts and things as may be reasonably required from such party for the Fund to consent to the transfer of and to transfer all of Assignor's right, title, and interest in the Assigned Interests to Assignee, including providing any necessary representations and, in the case of Assignor warranties or indemnities, required by the Fund to effect the assignment.

3. Assignee hereby accepts the assignment of the Assigned Interest, effective as of January 1, 2008.

4. Assignor hereby represents and warrants as of both the date of execution and as of January 1, 2008 that (i) it is the owner of the Assigned Interest and is transferring the Assigned Interest to the Assignee free and clear of any adverse claims created by or through or known to Assignor, (ii) there is no investment banker, broker, finder or other intermediary which has been retained

by or is authorized to act on behalf of Assignor who might be entitled to any fee or commission from Assignee or any other person or entity (other than Assignor) in connection with the offering or transfer of the Assigned Interest, (iii) it is not in default of any capital contribution or other obligation with respect to the Assigned Interest, and (iv) Assignor has not received any amount or property from the Fund from June 30, 2007 through date of execution and as of January 1, 2008.

5. Assignor does hereby represent and warrant to Assignee as of both the date of execution and as of January 1, 2008 that:

(a) Assignor is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and the execution, delivery and performance by it of this Assignment are within its powers, have been duly authorized by all necessary corporate or other action on its behalf, require no action by or in respect of, or filing with, any governmental body, agency or official and do not and will not contravene, or constitute a default under, any provision of applicable law or regulation or of its certificate of incorporation or other comparable organizational documents or any agreement (other than the Investment Documents which, inter alia, require the Fund to consent to the transfer) to which Assignor is a party or by which Assignor or any of the properties or assets of Assignor is bound.

(b) The officer executing this Assignment on behalf of Assignor is fully authorized and empowered to do so.

(c) This Assignment constitutes a valid, binding and irrevocable assignment of Assignor, enforceable against Assignor in accordance with its terms, subject only to the consent of the Fund.

6. Assignee (i) acknowledges receipt of a copy of the Fund's Investment Documents, (ii) acknowledges and agrees that Assignee takes the Assigned Interest subject to their provisions, and represents and warrants that it is a corporation organized to be an entity which qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and on or before January 1, 2008, will have filed an application with the Internal Revenue Service for, and expects to be granted, status as an exempt organization under Section 501(c)(3) of the Code.

7. Neither this Assignment nor any provisions hereof shall be waived, modified, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, modification, discharge or termination is sought.

8. This Assignment shall be binding upon and inure to the benefit of the parties and their successors, permitted assigns, heirs, estates, executors, administrators and personal representatives. The representations and warranties of the parties as provided herein shall survive the assignment of the Assigned Interests;

9. This Assignment shall be governed by and construed in accordance with the internal laws of the State of New York without regard to conflict of laws principles.

10. This Assignment may be executed in counterparts with the same effect as if the parties executing the counterparts had all executed one counterpart.


IN WITNESS WHEREOF, the undersigned have executed this Assignment.

ASSIGNOR:

ASSIGNEE:

The C.O.U.Q. Foundation, Inc.

The YLK Charitable Fund

By 
Name: Darren K. Indyke
Title: Vice President

By _____
Name:
Title:

182526

8. This Assignment shall be binding upon and inure to the benefit of the parties and their successors, permitted assigns, heirs, estates, executors, administrators and personal representatives. The representations and warranties of the parties as provided herein shall survive the assignment of the Assigned Interests.

9. This Assignment shall be governed by and construed in accordance with the internal laws of the State of New York without regard to conflict of laws principles.

10. This Assignment may be executed in counterparts with the same effect as if the parties executing the counterparts had all executed one counterpart.

IN WITNESS WHEREOF, the undersigned have executed this Assignment.

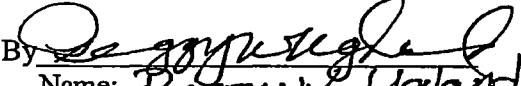
ASSIGNOR:

The C.O.U.Q. Foundation, Inc.

By _____
Name:
Title:

ASSIGNEE:

The YLK Charitable Fund

By 
Name: Peggy W. Hayward
Title: Secretary/Treasurer

182526

Form **8868**
(Rev. April 2008)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form). **Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 8069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization The C.O.U.Q. Foundation	Employer Identification number 13 3996471
	Number, street, and room or suite no. If a P.O. box, see instructions. c/o George V. Delson Associates, 110 East 59th Street	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. New York, NY 10022	

Check type of return to be filed (file a separate application for each return):

- Form 990
- Form 990-BL
- Form 990-EZ
- Form 990-PF
- Form 990-T (corporation)
- Form 990-T (sec. 401(a) or 408(a) trust)
- Form 990-T (trust other than above)
- Form 1041-A
- Form 4720
- Form 5227
- Form 8069
- Form 8870

• The books are in the care of ▶ George V. Delson Associates

Telephone No. ▶ (212) 909-9680 FAX No. ▶ ()

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until October 15, 2008, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year 20 or

▶ tax year beginning March 1, 2007, and ending February 29, 2008.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	23,872
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	18,872
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	5,000

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.