

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

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 6/01, 2001, and ending 12/31, 2001

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 Omidyar Foundation 720 University Ave #200 Los Gatos, CA 95032

A Employer Identification Number 77-0502810 B Telephone Number (see instructions) 408-358-3316 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

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

Fair market value of all assets at end of year (from Part II, column c, line 16) \$ 50,801,548 J Accounting method [X] Cash [] Accrual [] Other (specify) (Part I, column d must be on cash basis)

Table with 5 columns: Analysis of Revenue and Expenses, (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes (cash basis only). Rows include contributions, distributions, interest, dividends, rents, gains, and total expenses.

SCANNED SEP 14 2002

ADMINISTRATIVE EXPENSES

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718

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 (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
ASSETS	1	Cash – non interest-bearing	12,944	40,445	40,445
	2	Savings and temporary cash investments	17,735,323	43,135,614	43,135,614
	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 instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less allowance for doubtful accounts	362,543		
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – US and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) Statement 8	15,130,000	1,338,000	1,338,000
	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) Statement 9	6,064,243	6,115,172	6,115,172	
14	Land, buildings, and equipment basis 165,733	Statement 10			
	Less accumulated depreciation (attach schedule) 8,976	10,088	156,757	156,757	
15	Other assets (describe See Statement 11)		15,560	15,560	
16	Total assets (to be completed by all filers – see instructions Also, see page 1, item f)	39,315,141	50,801,548	50,801,548	
LIABILITIES	17	Accounts payable and accrued expenses		16,211	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons	17,363	95,972	
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	Total liabilities (add lines 17 through 22)	17,363	112,183	
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 checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	39,297,778	50,689,365	
	28	Paid-in or capital surplus, or land, building, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	39,297,778	50,689,365		
31	Total liabilities and net assets/fund balances (see instructions)	39,315,141	50,801,548		

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	39,297,778
2	Enter amount from Part I, line 27a	2	25,153,317
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	64,451,095
5	Decreases not included in line 2 (itemize) See Statement 12	5	13,761,730
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	50,689,365

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)

1a	Ebay Stock	D	Various	Various
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 26,908,355			26,908,355
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			26,908,355
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	26,908,355
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		3	0

If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8.

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 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))
2000	3,734,391	31,761,268.	0.117577
1999	2,325,730	25,495,537.	0.091221
1998			
1997			
1996			

2	Total of line 1, column (d)	2	0.208798
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	0.104399
4	Enter the net value of noncharitable-use assets for 2001 from Part X, line 5.	4	40,069,066
5	Multiply line 4 by line 3	5	4,183,170
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	273,174
7	Add lines 5 and 6	7	4,456,344
8	Enter qualifying distributions from Part XII, line 4	8	2,168,065

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 instructions)

1 a 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	546,348
c All other domestic organizations 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	546,348
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	546,348
6 Credits/Payments			
a 2001 estimated tax pmts and 2000 overpayment credited to 2001	6a	90,060	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d		7	90,060
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	11,293
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed		9	467,581
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	
11 Enter the amount on line 10 to be Credited to 2002 estimated tax Refunded		11	

Part VII-A Statements Regarding Activities

	Yes	No
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?		X
1 b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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 organization in connection with the activities</i>		
c Did the organization 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 organization \$ 0 (2) On organization managers \$ 0		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers \$ 0		
2 Has the organization 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 organization 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
4 a Did the organization 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?	X	
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 organization 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	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>California</u>		
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? <i>If 'No,' attach explanation</i>	X	
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)? <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
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address <u>N/A</u>	X	
12 The books are in care of <u>Michael G. Mohr</u> Telephone no <u>408-358-3316</u> Located at <u>720 University Ave, Los Gatos, CA</u> ZIP + 4 <u>95032</u>		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year	N/A	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
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?	<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 organization 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 instructions)? Organizations relying on a current notice regarding disaster assistance check here		1b N/A
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?		1c X
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 (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2001? If 'Yes,' list the years 20__ , 19__ , 19__ , 19__	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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? (If applying Section 4942(a)(2) to all years listed, answer 'No' and attach statement - see 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__ , 19__ , 19__ , 19__		
3 a Did the organization 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 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 (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 organization had excess business holdings in 2001)		3b N/A
4 a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
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?		4b X
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))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Influence the outcome of any specific public election (see Section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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		5b N/A
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? If 'Yes,' attach the statement required by Regulations Section 53.4945-5(d)	N/A <input type="checkbox"/> Yes <input type="checkbox"/> No	
6 a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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 8870		6b X

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
See Statement 13		75,789	7,579	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
Joan Boysen 4216-A Parrots Ferry Road	40	58,958	5,895	

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

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
Stephanie J Clohesy 1008 W 18th St Cedar Falls Iowa 50613	Consulting	54,180

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	
All other program-related investments See instructions	
3	
Total Add lines 1 through 3	0

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	1 a	12,119,667
b Average of monthly cash balances	1 b	22,271,099
c Fair market value of all other assets (see instructions)	1 c	6,288,489
d Total (add lines 1a, b and c)	1 d	40,679,255
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0
2 Acquisition indebtedness applicable to line 1 assets	2	0
3 Subtract line 2 from line 1d	3	40,679,255
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	610,189
5 Net value of noncharitable-use assets Subtract line 4 from line 3 Enter here and on Part V, line 4	5	40,069,066
6 Minimum investment return Enter 5% of line 5	6	1,174,627

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	1,174,627
2a Tax on investment income for 2001 from Part VI, line 5	2 a	546,348
b Income tax for 2001 (This does not include the tax from Part VI)	2 b	
c Add lines 2a and 2b	2 c	546,348
3 Distributable amount before adjustments Subtract line 2c from line 1	3	628,279
4a Recoveries of amounts treated as qualifying distributions	4 a	
b Income distributions from section 4947(a)(2) trusts	4 b	
c Add lines 4a and 4b	4 c	
5 Add lines 3 and 4c	5	628,279
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	628,279

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	1 a	2,168,065
b Program related investments - Total from Part IX-B	1 b	
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)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	2,168,065
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 instructions)	5	
6 Adjusted qualifying distributions Subtract line 5 from line 4	6	2,168,065

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 2000	(c) 2000	(d) 2001
1 Distributable amount for 2001 from Part XI, line 7				628,279
2 Undistributed income, if any, as of the end of 2000				
a Enter amount for 2000 only			0	
b Total for prior years 20__, 19__, 19__		0		
3 Excess distributions carryover, if any, to 2001				
a From 1996				
b From 1997				
c From 1998				
d From 1999				
e From 2000				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2001 from Part XII, line 4 ▶ \$ 2,168,065				
a Applied to 2000, 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 2001 distributable amount				628,279
e Remaining amount distributed out of corpus	1,539,786			
5 Excess distributions carryover applied to 2001 (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	1,539,786			
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 instructions		0		
e Undistributed income for 2000 Subtract line 4a from line 2a Taxable amount – see 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 instructions)	0			
8 Excess distributions carryover from 1996 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2002 Subtract lines 7 and 8 from line 6a	1,539,786			
10 Analysis of line 9				
a Excess from 1997				
b Excess from 1998				
c Excess from 1999				
d Excess from 2000				
e Excess from 2001	1,539,786			

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

N/A

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)

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

	Tax year				(e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	
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)

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))
 Pierre M Omidyar

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 organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization 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 XV Supplementary Information (continued)

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

Recipient	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
Name and address (home or business)				
a Paid during the year See Statement 14				
Total			▶ 3a	1,259,996
b Approved for future payment				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			1	18	
4 Dividends and interest from securities			1	395,050	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income	900001	9,386	1	13,954	
8 Gain or (loss) from sales of assets other than inventory			1	26,908,355	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		9,386		27,317,377	
13 Total Add line 12, columns (b), (d), and (e)					27,326,763

(See worksheet in the instructions for line 13 to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See instructions)
N/A	

Part XVII Information Regarding Transfers to and Transactions and Relationships with Noncharitable Exempt Organizations

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
- (2) Other assets

b Other transactions

- (1) Sales of assets to a noncharitable exempt organization.
- (2) Purchases of assets from a noncharitable exempt organization.
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

	Yes	No
1 a (1)		X
1 a (2)		X
1 b (1)		X
1 b (2)		X
1 b (3)		X
1 b (4)		X
1 b (5)		X
1 b (6)		X
1 c		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
N/A			

2a 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
N/A		

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 information furnished by taxpayer.

[Signature]
Signature of Officer or Trustee

Sign Here

Paid Preparer's Use Only

Preparer's Signature *[Signature]*
Roger V Hansen

Firm's Name (or yours if self-employed) address and ZIP code
Comprehensive Financial
720 University Ave
Los Gatos, CA 95032

Underpayment of Estimated Tax by Corporations

Department of the Treasury
Internal Revenue Service

▶ See separate instructions
▶ Attach to the corporation's tax return.

2001

Name **The Omidyar Foundation** Employer Identification Number **77-0502810**

Note In most cases, the corporation *does not* need to file Form 2220. (See Part I below for exceptions.) The IRS will figure any penalty owed and bill the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 36 on the estimated tax penalty line of the corporation's income tax return but **do not** attach Form 2220.

Part I Reasons for Filing — Check the boxes below that apply to the corporation. If any boxes are checked, the corporation must file Form 2220, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty.

- 1 The corporation is using the annualized income installment method
- 2 The corporation is using the adjusted seasonal installment method
- 3 The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax

Note. The corporation also must file Form 2220 if it has a suspended research credit allowed for the current year (see the instructions for line 4) or it is an indirectly affected taxpayer (see instructions).

Part II Figuring the Underpayment

4 Total tax (see instructions)	4	546,348
5a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4	5a	
b Look back interest included on line 4 under Section 460(b)(2) for completed long-term contracts or Section 167(g) for depreciation under the income forecast method	5b	
c Credit for federal tax paid on fuels (see instructions)	5c	
d Total. Add lines 5a through 5c	5d	
6 Subtract line 5d from line 4. If the result is less than \$500, do not complete or file this form. The corporation does not owe the penalty.	6	546,348
7 Enter the tax shown on the corporation's 2000 income tax return. Caution: See instructions before completing this line.	7	90,060
8 Enter the smaller of line 6 or line 7. If the corporation must skip line 7, enter the amount from line 6.	8	90,060

	(a)	(b)	(c)	(d)
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers Use 5th month), 6th, 9th, and 12th months of the corporation's tax year. Exception: Enter October 1, 2001, instead of September 15, 2001.	10/15/01	11/15/01	12/15/01	
10 Required installments. If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 40. If the box on line 3 (but not 1 or 2) is checked, see the instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 8 above in each column.	22,515	341,717	182,116	
11 Estimated tax paid or credited for each period (see instructions). For column (a) only, enter the amount from line 11 on line 15. Complete lines 12 through 18 of one column before going to the next column.				
12 Enter amount, if any, from line 18 of the preceding column.				
13 Add lines 11 and 12.				
14 Add amounts on lines 16 and 17 of the preceding column.		22,515	364,232	
15 Subtract line 14 from line 13. If zero or less, enter 0.	0	0	0	
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter 0.		22,515	364,232	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.	22,515	341,717	182,116	
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.				

Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.

Part III Figuring the Penalty

See Attached Schedule

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions) <i>(Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month)</i>	19	2/12/02	5/15/02	5/15/02
20 Number of days from due date of installment on line 9 to the date shown on line 19	20	120	181	151
21 Number of days on line 20 after 4/15/2001 and before 7/1/2001	21			
22 Underpayment on line 17 $\times \frac{\text{Number of days on line 21}}{365} \times 8\%$	22			
23 Number of days on line 20 after 6/30/2001 and before 1/1/2002	23	77	46	16
24 Underpayment on line 17 $\times \frac{\text{Number of days on line 23}}{365} \times 7\%$	24	332 48	3,014 60	558 82
25 Number of days on line 20 after 12/31/2001 and before 4/1/2002	25	43	90	90
26 Underpayment on line 17 $\times \frac{\text{Number of days on line 25}}{365} \times 6\%$	26	159 15	4,533 68	2,694 32
27 Number of days on line 20 after 3/31/2002 and before 7/1/2002	27		45	45
28 Underpayment on line 17 $\times \frac{\text{Number of days on line 27}}{365} \times 0\%$	28			
29 Number of days on line 20 after 6/30/2002 and before 10/1/2002	29			
30 Underpayment on line 17 $\times \frac{\text{Number of days on line 29}}{365} \times \text{ } \%$	30			
31 Number of days on line 20 after 9/30/2002 and before 1/1/2003	31			
32 Underpayment on line 17 $\times \frac{\text{Number of days on line 31}}{365} \times \text{ } \%$	32			
33 Number of days on line 20 after 12/31/2002 and before 2/16/2003	33			
34 Underpayment on line 17 $\times \frac{\text{Number of days on line 33}}{365} \times \text{ } \%$	34			
35 Add lines 22, 24, 26, 28, 30, 32 and 34	35	491 63	7,548 28	3,253 14
36 Penalty Add columns (a) through (d), of line 35. Enter the total here and on Form 1120, line 33, Form 1120 A, line 29 or the comparable line for other income tax returns	36			11,293

***For underpayments paid after March 31, 2002:** For lines 28, 30, 32, and 34, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS web site at www.irs.gov. You can also call 1-800-829-1040 to get interest rate information.

The Omidyar Foundation

77-0502810

Installment Period	Underpayment			Penalty			
	Amount	From	To	Days Late	Interest Rate Periods	Rate	Penalty *
1	22,515	10/15/01	2/12/02	77	7/01/01 - 12/31/01	7 00%	332 48
				43	1/01/02 - 3/31/02	6 00%	159 15
Totals	22,515						491 63
2	67,545	11/15/01	2/12/02	46	7/01/01 - 12/31/01	7 00%	595 88
				43	1/01/02 - 3/31/02	6 00%	477 44
	274,172	11/15/01	5/15/02	46	7/01/01 - 12/31/01	7 00%	2,418 72
				90	1/01/02 - 3/31/02	6 00%	4,056 24
Totals	341,717			45	4/01/02 - 6/30/02	0 %	7,548 28
3	182,116	12/15/01	5/15/02	16	7/01/01 - 12/31/01	7 00%	558 82
				90	1/01/02 - 3/31/02	6 00%	2,694 32
Totals	182,116			45	4/01/02 - 6/30/02	0 %	3,253 14

Total Underpayment Penalty	11,293
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* Underpayment x $\frac{\text{Days Late}}{365 \text{ or } 366}$ x Rate

The Omidyar Foundation

77-0502810

Statement 1
Form 990-PF, Part I, Line 6
Net Gain (Loss) from Noninventory Sales

Publicly Traded Securities

Gross Sales Price 26,908,355
 Cost or Other Basis 0

Total Gain (Loss) Publicly Traded Securities \$ 26,908,355

Total Net Gain (Loss) From Noninventory Sales \$ 26,908,355

Statement 2
Form 990-PF, Part I, Line 11
Other Income

Other Investment Income

Total \$ 23,340
\$ 23,340

Statement 3
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal	\$ 5,518			\$ 5,518
Totals	<u>\$ 5,518</u>	<u>\$ 0</u>		<u>\$ 5,518</u>

Statement 4
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting	\$ 113,163			\$ 113,163
Totals	<u>\$ 113,163</u>	<u>\$ 0</u>		<u>\$ 113,163</u>

The Omidyar Foundation

77-0502810

Statement 5
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	\$ 3,615			\$ 3,615
Contract Labor	12,540			12,540
Organizational Development	50,625			50,625
Outside Services	24,814			24,814
Public Relations	13,714			13,714
Recruitment	29,579			29,579
Totals	\$ 134,887	\$ 0		\$ 134,887

Statement 6
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal Taxes	\$ 334,766			\$ 334,766
Payroll Taxes	10,057			10,057
State Taxes	78			78
Totals	\$ 344,901	\$ 0		\$ 344,901

Statement 7
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Community Building Program	\$ 5,742			\$ 5,742
Employee Benefits	9,671			9,671
Gifts	1,181			1,181
Insurance	1,526			1,526
Misc	1,551			1,551
Office	5,568			5,568
Payroll Service Fees	2,498			2,498
Supplies	9,080			9,080
Telephone	5,241			5,241
Totals	\$ 42,058	\$ 0		\$ 42,058

The Omidyar Foundation

77-0502810

Statement 8
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

<u>Corporate Stocks</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
ebay stock	Mkt Val	\$ 1,338,000	\$ 1,338,000
	Total	<u>\$ 1,338,000</u>	<u>\$ 1,338,000</u>

Statement 9
Form 990-PF, Part II, Line 13
Investments - Other

<u>Other Securities</u>	<u>Valuation Method</u>	<u>Value</u>	<u>Fair Market Value</u>
Alternative Investments	Mkt Val	\$ 6,115,172	\$ 6,115,172
		<u>\$ 6,115,172</u>	<u>\$ 6,115,172</u>
	Total	<u>\$ 6,115,172</u>	<u>\$ 6,115,172</u>

Statement 10
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

<u>Category</u>	<u>Basis</u>	<u>Accum Deprec.</u>	<u>Book Value</u>	<u>Fair Market Value</u>
Furniture and Fixtures	\$ 27,097	\$ 948	\$ 26,149	\$ 26,149
Machinery and Equipment	75,487	7,856	67,631	67,631
Improvements	58,891	101	58,790	58,790
Miscellaneous	4,258	71	4,187	4,187
Total	<u>\$ 165,733</u>	<u>\$ 8,976</u>	<u>\$ 156,757</u>	<u>\$ 156,757</u>

Statement 11
Form 990-PF, Part II, Line 15
Other Assets

	<u>Book Value</u>	<u>Fair Market Value</u>
Deposits	\$ 10,483	\$ 10,483
Prepaid Expenses	4,077	4,077
Retainer Fees	1,000	1,000
Total	<u>\$ 15,560</u>	<u>\$ 15,560</u>

The Omidyar Foundation

77-0502810

Statement 12
Form 990-PF, Part III, Line 5
Other Decreases

Unrealized Losses

Total \$ 13,761,730
 Total \$ 13,761,730

Statement 13
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compensation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
Pierre M Omidyar 720 University Ave #200 Los Gatos, CA 95032	Chairman 40	\$ 0	\$ 0	\$ 0
Michael G Mohr 720 University Ave #200 Los Gatos, CA 95032	Trustee 3	0	0	0
Lorna Lathram 1430 Morton Street Alameda, CA 94501	President 40	75,789	7,579	0
Pamela Omidyar 720 University Ave #200 Los Gatos, CA 95032	Trustee 20	0	0	0
Total		<u>\$ 75,789</u>	<u>\$ 7,579</u>	<u>\$ 0</u>

Statement 14
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>
New Profit Venture 2 Canal Park Cambridge, MA 02141	none	N/A	To promote professional management support for non-profits	\$ 187,500
Tufts University Ballou Hall-1 Medford, MA 02155	none	N/A	To support citizenship and public service	18,000
Family Re-Union Funders 99 S 17th Street Philadelphia, PA 19103	none		To promote family values	50,000
Generations Together 121 University Place	none		To promote intergenerational	5,736

The Omidyar Foundation

77-0502810

Statement 14 (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>
Pittsburgh, PA 15260			1 programs	
Global Education Partnership 287 17th Street Suite 207 Oakland, CA 94612	none		To support youth education and entrepreneurship	\$ 6,060
Innovation Network 1001 Connecticut Ave NW 90 Washington, DC 20036	none		To support social sector infrastructure	250,000
Global Fund for Children 1612 DS Street NW Suite 706 Washington, D C 20006	none		Helping young people develop knowledge and skills	162,700
Impact Online 385 Grove Street San Francisco, CA 94102	none		To support the non-profit sector's effort for the improvement of our communities	250,000
Innonet 1001 Connecticut Ave NW #900 Washington, D C 20036	none		Building the evaluation capacity of nonprofits, so they can better serve their communities	75,000
NV Comm for Natl & Com Serv 90 N Maine Street Suite 204 Fallon, NV 89406	none		To promote the education of children and community services	5,000
NPower 1080 Ewing Place #300 Seattle, WA 98119	none		Helping nonprofits better serve their communities through technology	250,000
Total				<u>\$ 1,259,996</u>