Form **990-PF** Department of the Treasury Internal Revenue Service

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

Amended

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

OMB No 1545-0052

2003 0403

MAR 19 2010. STATUTE CLEARED

For calendar year 2003, or tax year beginning 4/01 , 2003, and ending 3/31 , 2004

G Check all that apply [ ] Initial return [ ] Final return [X] Amended return [ ] Address change [ ] Name change

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

The KL Felicitas Foundation
P. O. Box 37
Los Gatos, CA 95031-0037

A Employer identification number: 77-0539366

B Telephone number (see instructions): 408-280-0535

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 [X] 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) ► $ 9,778,573.

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

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 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)				
	Ck ► [X] if the found is not req to att Sch B				
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	185,460.	185,460.	185,460.	
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain/(loss) from sale of assets not on line 10	40,903.	Statement 1		
	b Gross sales prices for all assets on line 6a 2,892,761.				
	7 Capital gain net income (from Part IV, line 2)		40,903.		
	8 Net short-term capital gain			8,525.	
	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)				
	12 **Total.** Add lines 1 through 11	226,363.	226,363.	193,985.	
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) See St 2	3,958.	1,979.		1,979.
	b Accounting fees (attach sch) See St 3	4,725.	2,362.		2,363.
	c Other prof fees (attach sch) See St 4	50,816.	44,906.		5,910.
	17 Interest				
	18 Taxes (attach schedule) See Stmt 5	3,721.	187.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)				
	24 **Total operating and administrative expenses.** Add lines 13 through 23	63,220.	49,434.		10,252.
	25 Contributions, gifts, grants paid Part XV	415,909.			415,909.
	26 **Total expenses and disbursements.** Add lines 24 and 25	479,129.	49,434.	0.	426,161.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-252,766.			
	b **Net investment income** (if negative, enter -0-)		176,929.		
	c **Adjusted net income** (if negative, enter -0-)			193,985.	

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IRS Rec 3-4-10

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BAA For Paperwork Reduction Act Notice, see the instructions. TEEA0503L 08/18/03 Form **990-PF** (2003)

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1 Cash – non-interest-bearing			
2 Savings and temporary cash investments	8,907,709.	190,429.	190,429.
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 ►			
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)		5,224,101.	6,215,453.
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)		3,240,413.	3,372,691.
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 I)	8,907,709.	8,654,943.	9,778,573.
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.	
Organizations that follow SFAS 117, check here ► [X] and complete lines 24 through 26 and lines 30 and 31.			
Net Assets or Fund Balances 24 Unrestricted	8,907,709.	8,654,943.	
25 Temporarily restricted			
26 Permanently restricted			
Organizations that do not follow SFAS 117, check here ► [ ] and complete lines 27 through 31.			
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			
30 **Total net assets or fund balances** (see instructions)	8,907,709.	8,654,943.	
31 **Total liabilities and net assets/fund balances** (see instructions)	8,907,709.	8,654,943.	

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	8,907,709.
2 Enter amount from Part I, line 27a	2	-252,766.
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	8,654,943.
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	8,654,943.

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)
1a	See Statement 6			
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	40,903.
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 instructions) If (loss), enter -0- in Part I, line 8	3	8,525.

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.) N/A

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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))
2002			
2001			
2000			
1999			
1998			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2003 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

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 ► [ ] 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 ► [ ] and enter 1% of Part I, line 27b		1	3,539.
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	3,539.
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	3,539.
6 Credits/Payments			
a 2003 estimated tax pmts and 2002 overpayment credited to 2003	6a 4,295.		
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	4,295.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid**		► 10	756.
11 Enter the amount on line 10 to be: **Credited to 2004 estimated tax** ►	756. 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?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
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.*			
c Did the organization file **Form 1120-POL** for this year?	1c		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? *If 'Yes,' attach a detailed description of the activities*	2		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? *If 'Yes,' attach a conformed copy of the changes*	3		X
4a Did the organization have unrelated business gross income of $1,000 or more during the year?	4a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	5		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?	6	X	
7 Did the organization have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ► California			
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	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 2003 or the taxable year beginning in 2003 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?	11	X	

Web site address ► N/A

12 The books are in care of ► Gregory Snow, CPA Telephone no ► 408-354-8500

Located at ► 250 N. Santa Cruz Ave., Los Gatos, CA ZIP + 4 ► 95030-7228

13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► [ ]

and enter the amount of tax-exempt interest received or accrued during the year ► 13 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?	☐ Yes [X] No			
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes [X] No			
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes [X] No			
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes [X] 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)?	☐ Yes [X] 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)	☐ Yes [X] 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)?		1b	N/A	
Organizations relying on a current notice regarding disaster assistance check here	► ☐			
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?		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 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003?	☐ Yes [X] No			
If 'Yes,' list the years ► 20__ , 20__ , 20__ , 19__				
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__ , 20__ , 20__ , 19__ .				
3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes [X] No			
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? *(Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2003)*		3b	N/A	
4a 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 2003?		4b		X
5a 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))?	☐ Yes [X] 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 [X] No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes [X] 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)?	☐ Yes [X] 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 [X] 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)?		5b	N/A	
Organizations relying on a current notice regarding disaster assistance check here	► ☐			
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?	N/A ☐ Yes ☐ No			
If 'Yes,' attach the statement required by Regulations section 53 4945-5(d).				
6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes [X] No			
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b		X
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 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 7		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 ►				

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

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(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 ►		

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			1a	8,810,333.
b Average of monthly cash balances			1b	
c Fair market value of all other assets (see instructions)			1c	
d **Total** (add lines 1a, b and c)			1d	8,810,333.
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	8,810,333.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	132,155.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	8,678,178.
6 **Minimum investment return.** Enter 5% of line 5			6	433,909.

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.)

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1 Minimum investment return from Part X, line 6			1	433,909.
2a Tax on investment income for 2003 from Part VI, line 5	2a	3,539.		
b Income tax for 2003 (This does not include the tax from Part VI)	2b			
c Add lines 2a and 2b			2c	3,539.
3 Distributable amount before adjustments. Subtract line 2c from line 1			3	430,370.
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	430,370.
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	430,370.

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	426,161.
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	426,161.
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	426,161.

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 2002	(c) 2002	(d) 2003
1 Distributable amount for 2003 from Part XI, line 7				430,370.
2 Undistributed income, if any, as of the end of 2002:				
a Enter amount for 2002 only			339,866.	
b Total for prior years: 20___, 20___, 19___		0.		
3 Excess distributions carryover, if any, to 2003				
a From 1998				
b From 1999				
c From 2000				
d From 2001				
e From 2002				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2003 from Part XII, line 4: ► $ 426,161.				
a Applied to 2002, but not more than line 2a			339,866.	
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 2003 distributable amount				86,295.
e Remaining amount distributed out of corpus	0.			
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	0.			
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 2002 Subtract line 4a from line 2a Taxable amount — see instructions			0.	
f Undistributed income for 2003 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2004				344,075.
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 1998 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 1999				
b Excess from 2000				
c Excess from 2001				
d Excess from 2002				
e Excess from 2003				

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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 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			
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
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 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).)

See Statement 8

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 ▶ [X] 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 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 *Paid during the year* See Statement 9				
Total			► **3a**	415,909.
b *Approved for future payment*				
Total			► **3b**	

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Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (see instructions)
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					
4 Dividends and interest from securities				185,460.	
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					
8 Gain or (loss) from sales of assets other than inventory			3	40,903.	
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)				226,363.	
13 Total. Add line 12, columns (b), (d), and (e)				13	226,363.

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

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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	

The KL Felicitas Foundation

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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		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		

Sign Here

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.

[signature] 10.12.09 PRESIDENT
Signature of officer or trustee Date Title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Signature on page 28 of the instructions)
[signature]	10/11/09		P00734922
Firm's name (or yours if self-employed), address, and ZIP code	FEBERT & ASSOCIATES, LLC 707 GRANT ST. SUITE 1140, PITTSBURGH, PA 15219	EIN ▶ 26-4017188	Phone no. (412) 258-2258

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

Description:	See Attch A		
Date Acquired:	Various		
How Acquired:	Purchase		
Date Sold:	Various		
To Whom Sold:			
Gross Sales Price:	44,550.		
Cost or Other Basis:	34,177.		
		Gain (Loss)	10,373.
Description:	300 Shs Caterpillar Inc		
Date Acquired:	4/30/2002		
How Acquired:	Purchase		
Date Sold:	4/16/2003		
To Whom Sold:			
Gross Sales Price:	15,614.		
Cost or Other Basis:	15,975.		
		Gain (Loss)	-361.
Description:	See Attch A		
Date Acquired:	Various		
How Acquired:	Purchase		
Date Sold:	Various		
To Whom Sold:			
Gross Sales Price:	276,373.		
Cost or Other Basis:	258,472.		
		Gain (Loss)	17,901.
Description:	See Attch B		
Date Acquired:	Various		
How Acquired:	Purchase		
Date Sold:	Various		
To Whom Sold:			
Gross Sales Price:	66,116.		
Cost or Other Basis:	67,603.		
		Gain (Loss)	-1,487.
Description:	See Attch B		
Date Acquired:	Various		
How Acquired:	Purchase		
Date Sold:	Various		
To Whom Sold:			
Gross Sales Price:	2,303,861.		
Cost or Other Basis:	2,306,718.		
		Gain (Loss)	-2,857.
Description:	2,000 Shs Bank One		
Date Acquired:	8/02/2002		
How Acquired:	Purchase		
Date Sold:	1/15/2004		
To Whom Sold:			
Gross Sales Price:	100,992.		
Cost or Other Basis:	75,396.		
		Gain (Loss)	25,596.

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

Description:	1,700 Shs Coca Cola		
Date Acquired:	4/30/2002		
How Acquired:	Purchase		
Date Sold:	3/10/2004		
To Whom Sold:			
Gross Sales Price:	85,255.		
Cost or Other Basis:	93,517.		
		Gain (Loss)	-8,262.
	Total Net Gain (Loss) From Noninventory Sales		$ 40,903.

Statement 2
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 Fees	$ 3,958.	$ 1,979.		$ 1,979.
Total	$ 3,958.	$ 1,979.	$ 0.	$ 1,979.

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Statement 3
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Tax Return Preparation	$ 4,725.	$ 2,362.		$ 2,363.
Total	$ 4,725.	$ 2,362.	$ 0.	$ 2,363.

Statement 4
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
Department of Justice	$ 25.	$ 12.		$ 13.
Dues/Memberships	920.			920.
Franchise Tax Board Filing Fee	10.	5.		5.
Investment Expense	40,318.	40,318.		
Other Administrative Expense	400.			400.
Professional Services	9,143.	4,571.		4,572.
Total	$ 50,816.	$ 44,906.	$ 0.	$ 5,910.

Statement 5
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Fed. Estimated Excise Taxes-2003	$ 3,534.			
Foreign Taxes	187.	$ 187.		
Total	$ 3,721.	$ 187.	$ 0.	$ 0.

Statement 6
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	See Attch A	Purchased	Various	Various
2	300 Shs Caterpillar Inc	Purchased	4/30/2002	4/16/2003
3	See Attch A	Purchased	Various	Various
4	See Attch B	Purchased	Various	Various
5	See Attch B	Purchased	Various	Various
6	2,000 Shs Bank One	Purchased	8/02/2002	1/15/2004
7	1,700 Shs Coca Cola	Purchased	4/30/2002	3/10/2004

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Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i)-(j)	(l) Gain (Loss)
1	44,550.		34,177.	10,373.				$ 10,373.
2	15,614.		15,975.	-361.				-361.
3	276,373.		258,472.	17,901.				17,901.
4	66,116.		67,603.	-1,487.				-1,487.
5	2303861.		2306718.	-2,857.				-2,857.
6	100,992.		75,396.	25,596.				25,596.
7	85,255.		93,517.	-8,262.				-8,262.
							Total	$ 40,903.

Statement 7
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
Karl Kleissner P. O. Box 37 Los Gatos, CA 95031-0037	Secretary 5	$ 0.	$ 0.	$ 0.
Lisa Kleissner P. O. Box 37 Los Gatos, CA 95031-0037	President & CEO 5	0.	0.	0.
	Total	$ 0.	$ 0.	$ 0.

Statement 8
Form 990-PF, Part XV, Line 1a
Foundation Managers - 2% or More Contributors

Karl Kleissner
Lisa Kleissner

Statement 9
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Rockefeller Philanthropy Adv. 437 Madison Avenue New York, NY 10022		501c3	General Support	$ 60,000.
San Francisco Jazz Org. Three Embarcadero Center San Francisco, CA 94111		501c3	General Support	2,500.
Instituto Terra Caixa Postal 005,CEP 35200000 Aimores, Minas Gerais, Brazil		*Note	General Support	40,939.
The Tech Museum 201 South Market Street San Jose, CA 95113		501c3	General Support	2,000.
Acumen Fund, Inc. 74 Trinity Place, 9th Floor New York, NY 10006		501c3	General Support	33,000.
Light Up the World 2500 University Drive N.W. Calgary, Alberta, Canada T2N1		*Note	General Support	20,000.
Pacific Legal Foundation 10360 Old Placerville Rd, #10 Sacramento, CA 95827		501c3	General Support	10,000.
Esalen Institute 55000 Highway One Big Sur, CA 93920		501c3	General Support	30,000.
Big Sur Health Center 46896 Highway One Big Sur, CA 93920		501c3	General Support	30,000.
Human Rights Watch 312 Sutter St., #407 San Francisco, CA 94108		501c3	General Support	5,000.

Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
The Children's Health Fund 317 East 64th Street New York, NY 10021		501c3	General Support	$ 2,500.
Sesameworkshop One Lincoln Plaza New York, NY 10023		501c3	General Support	1,000.
Katholischer Familienverband Riedgasse 9, 6020 Innsbruck Austria		*Note	General Support	10,000.
The Cal Poly Foundation 1 Grand Avenue San Luis Obispo, CA 93407		501c3	General Support	500.
Castilleja School Foundation 1310 Bryant Street Palo Alto, CA 94301		501c3	General Support	168,000.
Council on Foundations 1828 L Street, NW, #300 Washington, DC 20036		501c3	General Support	470.
			Total	$ 415,909.

* Expenditure responsibility performed.

Balance Sheet
Other (Form 990-PF)[O]

U. S. Managed Mutual Funds		$ 1,240,413.
Hedge Funds		2,000,000.
	Total	$ 3,240,413.