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

2006

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

For calendar year 2006, or tax year beginning , and ending

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 foundation  
**THE SYNOPSIS FOUNDATION**

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite  
**700 EAST MIDDLEFIELD ROAD**

City or town, state, and ZIP code  
**MOUNTAIN VIEW, CA 94043**

A Employer identification number  
**77-0488629**

B Telephone number  
**(650) 694-5000**

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 ☐

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)  
**\$ 1,252,951.** (Part I, column (d) must be on cash basis.)

J Accounting method: ☒ Cash ☐ Accrual  
☐ Other (specify)

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).)		(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	2,003,000.		N/A	
2	Check <input type="checkbox"/> If the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	30,015.	30,015.		STATEMENT 1
4	Dividends and interest from securities				
5a	Gross rents				
5b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10				
6b	Gross sales price for all assets on line 6a				
7	Capital gain or (loss) (from Part IV, line 2)		0.		
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)				
11	Other income				
12	Total. Add lines 1 through 11	2,033,015.	30,015.		
13	Compensation of officers, directors, trustees, etc.	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees	7,446.	0.		3,723.
c	Other professional fees				
17	Interest				
18	Taxes				
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses	297.	0.		297.
24	Total operating and administrative expenses. Add lines 13 through 23	7,743.	0.		4,020.
25	Contributions, gifts, grants paid	1,057,406.			1,057,406.
26	Total expenses and disbursements. Add lines 24 and 25	1,065,149.	0.		1,061,426.
27	Subtract line 26 from line 12.				
a	Excess of revenue over expenses and disbursements	967,866.			
b	Net investment income (if negative, enter -0-)		30,015.		
c	Adjusted net income (if negative, enter -0-)			N/A	

**Part II** Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only.

		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
<b>Assets</b>	1 Cash - non-interest-bearing	33,086.	46,684.	46,684.	
	2 Savings and temporary cash investments	305,264.	1,206,267.	1,206,267.	
	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				
	7 Other notes and loans receivable				
	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				
	b Investments - corporate stock				
	c Investments - corporate bonds				
	11 Investments - land, buildings, and equipment basis				
	Less: accumulated depreciation				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment basis				
	Less: accumulated depreciation				
	15 Other assets (describe)				
	16 Total assets (to be completed by all filers)	338,350.	1,252,951.	1,252,951.	
	<b>Liabilities</b>	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					
22 Other liabilities (describe)		53,265.	0.		
23 Total liabilities (add lines 17 through 22)	53,265.	0.			
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24 Unrestricted	285,085.	1,252,951.		
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.				
	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	285,085.	1,252,951.		
30 Total net assets or fund balances	285,085.	1,252,951.			
31 Total liabilities and net assets/fund balances	338,350.	1,252,951.			

**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	285,085.
2 Enter amount from Part I, line 27a	2	967,866.
3 Other increases not included in line 2 (itemize)	3	0.
4 Add lines 1, 2, and 3	4	1,252,951.
5 Decreases not included in line 2 (itemize)	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,252,951.

**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	NONE		
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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (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

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)  
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 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))
2005	960,384.	350,403.	2.740798
2004	2,037,375.	861,037.	2.366188
2003	1,190,872.	1,468,742.	.810811
2002	732,727.	1,004,770.	.729248
2001	62,751.	1,143,218.	.054890

2 Total of line 1, column (d)	2 6.701935
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 1.340387
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4 782,126.
5 Multiply line 4 by line 3	5 1,048,352.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6 300.
7 Add lines 5 and 6	7 1,048,652.
8 Enter qualifying distributions from Part XII, line 4	8 1,061,426.

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)**

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)	1	300.
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. . . . .	2	0.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)	3	300.
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
3	Add lines 1 and 2	5	300.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		
6	Credits/Payments:		
a	2006 estimated tax payments and 2005 overpayment credited to 2006	6a	
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	300.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	300.
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	
11	Enter the amount of line 10 to be Credited to 2007 estimated tax <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11	

**Part VII-A 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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
1c 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. <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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? If "Yes," attach a conformed copy of the changes. <i>See Stmt. A Attached</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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> CA		
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? If "No," attach explanation	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 2006 or the taxable year beginning in 2006 (see instructions for Part XIV)? If "Yes," complete Part XIV.		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

STMT 4

**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)	11a		X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	11b	N/A	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Web site address ► N/A	13	X	
14	The books are in care of ► ERIN BRENNOCK Telephone no ► (650) 584-1687 Located at ► 700 EAST MIDDLEFIELD ROAD, MOUNTAIN VIEW, CA ZIP+4 ► 94043			
15	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 ► 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
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 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►		
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 instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
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 2006 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 2006.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
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 2006?	4b	X

**Part VII-B** 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)? ☒ 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 ☐

5b

X

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? **SEE STATEMENT 6** ☒ 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

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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 ☒ Nob If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

N/A

7b

**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.

(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 5		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

Form 990-PF (2006)





**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	794,037.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	794,037.
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	794,037.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	11,911.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	782,126.
6	Minimum investment return. Enter 5% of line 5	6	39,106.

**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	39,106.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	300.
b	Income tax for 2006 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	300.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	38,806.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	38,806.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	38,806.

**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	1,061,426.
b	Program-related investments - total from Part IX-B	1b	0.
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	1,061,426.
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	5	300.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,061,126.

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 2005	(c) 2005	(d) 2006
<b>1</b> Distributable amount for 2006 from Part XI, line 7				38,806.
<b>2</b> Undistributed income, if any, as of the end of 2005				
<b>a</b> Enter amount for 2005 only			0.	
<b>b</b> Total for prior years.		0.		
<b>3</b> Excess distributions carryover, if any, to 2006:				
<b>a</b> From 2001	6,320.			
<b>b</b> From 2002	682,705.			
<b>c</b> From 2003	1,190,887.			
<b>d</b> From 2004	1,994,323.			
<b>e</b> From 2005	942,980.			
<b>f</b> Total of lines 3a through e	4,817,215.			
<b>4</b> Qualifying distributions for 2006 from Part XII, line 4. ► \$	1,061,426.			
<b>a</b> Applied to 2005, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2006 distributable amount				38,806.
<b>e</b> Remaining amount distributed out of corpus	1,022,620.			
<b>5</b> Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	5,839,835.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> 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.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see instr			0.	
<b>f</b> Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2001 not applied on line 5 or line 7	6,320.			
<b>9</b> Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	5,833,515.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2002	682,705.			
<b>b</b> Excess from 2003	1,190,887.			
<b>c</b> Excess from 2004	1,994,323.			
<b>d</b> Excess from 2005	942,980.			
<b>e</b> Excess from 2006	1,022,620.			



**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
<b>a</b> Paid during the year  SEE STATEMENT 7 ATTACHED				1,057,406.
<b>Total</b>			<b>3a</b>	1,057,406.
<b>b</b> Approved for future payment  NONE				
<b>Total</b>			<b>3b</b>	0.





**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

**2006**

Name of organization

THE SYNOPSIS FOUNDATION

Employer identification number

77-0488629

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 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).

LHA 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) (2006)

Name of organization

Employer identification number

THE SYNOPSIS FOUNDATION

77-0488629

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	SYNOPSIS, INC. 700 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	\$ 2,003,000.	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.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
INTEREST	30,015.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	30,015.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING & TAX SERVICES	7,446.	0.		3,723.
TO FORM 990-PF, PG 1, LN 16B	7,446.	0.		3,723.

FORM 990-PF OTHER EXPENSES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE SUPPLIES	69.	0.		69.
STATE FILING FEES	228.	0.		228.
TO FORM 990-PF, PG 1, LN 23	297.	0.		297.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS STATEMENT 4  
PART VII-A, LINE 10

NAME OF CONTRIBUTOR	ADDRESS
SYNOPSIS, INC.	700 E. MIDDLEFIELD ROAD, MOUNTAIN VIEW, CA 94043

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 5

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ERIN BRENNOCK 700 EAST MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	PRESIDENT 5.00	0.	0.	0.
KAREN BROCHIER 700 EAST MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	TREASURER 1.00	0.	0.	0.
CHRIS SADEGHIAN 700 EAST MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	SECRETARY 1.00	0.	0.	0.
AART DEGEUS 700 EAST MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	CHAIRMAN 1.00	0.	0.	0.
DEIRDRE HANFORD 700 EAST MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	BOARD MEMBER 1.00	0.	0.	0.
BRIAN BEATTIE 700 EAST MIDDLEFIELD ROAD MOUNTAIN VIEW, CA 94043	BOARD MEMBER 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

EXPENDITURE RESPONSIBILITY STATEMENT  
PART VII-B, LINE 5C

STATEMENT 6

GRANTEE'S NAME

CADENCE FOUNDATION

GRANTEE'S ADDRESS2655 SEELY AVENUE  
SAN JOSE, CA 95134

<u>GRANT AMOUNT</u>	<u>DATE OF GRANT</u>	<u>AMOUNT EXPENDED</u>	<u>VERIFICATION DATE</u>
10,000.	08/01/06	10,000.	04/30/10

PURPOSE OF GRANTSPONSORSHIP OF ANNUAL STARS AND STRIKES FUNDRAISING EVENT TO RAISE FUNDS  
FOR THE SAN JOSE CONSERVATION CORPS (A PUBLIC CHARITY)

## THE SYNQPSYS FOUNDATION

STATEMENT 7

FEIN# 77-0488629

Form 990-PF, Part XV - 2006 Grants and contributions Paid During the Year or Approved for Future Payment

Recipient's Name and Address	Relationship	Foundation Status of Recipient	Purpose of Grant	Amount
Silicon Valley Community Foundation, 60 S Market Street, Suite 1000, San Jose, CA 95113	None	501(c)(3) public charity	Donation to recommended recipient charitable organizations	\$1,000,000
Cadence Foundation, 2655 Seely Ave, San Jose, CA 95134	None	Private Nonoperating Foundation	Sponsorship of annual Stars and Strikes Fundraising Event to raise funds for San Jose Conservation Corps (public charity)	\$10,000
Industry Initiatives for Science and Math (IISME), 5301 Stevens Creek Blvd, Santa Clara, CA 95052	None	501(c)(3) public charity	Donation to Summer Fellow Teacher Internship Program	\$24,500
Joint Venture Silicon Valley Network, 84 W Santa Clara Street, Suite 440, San Jose, CA 95113	None	501(c)(3) public charity	Donation to promote recipient organization's charitable activities	\$5,000
Second Harvest Food Bank, 750 Curtner Ave, San Jose, CA 95125	None	501(c)(3) public charity	Donation to provide food for people in need in our community	\$5,000
Palo Alto Recreation Foundation, 1305 Middlefield Road, Mountain View, CA 94301	None	501(c)(3) public charity	Donation to promote recipient organization's charitable activities	\$2,500
Association of Fundraising Professionals, P O Box 4584, Mountain View, CA 94301	None	501(c)(3) public charity	Donation to promote recipient organization's charitable activities	\$2,500
People Acting In Community Together Inc , 1100 Shasta Ave, San Jose, CA 95126	None	501(c)(3) public charity	Donation to promote recipient organization's charitable activities	\$5,000
Various Matching Gift < \$1,000	None	501(c)(3) public charity	Matching Gift Program and other contributions to charitable organizations	\$2,906
<b>Total</b>				<b>\$1,057,406</b>

**Statement A**

Amendment of Articles of Incorporation and Bylaws

A0597358

FILED 9  
in the office of the Secretary of State  
of the State of California

MAY 29 2003

*Kevin Shelley*  
KEVIN SHELLEY, Secretary of State

CERTIFICATE OF AMENDMENT OF THE  
ARTICLES OF INCORPORATION OF  
SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION

Steven K. Shevick and Christopher K. Sadeghian hereby certify as follows:

1. They are the president and secretary, respectively, of SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION, a California nonprofit corporation (hereinafter, the "Corporation").
2. The board of directors of the Corporation has adopted the following amendment to the Articles of Incorporation of the Corporation: Article I is hereby amended in its entirety to read as follows:  
  
"The name of this corporation is THE SYNOPSIS FOUNDATION."
3. The Corporation has no members.

Steven K. Shevick and Christopher K. Sadeghian each declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of their own knowledge.

Date: 4/21/2003

*Steven K. Shevick*  
Steven K. Shevick, President

Date: 4/21/2003

*Christopher K. Sadeghian*  
Christopher K. Sadeghian, Secretary



**CERTIFICATE OF AMENDMENT OF THE  
BYLAWS OF  
SYNOPSISYS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION**

Synopsys Technology Education Opportunity Foundation, a California nonprofit corporation (hereinafter, the "Corporation"), hereby certifies that:

1. The Bylaws of the Corporation shall be amended to change the name of the Corporation to "The Synopsys Foundation." The Corporation was originally incorporated under the name "Synopsys Technology Opportunity Scholarship Foundation," and the original Articles of Incorporation were filed with the Secretary of State of the State of California on June 22, 1998.

2. This Certificate of Amendment of the Corporation's Bylaws has been duly adopted by the Corporation's Board of Directors in accordance with Section 5150 of the California Corporations Code.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment of the Corporation's Bylaws to be signed by Christopher K. Sadeghian, its Secretary, on this 4<sup>th</sup> day of August, 2003.

**THE SYNOPSISYS FOUNDATION**

By:   
Christopher K. Sadeghian, Secretary

BYLAWS  
OF  
SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION



**BYLAWS**  
**OF**  
**SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION**  
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BYLAWS  
OF  
SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION

ARTICLE I

NAME

The name of the corporation shall be SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION.

ARTICLE II

OFFICES

Section 1.     Principal Office

The principal office for the transaction of business of the corporation is 700 East Middlefield Road, Mountain View, California 94043. The board of directors may change the principal office from one location to another. Any change of this location shall be noted by the secretary on these bylaws opposite this section, or this section may be amended to state the new location.

Section 2.     Other Offices

The board of directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE III

OBJECTIVES

The objectives of the corporation shall be as stated in the Articles of Incorporation. Specifically, the objectives shall include charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law.

ARTICLE IV

NONPARTISAN ACTIVITIES

The corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as provided

in Section 501(h) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), and the corporation shall not participate or intervene in (including publishing or distributing statements) any political campaign on behalf of any candidate for public office except as provided in Section 501(h) of the Internal Revenue Code.

The corporation shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

## ARTICLE V

### DEDICATION OF ASSETS

The properties and assets of SYNOPSIS TECHNOLOGY EDUCATION OPPORTUNITY FOUNDATION are irrevocably dedicated to charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code. No part of the net income or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member or director of the corporation. On liquidation or dissolution of the corporation, all properties and assets and obligations shall be distributed and paid over to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable and educational purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code, and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

## ARTICLE VI

### MEMBERSHIP

The corporation shall have no members.

## ARTICLE VII

### DIRECTORS

#### Section 1. Powers

a. General corporate powers. Subject to the provisions of the California Nonprofit Corporation Law and any other applicable laws, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the board of directors.

b. Specific powers. Without prejudice to these general powers, and subject to the same limitations, the board of directors shall have power to:

(i) Select and remove all officers, agents and employees of the corporation; prescribe any powers and duties for them that are consistent with law, with the Articles of Incorporation and with these bylaws; and fix their compensation.

(ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency or country and conduct business within or outside the State of California; and designate any place within or outside the State of California for the holding of any members' meeting or meetings, including annual meetings.

(iii) Adopt, make and use a corporate seal and alter the form of the seal.

(iv) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

## Section 2. Number and Qualification of Directors

The authorized number of directors shall be not more than five (5) until changed by an amendment to these bylaws, with the initial number of directors being three (3). The directors need not be residents of the State of California.

## Section 3. Designation and Term of Office of Directors

The directors shall be designated by the board of directors. Each of the directors shall hold office for one (1) year and until a successor has been elected and qualified.

## Section 4. Vacancy

a. Events causing vacancy. A vacancy or vacancies in the board of directors shall be deemed to exist on the occurrence of the following:

(i) The death, resignation or removal of any director.

(ii) The declaration by resolution of the board of directors of a vacancy of the office of a director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law.

(iii) The increase of the authorized number of directors.

b. Resignations. Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the chairman of the board, the president, the secretary or the board of directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the board of directors may elect a successor to take office when the resignation becomes effective. No director may resign when the corporation would then be left without a duly elected director or directors in charge of its affairs.

c. Filling vacancies. Vacancies on the board of directors may be filled by a majority of the directors then in office, whether or not less than a quorum, or by a sole remaining director.

d. No vacancy on reduction of number of directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

e. Restriction on interested directors. Not more than forty-nine percent (49%) of the persons serving on the board of directors at any time may be interested persons. An interested person is (1) any person being compensated by the corporation for services rendered to it in the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 5.      Place of Meeting; Meetings by Telephone

Regular meetings of the board of directors may be held at any place within or outside the State of California that has been designated from time to time by resolution of the board or in the notice of the meeting. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 5, a regular or special meeting of the board of directors may be held at any place consented to in writing by all the board members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at such meeting.

Section 6.      Annual Meeting

At such time and place fixed by the board of directors, the board of directors shall hold a regular annual meeting for the purpose of organization, election of officers and the transaction of other business. Notice of this meeting shall not be required.

Section 7.      Other Regular Meetings

Other regular meetings of the board of directors shall be held without notice and call at such time as shall from time to time be fixed by the board of directors. Such regular meetings may be held without notice.

Section 8.      Special Meetings

a.    Authority to call. Special meetings of the board of directors for any purpose may be called at any time by the chairman of the board or the president, or any vice president and the secretary, or any two (2) directors if there is more than one (1) director.

b.    Notice.

(i) Manner of giving. Notice of the time and place of special meetings shall be given to each director by one of the following methods: (a) by personal delivery or written notice;



(b) by first-class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; (d) by telegram, charges prepaid; or (e) by telecopy (FAX). All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.

(ii) Time requirements. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph or telecopy (FAX) shall be delivered, telephoned or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

(iii) Notice contents. The notice shall state the time and place for the meeting. However, it need not specify the purpose of the meeting, or the place of the meeting if it is to be held at the principal executive office of the corporation.

#### Section 9. Quorum

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article VII. Every action taken or decision made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the board of directors, subject to the provisions of the California Nonprofit Corporation Law, especially those provisions relating to (i) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (ii) creation of and appointment to committees of the board of directors and (iii) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

#### Section 10. Waiver of Notice

The transactions of any meeting of the board of directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11.     Adjournment

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12.     Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the directors who were not present at the time of adjournment.

Section 13.     Action Without Meeting

Any action required or permitted to be taken by the board of directors may be taken without a meeting if all members of the board, individually or collectively, consent in writing to the action; provided, however, that the consent of any director who has a material financial interest in a transaction to which the corporation is a party and who is an "interested director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as a unanimous vote of the board of directors. Such written consent or consents shall be filed with the minutes of the proceedings of the board.

Section 14.     Fees and Compensation

Directors as such shall not receive any compensation for their services, but by resolution of the board of directors, expenses of attendance, if any, may be allowed for attendance at regular or special meetings of the board; but nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

Section 15.     Honorary Directors

The board of directors may elect Honorary Directors, without limit as to number or period of service, except that Honorary Directors shall be subject to removal by the same vote as other directors. Honorary Directors shall not be members of the board and shall have no voting rights, but except when the board of directors is in executive session, shall have the same rights as other directors to

attend and speak at meetings of the board. Unless the context otherwise requires, the term "directors" in these bylaws does not include Honorary Directors.

## ARTICLE VIII

### COMMITTEES

#### Section 1. Committees of the Board

The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more directors and no persons who are not directors, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting of the committee.

#### Section 2. Meetings and Action of Committees

Meetings and actions of committees of the board of directors shall be governed by, held and taken in accordance with the provisions of these bylaws concerning meetings and other board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by board resolution or, if there is none, by resolution of the committee of the board. Minutes of each meeting of any committee of the board shall be kept and shall be filed with the corporate records. The board of directors may adopt rules for the government of any committee, provided they are consistent with these bylaws, or in the absence of rules adopted by the board, the committee may adopt such rules.

#### Section 3. Term of Office

Each member of a committee shall continue as such until the next annual meeting of the board of directors of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4.        Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the manner as provided in the case of the original appointments.

Section 5.        Quorum

Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 6.        Rules

Each committee may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the board of directors.

Section 7.        Limitations

No committee may:

- a.    fill any vacancies on the board of directors or on any committee;
- b.    fix compensation of the directors for serving on the board or on any committee;
- c.    amend or repeal bylaws or adopt new bylaws;
- d.    amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable;
- e.    appoint any committees of the board of directors or the members thereof;
- f.    expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected;
- g.    approve any transaction (1) to which the corporation is a party and one or more directors have a material financial interest; or (2) between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest.

## ARTICLE IX

### OFFICERS

#### Section 1. Officers

The officers of the corporation shall be a Chairman of the Board (if appointed by the board of directors), a President, one or more Vice Presidents (the number thereof to be determined by the board of directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article IX. Except insofar as their duties may conflict, any two or more offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President or Chairman of the Board.

#### Section 2. Election and Term of Office

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article IX, shall be chosen annually by the board of directors, and each shall hold his or her office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified, subject to the rights, if any, of an officer under any contract of employment. New offices may be created and filled at any meeting of the board of directors. Each officer shall hold office until that officer's successor shall have been duly elected and shall have qualified.

#### Section 3. Subordinate Officers

The board of directors may appoint such other officers, including one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, each such officer to have the authority and perform the duties prescribed from time to time by the board of directors and to hold office until he or she shall resign or shall be removed or otherwise disqualified to serve.

#### Section 4. Removal and Resignation

Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in the case of an officer chosen by the board of directors, by an officer upon whom such power of removal may be conferred by the board of directors. Such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Any officer may resign at any time by giving written notice to the board of directors or to the president or to the secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 5.        Vacancies

A vacancy in any office, because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired portion of the term.

Section 6.        Chairman of the Board

The Chairman of the Board, if there be such an officer, shall preside at all meetings of the board of directors and perform such other duties as the directors may assign.

Section 7.        President

The President shall be the chief executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. The President may sign, with the secretary or any other proper officer of the corporation authorized by the board of directors, any deeds, mortgages, bonds, contracts or other instruments that the board of directors has authorized to be executed, except in cases where the signing and execution thereof shall be specially designated by the board of directors or by these bylaws or by statute to some other officer or agent of the corporation; and in general he or she shall perform all duties incident to the office of president and such other duties as may be prescribed from time to time by the board of directors.

Section 8.        Vice President

In the absence of the president, or in the event of his or her inability or refusal to act, the vice president (or, if there be more than one vice president, the first vice president) shall perform the duties of the president, and when so acting shall have all the powers and be subject to all the restrictions upon the president. The vice president shall have such other powers and perform such other duties as may be prescribed from time to time by the board of directors.

Section 9.     Treasurer

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these bylaws or by the board of directors. The books of account shall be open to inspection by any director at all reasonable times.

The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board of directors may designate, shall disburse the corporation's funds as the board of directors may order, shall render to the president, chairman of the board and the board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation and shall have such other powers and perform such other duties as the board of directors or these bylaws may prescribe.

If required by the board of directors, the Treasurer shall give the corporation a bond, in the amount and with the surety or sureties specified by the board, for faithful performance of the duties of the office and for restoration to the corporation of all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Treasurer on his or her death, resignation, retirement or removal from office.

Section 10.    Secretary

The Secretary shall keep or cause to be kept the minutes of the meetings of the board of directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these bylaws or as required by law, be custodian of the corporate records and of the seal of the corporation, see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these bylaws, and in general perform all duties incident to the office of secretary and such other duties as pertain to the office or as prescribed from time to time by the board of directors.

Section 11. Assistant Treasurers and Assistant Secretaries

If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties, in such sums and with such sureties as the board of directors shall determine. The assistant treasurers and assistant secretaries, in general, shall perform such duties as shall be assigned to them by the treasurer or the secretary or by the president or the board of directors.

ARTICLE X

INDEMNIFICATION OF DIRECTORS, OFFICERS,  
EMPLOYEES AND OTHER AGENTS

Section 1. Definitions

For the purpose of this Article X:

a. "agent" means any person who is or was a director, officer, employee or other agent of the corporation; or is or was serving at the request of the corporation as a director, officer, employee or other agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; or was a director, officer, employee or other agent of a foreign or domestic corporation that was a predecessor corporation of the corporation or of another enterprise at the request of the predecessor corporation.

b. "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

c. "expenses" includes, without limitation, all attorneys' fees, costs and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his or her position or relationship as agent and all attorneys' fees, costs and other expenses incurred in establishing a right to indemnification under this Article X.

Section 2. Successful Defense by Agent

To the extent that an agent of the corporation has been successful on the merits in the defense of any proceeding referred to in this Article X, or in the defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him or her, then the provisions of Sections 3 through 5 below shall determine whether the agent is entitled to indemnification.



Section 3.     Actions Brought by Persons Other than the Corporation

Subject to the required findings to be made pursuant to Section 5 below, the corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding, other than an action brought by, or on behalf of, the corporation, or by an officer, director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Corporations Code Section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of the corporation, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

Section 4.     Actions Brought by or on Behalf of the Corporation

a.     Claims settled out of court. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding.

b.     Claims and suits awarded against agent. The corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action brought by or on behalf of the corporation, by reason of the fact that the person is or was an agent of the corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 5 below must be made in the manner provided for in that section; and

(ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 5.      Determination of Agent's Good Faith Conduct

The indemnification granted to an agent in Sections 3 and 4 above is conditioned on the following:

a.    Required standard of conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he or she believed to be in the best interest of the corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent, shall not, in itself, create a presumption that the person did not act in good faith or in a manner which he or she reasonably believed to be in the best interest of the corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his or her conduct was unlawful.

b.    Manner of determination of good faith conduct.  
The determination that the agent did act in a manner complying with paragraph a above shall be made by:

(i) the board of directors, by a majority vote of a quorum consisting of directors who are not parties to the proceeding; or

(ii) the court in which the proceeding is or was pending. Such determination may be made on application brought by the corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney or other person is opposed by the corporation.

Section 6.      Limitations

No indemnification or advance shall be made under this Article X, except as provided in Section 2 or 5b above, in any circumstance when it appears:

a. That the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, a resolution of the board of directors or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in connection with which the expenses were incurred, or other amounts were paid, which prohibits or otherwise limits indemnification; or

b. That the indemnification would be inconsistent with any condition expressly provided by a court in approving a settlement.

Section 7. Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by the corporation before the final disposition of the proceeding, on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article X.

Section 8. Contractual Rights of Nondirectors and Nonofficers

Nothing contained in this Article X shall affect any right to indemnification to which persons other than directors and officers of the corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9. Insurance

The board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against that liability under the provisions of this Article X; provided, however, that the corporation shall not have the power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of Section 5233 of the California Corporations Code.

Section 10. Fiduciaries of Corporate Employee Benefit Plan

This Article X does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation as defined in Section 1a of this Article X. Nothing contained in this Article X shall limit any right to indemnification to which such a trustee, investment manager or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

## ARTICLE XI

### RECORDS AND REPORTS

#### Section 1. Maintenance and Inspection of Articles and Bylaws

The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in such state, the original or a copy of the Articles of Incorporation and bylaws as amended to date.

#### Section 2. Maintenance and Inspection of Other Corporate Records

The accounting books, records and minutes of proceedings of the board of directors and any committee(s) of the board of directors shall be kept at such place or places designated by the board of directors, or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form.

#### Section 3. Inspection by Directors

Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

#### Section 4. Annual Report

An annual report shall be sent to the directors within one hundred twenty (120) days of the close of the corporation's fiscal year, containing the following information in reasonable detail:

(1) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(2) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(3) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(4) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(5) Any information required by California Corporations Code Section 6322.

## ARTICLE XII

### CONTRACTS, CHECKS AND GIFTS

#### Section 1. Contracts

The board of directors, except as otherwise provided in these bylaws, may authorize any officer or officers, or any agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the corporation, and such authority may be general or confined to specific instances; and unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

#### Section 2. Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

#### Section 3. Gifts

The board of directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any specific purpose of the corporation.

## ARTICLE XIII

### FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

## ARTICLE XIV

### CONSTRUCTION AND DEFINITION

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the corporation and a natural person.

## ARTICLE XV

### AMENDMENTS

Bylaws may be adopted, amended or repealed by the board of directors. The board of directors may not extend the term of a director beyond that for which the director was elected.

## ARTICLE XVI

### MISCELLANEOUS PROVISIONS

#### Section 1. Representation of Shares of Other Corporations

The president, or such other officers as the board of directors may select for that purpose, are authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all voting securities of any other corporations standing in the name of the corporation. The authority herein granted to said officers to vote or represent on behalf of the corporation any and all voting securities held by the corporation in any other corporations may be exercised either by such officers in person or by any person authorized to do so by proxy or power of attorney duly executed by such officer.

#### Section 2. Inspection of Bylaws

These bylaws, as amended or otherwise altered to date, certified by the secretary shall be open to inspection by the directors at all reasonable times during office hours.