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**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)? (see page 22 of the instructions)  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?  Yes  No  
Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **SEE STATEMENT 14**  Yes  No  
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
If you answered "Yes" to 6b, also file Form 8870

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

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

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

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15		378,422.	101,880.	25,092.

**2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."**

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JOCELYN SONGCO NEW YORK, NY	INVESTMENT ANALYST 40.	68,472.	14,349.	NONE
AMEETA PATEL NEW YORK, NY	INVESTMENT ANALYST 40.	55,615.	11,862.	NONE

Total number of other employees paid over \$50,000  Yes  No **2**

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

**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 18		216,777.
-----		
-----		
-----		
-----		
-----		

Total number of others receiving over \$50,000 for professional services . . . . . NONE

**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 page 23 of the instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 LOAN TO FOUNDATION HORIZONTI TO FINANCE AN ESTABLISHED MICRO-LENDING PROGRAM SERVING WOMEN IN RURAL COMMUNITIES IN MACEDONIA, FOR THE GOAL OF ALLEVIATING COMMUNITY DETERIORATI	764,400.
2 INVESTMENT IN SONG GROWTH COMPANY, FOR THE PURPOSE OF INCREASING ECONOMIC OPPORTUNITIES AND JOB CREATION FOR LOW INCOME PERSONS IN DISTRESSED COMMUNITIES IN INDIA.	335,294.
All other program-related investments See page 24 of the instructions.	
3 SEE STATEMENT 19	
Total. Add lines 1 through 3 . . . . .	423,324. 1,523,018.

**X** Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
Average monthly fair market value of securities	1a	169,128,033.
Average of monthly cash balances	1b	2,335,012.
Fair market value of all other assets (see page 24 of the instructions)	1c	NONE
Total (add lines 1a, b, and c)	1d	171,463,045.
Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
Acquisition indebtedness applicable to line 1 assets	2	NONE
Subtract line 2 from line 1d	3	171,463,045.
Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	2,571,946.
Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	168,891,099.
Minimum investment return. Enter 5% of line 5	6	8,444,555.

**XI** Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

Minimum investment return from Part X, line 6	1	8,444,555.
Tax on investment income for 2008 from Part VI, line 5	2a	23,289.
Income tax for 2008. (This does not include the tax from Part VI)	2b	
Add lines 2a and 2b	2c	23,289.
Distributable amount before adjustments. Subtract line 2c from line 1	3	8,421,266.
Recoveries of amounts treated as qualifying distributions	4	1,345,876.
Add lines 3 and 4	5	9,767,142.
Deduction from distributable amount (see page 25 of the instructions)	6	
Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	9,767,142.

**XII** Qualifying Distributions (see page 25 of the instructions)

Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	2,064,455.
Program-related investments - total from Part IX-B	1b	1,523,018.
Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
Amounts set aside for specific charitable projects that satisfy the:		
Suitability test (prior IRS approval required)	3a	4,076,145.
Cash distribution test (attach the required schedule)	3b	NONE
Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	7,663,618.
Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
Adjusted qualifying distributions. Subtract line 5 from line 4	6	7,663,618.

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

**Part XIII Undistributed Income** (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				9,767,142.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			5,547,022.	
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2008:				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e				
4 Qualifying distributions for 2008 from Part XII, line 4. ▶ \$ 7,663,618.				
a Applied to 2007, but not more than line 2a			5,547,022.	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2008 distributable amount				2,116,596.
e Remaining amount distributed out of corpus	NONE			
5 Excess distributions carryover applied to 2008. (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	NONE			
b Prior years' undistributed income. Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions				
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions				
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				7,650,546.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008	NONE			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Table with 5 columns: (a) 2008, (b) 2007, (c) 2006, (d) 2005, (e) Total. Rows include 2b, 2c, 2d, 2e, 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, 3u, 3v, 3w, 3x, 3y, 3z.

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

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

NONE

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 foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines

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

**Part XV Supplementary Information (continued)**

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p><b>a Paid during the year</b></p> <p>SEE STATEMENT 20</p>				
<b>Total . . . . .</b>				<b>▶ 3a 467,700.</b>
<p><b>b Approved for future payment</b></p>				
<b>Total . . . . .</b>				<b>▶ 3b</b>

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments . . . . .					
3 Interest on savings and temporary cash investments			14	12,865.	
4 Dividends and interest from securities . . . . .			14	837,103.	
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			18	-1,782,740.	
9 Net income or (loss) from special events . . . . .					
10 Gross profit or (loss) from sales of inventory . . . . .					
11 Other revenue: a _____					
b SEE STATEMENT 22				-1,910,323.	306,156.
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e) . . . . .				-2,843,095.	306,156.
13 Total. Add line 12, columns (b), (d), and (e) . . . . .					-2,536,939.

(See worksheet in line 13 instructions on page 28 to verify calculations.)

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

Line No.	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 28 of the instructions.)
1(A)	REPRESENTS INTEREST INCOME ON DEPOSITS WITH BANKS TO COLLATERIZE LETTERS OF CREDIT.
1(B)	REPRESENTS INCOME FROM PROGRAM RELATED INVESTMENTS - SAFE, MICROFOND, SONG - USING THE EQUITY METHOD OF ACCOUNTING.
1(C)	REPRESENTS FOREIGN CURRENCY TRANSLATION LOSSES RESULTING FROM SEDF'S OPERATIONS.
1(D)	\$110,166 OF THE INTEREST RELATES TO A DEPOSIT OF 782,356 EUR WITH IK BANKA. IK BANKA ORGANIZES A MICRO-LENDING PROGRAM TO PERMIT INDIVIDUAL FARMERS IN CERTAIN REGIONS OF MACEDONIA TO ACCESS FINANCING ON TERMS NOT COMMERCIALY AVAILABLE FOR LOW-INCOME HOUSING.
	\$85,844 OF THE INTEREST RELATES TO A LOAN OF \$2,000,000 TO SOUTH AFRICA FINANCING ENTERPRISE, INC (SAFE). SAFE PROVIDED A GUARANTEE TO RAND MERCHANT BANK (RMB) IN SOUTH AFRICA TO SUPPORT A CREDIT FACILITY FOR LOW INCOME HOUSING.
	\$90,197 OF INTEREST RELATES TO OTHER PROGRAM-RELATED INVESTMENTS.

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash, (2) Other assets, b Other transactions: (1) Sales of assets to a noncharitable exempt organization, (2) Purchases of assets from a noncharitable exempt organization, (3) Rental of facilities, equipment, or other assets, (4) Reimbursement arrangements, (5) Loans or loan guarantees, (6) Performance of services or membership or fundraising solicitations, c Sharing of facilities, equipment, mailing lists, other assets, or paid employees, d If the answer to any of the above is "Yes," complete the following schedule...

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A' for both (b) and (d).

2a Is the foundation 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 [X] No

b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. All cells are empty.

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 and identification section. Includes fields for Signature of officer or trustee (Marilyn), Date (12/26/10), Title (Treasurer), Preparer's signature (Susan H. Parly), Date (4-6-10), Check if self-employed (unchecked), Preparer's identifying number (PO1048773), Firm's name (KPMG LLP, 345 Park Ave, NY, NY 10154-0102), EIN (13-5565207), and Phone no (212-755-9700).

CIS4P1P2M7

Schedule K-1  
(Form 990-B)

2008

For calendar year 2008, or tax

**SOROS ECONOMIC DEVELOPMENT FUND**  
**2008 U.S. RETURN OF PRIVATE FOUNDATION**  
**INTERNATIONAL REORGANIZATIONS**

**STATEMENT PURSUANT TO TREASURY REG. SECTION 1.721-1(a) BY SOROS  
ECONOMIC DEVELOPMENT FUND, EIN 13-3965896, A SIGNIFICANT  
TRANSFEROR**

(1) Transferor and Transferee Corporations:

SOROS Economic Development Fund, EIN 13-3965896, contributed \$300,000 to SONG Growth Company, EIN 98-0586514, and received an equity interest in exchange. The transaction constituted a Section 721 transfer to SONG Growth Company for U.S. tax purposes.

~~(2) The contribution to SONG Growth Company occurred on December 18, 2008.~~

(3) The aggregate fair market value of the cash contributed was \$300,000.

(4) There were no private letter rulings issued by the IRS in connection with this section 721 exchange.

8858

Information Return of U.S. Persons With Respect To Foreign Disregarded Entities

OMB No. 1545-1910

December 2008)

See separate instructions.

Department of the Treasury Revenue Service

Information furnished for the foreign disregarded entity's annual accounting period beginning 06/25/2008 and ending 07/20/2008

Attachment Sequence No. 140

person filing this return

Filer's identifying number

ECONOMIC DEVELOPMENT FUND

133965896

street and room or suite no. (or P O box number if mail is not delivered to street address)

BROADWAY 17TH FLOOR

town, state, and ZIP code

NEW YORK, NY 10019

tax year beginning January 1, 2008 and ending December 31, 2008

Instructions: Fill in all applicable lines and schedules. All information must be in English. All amounts must be stated in U.S. dollars unless otherwise indicated.

Name and address of foreign disregarded entity

GROWTH COMPANY WALKER HOUSE, 87 MARY STREET ST. JOHN'S, CAYMAN, CJ 002

b U.S. identifying number, if any

980586514

Country(ies) under whose laws organized and entity type under local tax law CJ

d Date(s) of organization

e Effective date as foreign disregarded entity

incorporation

03/11/2008

06/25/2008

benefits under a U.S. tax treaty were claimed with respect to some of the foreign disregarded entity, enter the treaty and article number

g Country in which principal business activity is conducted CJ

h Principal business activity OTHER FINANCIAL INVESTMENT

i Functional currency U.S. Dollar

Provide the following information for the foreign disregarded entity's accounting period stated above.

Name, address, and identifying number of branch office or agent (if any) in the US

b Name and address (including corporate department, if applicable) of person(s) with custody of the books and records of the foreign disregarded entity, and the location of such books and records, if different

For the tax owner of the foreign disregarded entity (if different from the filer) provide the following:

Name and address

b Annual accounting period covered by the return (see instructions)

c U.S. identifying number, if any

d Country under whose laws organized

e Functional currency

For the direct owner of the foreign disregarded entity (if different from the tax owner) provide the following:

Name and address

b Country under whose laws organized

c U.S. identifying number, if any

d Functional currency

Attach an organizational chart that identifies the name, placement, percentage of ownership, tax classification, and country of organization of all entities in the chain of ownership between the tax owner and the foreign disregarded entity, and the chain of ownership between the foreign disregarded entity and each entity in which the foreign disregarded entity has a 10% or more direct or indirect interest. See instructions. See Stmt 1

Schedule C Income Statement (see instructions)

Instructions: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules or the average exchange rate determined under section 989(b)). If the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for foreign disregarded entities that use DASTM. If you are using the average exchange rate (determined under section 989(b)), check the following box

Table with 2 columns: Functional Currency, U.S. Dollars. Rows include gross receipts or sales, cost of goods sold, gross profit, other income, total income, total deductions, other adjustments, and net income (loss) per books.

**Schedule C-1 Section 987 Gain or Loss Information**

		(a)	(b)	
		Amount stated in functional currency of foreign disregarded entity	Amount stated in functional currency of recipient	
Remittances from the foreign disregarded entity	1			
Section 987 gain (loss) of recipient	2			
Were all remittances from the foreign disregarded entity treated as made to the direct owner?			Yes	No
Did the tax owner change its method of accounting for section 987 gain or loss with respect to remittances from the foreign disregarded entity during the tax year?				X

**Schedule F Balance Sheet**

Important: Report all amounts in U.S. dollars computed in functional currency and translated into U.S. dollars in accordance with U.S. GAAP. See instructions for an exception for foreign disregarded entities that use DASTM.

Assets		(a)	(b)
		Beginning of annual accounting period	End of annual accounting period
Cash and other current assets	1	0	0
Other assets	2	0	0
Total assets	3	0	0
<b>Liabilities and Owner's Equity</b>			
Liabilities	4	0	0
Owner's equity	5	0	0
Total liabilities and owner's equity	6	0	0

**Schedule G Other Information**

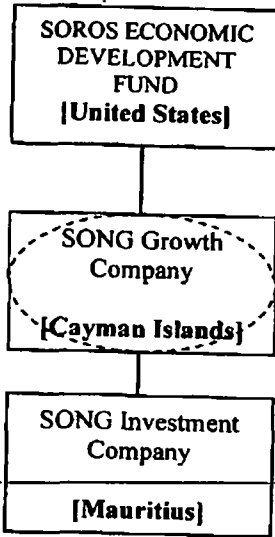
	Yes	No
During the tax year, did the foreign disregarded entity own an interest in any trust?		X
During the tax year, did the foreign disregarded entity own at least a 10% interest, directly or indirectly, in any foreign partnership?		X
Answer the following question only if the foreign disregarded entity made its election to be treated as disregarded from its owner during the tax year: Did the tax owner claim a loss with respect to stock or debt of the foreign disregarded entity as a result of the election?		X
Answer the following question only if the foreign disregarded entity is owned directly or indirectly by a domestic corporation and the foreign disregarded entity incurred a net operating loss for the tax year: Is the foreign disregarded entity a separate unit as defined in Regulations section 1.1503(d)-1(b)(4)? "Yes," see the instructions)	N/A	
Answer the following question only if the tax owner of the foreign disregarded entity is a controlled foreign corporation (CFC): Were there any intracompany transactions between the foreign disregarded entity and the CFC or any other branch of the CFC during the tax year, in which the foreign disregarded entity acted as a manufacturing, selling, or purchasing branch?		

**Schedule H Current Earnings and Profits or Taxable Income (see instructions)**

Important: Enter the amounts on lines 1 through 6 in functional currency.

Current year net income or (loss) per foreign books of account	1	
Total net additions	2	
Total net subtractions	3	
Current earnings and profits (or taxable income - see instructions) (line 1 plus line 2 minus line 3)	4	0
STM gain or loss (if applicable)	5	
Combine lines 4 and 5	6	0
Current earnings and profits (or taxable income) in U.S. dollars (line 6 translated at the average exchange rate determined under section 989(b) and the related regulations (see instructions))	7	0
Average exchange rate used for line 7		1.000000

SONG Growth Company  
For the Period 6/25/2008 – 7/20/2008



CFC



Branch (FDE)

INVESTMENT COMPANY

FOREIGNUS

ement 1  
dule C, Line 16, Other Deductions

Description	Functional Currency	U.S. Dollars
----- L FEES	-----	3,480
-----	-----	-----
I		3,480

3 INVESTMENT COMPANY

FOREIGNUS

Statement 2  
for Current Assets, Sch F, Line 4

Description	Beginning of Period	End of Period
PAID ASSETS	0	225,000
		225,000

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

G INVESTMENT COMPANY

FOREIGNUS

Statement 3  
Contribution or Capital Surplus, Sch F, Line 19

Description	Amount
Beginning Balance	0
Ending Balance	900,000
Increase/(Decrease)	900,000
Reconciliation of Change in Balance:	

FOREIGNUS

CIS4P1P2M7

SONG INVESTMENT COMPANY

Statement 4  
Schedule O, Part II, Section A, US Address

Person Name

Business Name

Address Line 1

Address Line 2

Zip Code

State

City

EIN

Date Return  
Filed

Type of Return

SSN

Internal Revenue Service  
Center Where Filed

17TH FLOOR

SOROS ECONOMIC DEVELOPMENT FUND  
NEW YORK

10019

NY

133965896

1700 BROADWAY

990-PF

11/16/2009

OGDEN, UT

CIS4P1P2M7

SONG INVESTMENT COMPANY

Statement 5  
Schedule O, Part II, Section B, US Address

SSN	Person Name	Address Line 1	Address Line 2	City	State	Zip Code
	James Bunch	2935 Clay Street	Apt No. 6	San Francisco	CA	94115
253137589		275 W 96th Street		New York	NY	10025
Fawzia Naqvi						
127742566						

**SOROS ECONOMIC DEVELOPMENT FUND**

**2008 CONSOLIDATED U.S. RETURN OF  
PRIVATE FOUNDATION**

**INTERNATIONAL REORGANIZATIONS**

**STATEMENT PURSUANT TO TREASURY REG. SECTION 1.351-3(a) BY SOROS  
ECONOMIC DEVELOPMENT FUND, EIN 13-3965896, A SIGNIFICANT  
TRANSFEROR**

(1) Transferor and Transferee Corporations:

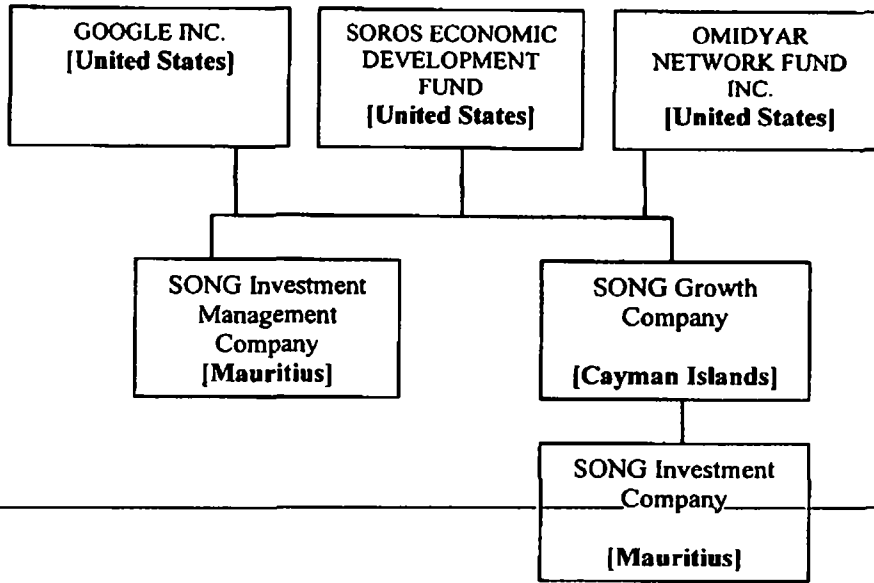
SOROS Economic Development Fund, EIN 13-3965896, contributed \$317,647 to SONG Investment Company, no EIN, and received an equity interest in exchange. The transaction constituted a Section 351 transfer to SONG Investment Company for U.S. tax purposes.

~~(2) The contribution to SONG Investment Company occurred on December 26, 2008.~~

(3) The aggregate fair market value of the cash contributed was \$317,647.

(4) There were no private letter rulings issued by the IRS in connection with this section 351 exchange.

ORGANIZATIONAL STRUCTURE



CFC

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

IG INVESTMENT MANAGEMENT COMPANY

FOREIGNUS

Item 1  
ier Current Assets, Sch F, Line 4

Description	Beginning of Period	End of Period
PAID ASSETS	0	209,665
al		209,665

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

IG INVESTMENT MANAGEMENT COMPANY

FOREIGNUS

Statement 2  
Other Liabilities, Sch F, Line 17

Description	Beginning of Period	End of Period
ACCUMULATED REVENUE	0	225,000
Total		225,000

atement 3  
id-in or Capital Surplus, Sch F, Line 19

Description	Amount
eginning Balance	0
ding Balance	68,000
crease/(Decrease)	68,000

conciliation of Change in Balance:

SONG INVESTMENT MANAGEMENT COMPANY

FOREIGN

CIS4P1P2M7

Statement 4  
Schedule O, Part II, Section A, US Address

Person Name

Business Name

Address Line 1

Address Line 2

Date Return  
Filed

Internal Revenue Service  
Center Where Filed

SSN

Type of Return

EIN

Zip Code

State

City

SOROS ECONOMIC DEVELOPMENT FUND  
NEW YORK

17TH FLOOR

1700 BROADWAY  
990-PF

11/16/2009 0305N, UT

133965896

10019

NY

Supplementary Statements  
For Year Ending 12/31/2008

FORE GNUS

CIS4P1P2M7

SONG INVESTMENT MANAGEMENT COMPANY

Statement 5  
Schedule O, Part II, Section B, US Address

SSN	Person Name	Address Line 1	Address Line 2	City	State	Zip Code
James Bunch 253137589	Director	2935 Clay Street	Apt No. 6	San Francisco	CA	94115
Stewart Paperin 080366438		322 Central Park West	Apt No. 10C	New York	NY	10025

**SOROS ECONOMIC DEVELOPMENT FUND**

**2008 CONSOLIDATED U.S. RETURN OF  
PRIVATE FOUNDATION**

**INTERNATIONAL ORGANIZATION**

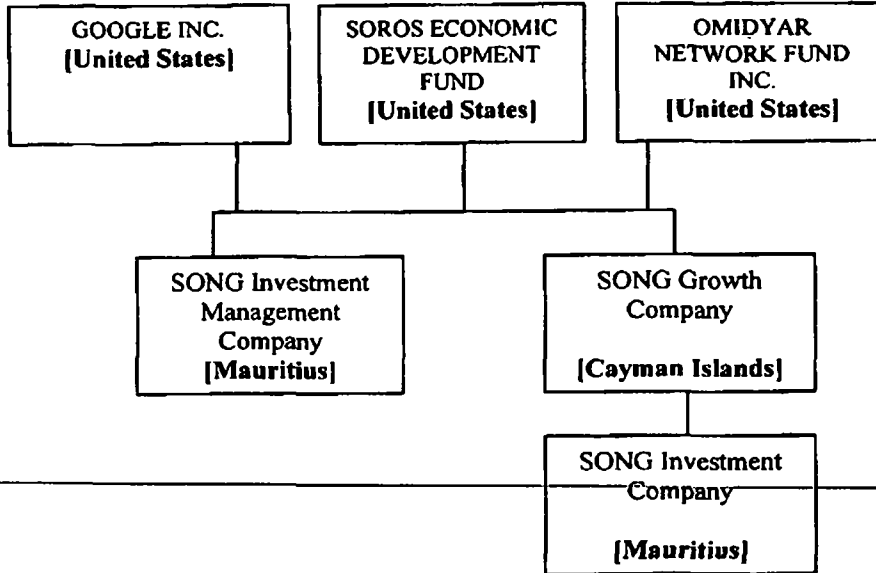
**STATEMENT PURSUANT TO TREASURY REG. SECTION 1.351-3(a) BY SOROS  
ECONOMIC DEVELOPMENT FUND, EIN 13-3965896, A SIGNIFICANT  
TRANSFEROR**

(1) **Transferor and Transferee Corporations:**

SOROS Economic Development Fund, EIN 13-3965896, contributed \$24,000 to SONG Investment Management Company, no EIN, and received an equity interest in exchange. The transaction constituted a Section 351 transfer to SONG Investment Management Company for U.S. tax purposes.

- (2) The contribution to SONG Investment Management Company occurred on December 18, 2008.
- (3) The aggregate fair market value of the cash contributed was \$24,000.
- (4) There were no private letter rulings issued by the IRS in connection with this section 351 exchange.

ORGANIZATIONAL STRUCTURE



CFC

CIS4P1P2M7

**SOROS ECONOMIC DEVELOPMENT FUND**  
**2008 U.S. RETURN OF PRIVATE FOUNDATION**

**INTERNATIONAL REORGANIZATIONS**

**STATEMENT PURSUANT TO TREASURY REG. SECTION 1.351-3(a) BY SOROS  
ECONOMIC DEVELOPMENT FUND, EIN 13-3965896, A SIGNIFICANT  
TRANSFEROR**

(1) Transferor and Transferee Corporations:

SOROS Economic Development Fund, EIN 13-3965896, contributed \$124,914 (BGN 158,700) to Mikrofond EAD, no EIN, and received an equity interest in exchange. The transaction constituted a Section 351 transfer to Mikrofond EAD for U.S. tax purposes.

(2) The contribution to Mikrofond EAD occurred on January 14, 2008.

(3) ~~The aggregate fair market value of the cash contributed was \$124,914 (BGN 158,700).~~

(4) There were no private letter rulings issued by the IRS in connection with this section 351 exchange.



Supplementary Statements  
For Year Ending 12/31/2008

CIS4P1P2M7

FOREIGNUS

invest LLC

ment 2  
ule C, Line 8, Other Income

Description	Functional Currency	U.S. Dollars
IGN EXCHANGE GAINS/LOSSES	-2,125,423	-204,572
r Income	8,716,062	838,921
	6,590,639	634,349

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

Invest LLC

FOREIGNUS

Item 3  
Schedule C, Line 16, Other Deductions

Description	Functional Currency	U.S. Dollars
GENERAL & ADMINISTRATIVE EXPENSES	19,583,917	1,884,952
PROVISION FOR IMPAIRMENT OF LOANS	12,675,553	1,220,022
	32,259,470	3,104,974

Supplementary Statements  
For Year Ending 12/31/2008

CIS4P1P2M7

Investment L

FOREIGNUS

Item 4  
Other Current Assets, Sch F, Line 4

Description	Beginning of Period	End of Period
FROM BANKS	7,509,412	13,552,671
ASSETS TO CUSTOMERS	10,688,759	25,118,952
Total	18,198,171	38,671,623

Supplementary Statements  
For Year Ending 12/31/2008

CIS4P1P2M7

Invest LLC

FOREIGNUS

Item 5  
Investments, Sch F, Line 7

Description	Beginning of Period	End of Period
FOR SALE INVESTMENTS	286	0
1	286	

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

Coinvest LLC

FOREIGNUS

Statement 6  
Foreign Assets, Sch F, Line 12

Description	Beginning of Period	End of Period
Foreign Assets	410,090	229,520
Total	410,090	229,520

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

Coinvest LLC

FOREIGNUS

Statement 7  
For Current Liabilities, Sch F, Line 15

Description	Beginning of Period	End of Period
-----	-----	-----
TO POUNDERS	39,219	34,932
ASSETS FOR PROJECTS IN PROCESS	9,699	9,080
INTEREST-BEARING LOANS	17,230,825	32,438,865
-----	-----	-----
Total	17,279,743	32,482,877

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

FOREIGNUS

Invest LLC

Item 8  
Liabilities, Sch P, Line 17

Description	Beginning of Period	End of Period
REPAIRS & OTHER SERVICES PAYABLE	23,447	66,234
FEES	33,525	40,820
TAX PAYABLE	3,234	0
Liabilities	216	8,437
RENTS PAYABLE	35,423	100,318
	95,845	215,809

CIS4P1P2M7

Supplementary Statements  
For Year Ending 12/31/2008

Coinvest LLC

FOREIGNUS

Statement 9  
Contribution or Capital Surplus, Sch F, Line 19

Description	Amount
Beginning Balance	2,509,320
Ending Balance	587,011
Change/(Decrease)	-1,922,309

Reconciliation of Change in Balance:

CIS4P1P2M7

Microinvest LLC

Statement 10  
Schedule O, Part II, Section A, US Address

Person Name

Address Line 2

Business Name

EIN

Zip Code

State

City

SOROS ECONOMIC DEVELOPMENT FUND  
NY 10019

17TH FLOOR

Address Line 1

Internal Revenue Service  
Center Where Filed

Date Return  
Filed

Type of Return

SSN

1700 BROADWAY  
990-PF  
11/16/2009 OGDEN, UT

Supplementary Statements  
For Year Ending 12/31/2008

FOREIGN

CIS4P1P2M7

Microinvest LLC

Statement 11  
Schedule O, Part II, Section B, US Address

Person Name ..... Address Line 1 ..... Address Line 2 ..... City ..... State ..... Zip Code .....

SSN ..... Officer Director .....

Neal DeLaurentis ..... 626 Avon Drive

044624968 ..... X

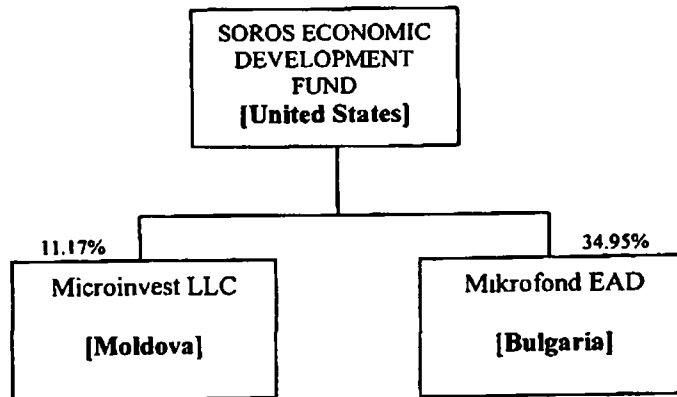
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06477



CIS4P1P2M7



CIS4P1P2M7

**SOROS ECONOMIC DEVELOPMENT FUND**

**2008 U.S. RETURN OF PRIVATE FOUNDATION**

**INTERNATIONAL REORGANIZATIONS**

**STATEMENT PURSUANT TO TREASURY REG. SECTION 1.351-3(a) BY SOROS  
ECONOMIC DEVELOPMENT FUND, EIN 13-3965896, A SIGNIFICANT  
TRANSFEROR**

(1) Transferor and Transferee Corporations:

SOROS Economic Development Fund, EIN 13-3965896, contributed \$274,410 (MDL 2,947,326) to Microinvest LLC, no EIN, and received an equity interest in exchange. The transaction constituted a Section 351 transfer to Microinvest LLC for U.S. tax purposes.

~~(2) The contribution to Microinvest LLC occurred on March 25, 2008.~~

(3) The aggregate fair market value of the cash contributed was \$274,410 (MDL 2,947,326).

(4) There were no private letter rulings issued by the IRS in connection with this section 351 exchange.

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
NATEXIS BLEICHROEDER	12,865.	12,865.
TOTAL	12,865.	12,865.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTEREST INCOME ON SMITH BARNEY HOLDINGS	834,683.	834,683.
DIVIDENDS ON SMITH BARNEY HOLDINGS	2,419.	2,419.
TOTAL	837,102.	837,102.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTEREST ON PROGRAM RELATED INVESTMENTS	286,207.	286,207.
INTEREST INCOME ON LOC DEPOSIT	15,710.	15,710.
EQUITY IN INCOME OF INVESTEEES	4,240.	16,710.
LOSS ON FOREIGN CURRENCY TRANSACTIONS	-1,910,323.	
TOTALS	-1,604,166.	318,627.

FORM 990PF, PART I - LEGAL FEES  
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LEGAL FEES	135,494.			148,767.
LEGAL FEES - SERVICE AGREEMENT	112,529.			112,529.
TOTALS	248,023.	NONE	NONE	261,296.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ACCOUNTING FEES	73,911.			76,311.
ACCOUNTING - SERVICE AGREEMENT	38,832.			41,006.
TOTALS	112,743.	NONE	NONE	117,317.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
ACTUARY FEES	1,660.
CONSULTING FEES	101,934.
PROF SRVCS - SERVICE AGREEMENT	485,239.
BENEFITS - SERVICE AGREEMENT	232,312.
TOTALS	821,145.

CHARITABLE PURPOSES
1,560.
105,471.
535,935.
186,206.
829,172.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
FEDERAL EXCISE TAXES	-93,060.
TOTALS	-93,060.

FORM 990PF, PART I - OTHER EXPENSES  
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----
OTHER OFFICE SERVICES	12,295.
BANK CHARGES AND L/C CHARGES	6,071.
PROVISION FOR FOREIGN TAX	715.
DEFERRED FEDERAL EXCISE TAX	271,422.
NATEXIS BLEICROEDER FEE	3,442.
TELECOMMUNICATIONS	20,619.
LIABILITY INSURANCE	27,305.
SHIPPING	1,910.
PROVISION FOR LOSSES - PRI	-412,802.
OTHER EXPENSES	77,068.
	-----
TOTALS	8,045.
	=====

CHARITABLE PURPOSES -----	
	12,295.
	6,071.
	-----
	23,810.
	27,305.
	1,896.
	-----
	78,591.
	-----
	149,968.
	=====

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
QUANTUM ENDOWMENT FUND CLASS C	139,165,910.	152,713,331.	152,713,331.
FIXED INCOME SECURITIES	20,938,070.	6,073,600.	6,073,600.
TOTALS	160,103,980.	158,786,931.	158,786,931.

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
PROGRAM RELATED INVESTMENTS: AT LOWER OF COST OR FAIR VALUE LOANS:			
MICROINVEST, MOLDOVA	257,749.	500,000.	500,000.
MIKROHITEL, HUNGARY	500,000.		
ECONOMIC DEVELOPMENT CENTER, ROMANIA	1,700,000.	1,700,000.	1,700,000.
NURCHA, SOUTH AFRICA	9,128,499.	6,536,772.	6,536,772.
IMPUTED INTEREST-NURCHA LOAN	-2,683,311.	-1,683,767.	-1,683,767.
SOUTH AFRICA FINANCING ENTERPR	2,000,000.	2,000,000.	2,000,000.
ACME, HAITI	1,000,000.	1,000,000.	1,000,000.
FOUNDATION HORIZONTI, MACEDONIA	1,000,000.	704,870.	704,870.
DEPOSITS:			
MI-BANCO, PANAMA	1,000,000.	750,000.	750,000.
NOA SAVINGS AND LOAN, CROATIA	250,000.		
IK BANKA, MACEDONIA	1,152,293.	544,388.	544,388.
NONMARKETABLE SEC-AT EQUITY:			
SOUTH AFRICA FINANCING ENTERPR	376,195.	375,268.	375,268.
SONG GROWTH CO.		332,164.	332,164.
SONG INVESTMENT MANAGEMENT		24,000.	24,000.
MIKROFOND, BULGARIA	616,903.	750,114.	750,114.
OTHER-LOWER OF COST/FAIR VALUE			
CMMN STCK & OTHR EQUITY INVMT:			
GLOBAL COMMERCIAL MICROFINANCE	1,000,000.	1,000,000.	1,000,000.
CONSORTIUM, LTD,CAYMAN ISLANDS	481,507.	804,116.	804,116.
MICROINVEST, MOLDOVA	25,001.	25,001.	25,001.
MI-BANCO, PANAMA			
ALLOWANCE FOR EST. LOSSES ON PROGRAM RELATED INVESTMENTS	-2,080,523.	-1,876,613.	-1,876,613.

FORM 990, PART II - OTHER ASSETS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
TOTALS	14,724,313.	13,486,313.	13,486,313.

FORM 990PF, PART II - OTHER LIABILITIES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
DEFERRED FEDERAL EXCISE TAXES	1,217,701.	1,489,123.
ALLOWANCE FOR ESTIMATED LOSSES	305,205.	312,400.
FAIR VALUE OF LOAN GUARANTEES	237,962.	21,875.
TOTALS	----- 1,760,868. -----	----- 1,823,398. -----

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES  
=====

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAIN ON INVESTMENTS	13,637,060.
IMPUTED INTEREST INCOME	276,403.
FOREIGN CURRENCY TRANSLATION GAIN	1,760.
	-----
TOTAL	13,915,223.
	=====

CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/allowable	Cost or other basis	FMV as of 12/31/89	Adj. basis as of 12/31/89	Excess of FMV over adj. basis	Gain or (loss)	
167,500.		LEHMAN BROTHERS BOND PROPERTY TYPE: SECURITIES 1,950,240.				10/02/2007	12/31/2008
						-1782740.	
TOTAL GAIN (LOSS) .....						-1782740.	

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
**Grants and Program-Related Investments**  
**Expenditure Responsibility Report, 2008**

**Equity Investments**

PRI Recipient	Date of PRI	Purpose	Total amount of PRI	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
South Africa Financing Enterprise (SAFE) 400 West 59th Street New York, NY 10019	1/10/2003	Equity investment in a Delaware special purpose vehicle to (i) help provide affordable housing for low-income people in South Africa, and (ii) provide capital to small, emerging developers and contractors that would otherwise not have access to such capital	US \$525,000	US \$0	US \$525,000	No	9/16/2009
Corporación Micro-Financiera Nacional S.A. Apartado Postal 0832-1174 WTC Panama City, PANAMA	2/27/2003	Equity in Panamanian corporation organized as a sociedad anonoma to support micro-lending and other financial services to low income and disenfranchised people who would otherwise not have access to financial services	U.S. \$25,000	U.S. \$0	U.S. \$25,000	No	04/18/2009
Global Commercial Microfinance Consortium 60 Wall Street, NYC 60-2110 USA	12/7/2005	Equity in Cayman Islands exempted company to encourage private sector local banks to lend to microfinance institutions worldwide and develop indigenous financial systems that serve the poor	U.S. \$1,000,000	U.S. \$0	U.S. \$1,000,000	No	08/10/2009

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)  
Grants and Program-Related Investments  
Expenditure Responsibility Report, 2008**

PR1 Recipient	Date of PR1	Purpose	Total amount of PR1	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
Micromvest LLC 16, Pashan str Chisinau, MD-2012 Moldova	12/03/2007	Equity investment in non-banking financial institution to expand and strengthen the microfinance program serving rural and per-urban communities in Moldova	U S \$742,307 <sup>1</sup>	U S \$274,410	U S \$800,997 <sup>2</sup>	No	8/07/2009
Mikrofond E A D 118-120 Kind i Metrodu str, Sofia 120 Bulgaria	12/12/2007	Equity investment to purchase 9,779 shares of Mikrofond EAD to expand its lending activities to marginalized communities in Bulgaria	U S \$735,400 <sup>3</sup>	U S \$124,914	U S \$803,577 <sup>4</sup>	No	10/08/2009
SONG Growth Company Walkers House, PO Box 265 Cruzland Cayman Cayman Islands	6/25/2008	Equity investment to advance the social objective of increasing economic opportunities and job creation for low-income persons in rural and ruralizing distressed communities by investing in small and medium enterprises (SMEs) and sectors that do not have access to funding in economically feasible terms.	U S \$6,000,000	U S \$335,294	U S \$335,294	No	8/17/2009

<sup>1</sup> The original PR1 commitment was made in Euros (EUR €560,000). The US dollar amount is provided for information purposes and is calculated as of the date of the PR1 agreement at the exchange rate of EUR/USD 1.250000.  
<sup>2</sup> While the obligation was in a foreign currency, the US dollar amount reflects the amount of US dollars actually disbursed to satisfy such a foreign currency obligation.  
<sup>3</sup> The original PR1 commitment was made in Moldovan Lei (MDL 8,250,000). The US dollar amount is provided for information purposes and is calculated as of the date of the PR1 agreement at the exchange rate of USD/MDL 11.1400.  
<sup>4</sup> While the obligation was in a foreign currency, the US dollar amount reflects the amount of US dollars actually disbursed to satisfy such a foreign currency obligation.

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
**Grants and Program-Related Investments**  
**Expenditure Responsibility Report, 2008**

Page 3 of 8  
8/17/2009

SONG Investment Management Company Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius	12/17/2008	Equity investment to provide non-binding investment advice and recommendations to SONG with respect to terms, conditions and types of investments in SMEs in India	U.S. \$24,000	U.S. \$0	U.S. \$24,000	No	
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STMT 14

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
**Grants and Program-Related Investments**  
**Expenditure Responsibility Report, 2008**

**Deposits**

PRI Recipient	Date of PRI	Purpose	Total amount of PRI	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
Export and Credit Bank Str 11 Oktomvri No 8 POB 421 91000 Skopje, Macedonia	3/15/1999	Deposit in Macedonian Bank to guarantee a lending program for farmers and micro-enterprises in rural Macedonia	US \$500,000 <sup>1</sup>	US \$0	US \$521,304 <sup>6</sup>	No	1/11/2009
	3/15/2004	Additional deposit in Macedonian Bank to guarantee a lending program for farmers and micro-enterprises in rural Macedonia	US \$305,950 <sup>7</sup>	US \$0	US \$338,277 <sup>8</sup>	No	1/11/2009
MiBanco, S A BMF San Miguelito, Paraiso Ave Principal, Calle E Apartado Postal 0832-1174 WTC Panama City, PANAMA	2/27/2003	Deposit in Panamanian bank to provide funds to Mi-Banco to support its micro- and small-business lending activities aimed at providing financial services to the low-income population in Panama	US \$1,000,000	US \$0	US \$1,000,000	No	09/25/2009

STMT 14

<sup>1</sup> The PRI commitment was originally US \$500,000 but the outstanding balance in the deposit and the remaining commitment were subsequently amended to total EUR €534,000 on May 15, 2002

<sup>6</sup> The US dollar amount reflects the amount of US dollars actually disbursed since the inception of the PRI including those US dollars that were used to pay the foreign currency obligation when the original obligation was changed from US dollars to Euros

<sup>7</sup> The original PRI commitment was made in Euros (EUR €250,000). The US dollar amount is provided for information purposes and is calculated as of the date of the PRI agreement at the exchange rate of EUR/USD 81712 to US\$1 00

<sup>8</sup> While the obligation was in a foreign currency, the US dollar amount reflects the amount of US dollars actually disbursed since the inception of the PRI to satisfy such foreign currency obligation

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
 Grants and Program-Related Investments  
 Expenditure Responsibility Report, 2008

Loans

PRI Recipient	Date of PRI	Purpose	Total amount of PRI	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
Center for Economic Development (CDE) Calea Victoriei 155, bl D1 sc 6, et 2, P B 22-196, Bucharest, Romania	3/2/2001	Loan to a Romanian NGO to finance programs that enable private farms and individual entrepreneurs to access financing on terms not otherwise commercially available in deteriorated and economically depressed parts of Romania	U S \$2,000,000	U S \$0	U S \$2,000,000	No	08/06/09
	12/12/2005	Additional loan to secure a \$7 million loan from the Romanian Ministry of Labor to expand the Center's micro-lending program in depressed regions of Romania	U S \$700,000	U S \$0	U S \$700,000	No	08/06/09
Association pour la Coopération avec la Micro-Entreprise (ACME) 11 rue Bois Patate Port-au-Prince, Haiti	11/20/2007	Loan to not-for-profit micro-lender to expand outside of the capital city and transform into a joint-stock company	U S \$1,000,000	U S \$0	U S \$1,000,000	No	08/06/09

STMT 14

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
 Grants and Program-Related Investments  
 Expenditure Responsibility Report, 2008

PRI Recipient	Date of PRI	Purpose	Total amount of PRI	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
South Africa Financing Enterprise (SAFIE) 400 West 59th Street New York, NY 10019	1/10/2003	Loan to a special purpose vehicle to (i) help provide affordable housing for low-income people in South Africa, and (ii) provide capital to small, emerging developers and contractors that would otherwise not have access to such capital	US \$2,000,000	US \$0	US \$2,000,000	No	09/16/2009
Mikrotel 14 Pozsonyi 1137 Budapest Hungary	12/15/2006	Loan to Hungarian micro-finance company to support its lending program to offer bridge loans for not-for-profit organizations administering European Commission TANODA program	US \$500,000	US \$0	US \$500,000	No	10/13/09

STMT 14

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
 Grants and Program-Related Investments  
 Expenditure Responsibility Report, 2008

PRI Recipient	Date of PRI	Purpose	Total amount of PRI	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
Horizontu Rampo Levkata 14 Skopje, Macedonia	08/11/2008	Loan to expand and strengthen the capital base of Horizontu, a not-for-profit microfinance program serving women only (40% are from Roma communities) in the neo-urban and rural communities in Macedonia by linking the program with a local commercial bank and diversifying its loan capital	US \$750,525 <sup>1</sup>	US \$750,525	US \$750,525	No	08/31/2009

SIMT 14

<sup>1</sup> The original PRI commitment was made in Euros (EUR €500,000). The US dollar amount is provided for information purposes and is calculated as of the date of the PRI agreement at the exchange rate of EUR/USD 0.66664 to USD 1.00

**SOROS ECONOMIC DEVELOPMENT FUND (SEDF)**  
 Grants and Program-Related Investments  
 Expenditure Responsibility Report, 2008

Grants

Grant Recipient	Date of Grant	Purpose	Total amount of Grant	Amount Expended in 2008	Amount disbursed by SEDF since inception	Knowledge of Diversion?	Report Received
Fundacja Centrum Organizacji Pożyczkowych Ul Koszykowi 60/62 Warsaw 00-673 Poland	06/27/07	Grant to publish the Microfinance Policy Monitor, a semi-annual publication providing news, updates, surveys and analysis of the regulatory environment faced by microfinance practitioners in Eastern Europe and Central Asia	US \$50,000	US \$0	US \$50,000	No	7/31/2008
Emergency Liquidity Facility Oficentro la Virgen No 2 Edificio No 4, Piso No 3 Zona Industrial de Pavas San Jose, Costa Rica	08/14/2008	Grant to support the Technical Support Facility to train Microfinance Institutions on how to anticipate and withstand natural disasters and to fund Caribbean Technical Support Facility	US \$75,000	US \$9,006	US \$75,000	No	10/15/2009
Autonomia Foundation Pozronyi ut 14 II emelet 9 Budapest 1137 Hungary	12/8/2008	Grant to expand the existing conditional cash transfer program or Individual Development Account (IDA) program from two Roma/low income communities in Hungary to five communities	US \$150,000	US \$0	US \$150,000	No	10/20/2009
Open Society Institute Macedonia Bil Jare Sandanska 111, POB 378 Skopje 1000, Macedonia	12/8/2008	Grant to provide Financial literacy courses for Roma and the poor in Macedonia	US \$69,500	US \$0	US \$69,500	No	5/15/2009
Nathan EMC Limited 3 Mill Harbour London E14 9XP United Kingdom	12/17/2008	Grant to assist with administration and management for Business Plan Competition in Sierra Leone	US \$100,000	US \$0	US \$100,000	No	3/30/2009

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

TITLE AND AVERAGE HOURS PER  
WEEK DEVOTED TO POSITION

CONTRIBUTIONS  
TO EMPLOYEE  
BENEFIT PLANS

EXPENSE ACCT  
AND OTHER  
ALLOWANCES

NAME AND ADDRESS

COMPENSATION

STEWART J. PAPERIN  
1700 BROADWAY  
17TH FLOOR  
NEW YORK, NY 10019

PRES/CEO  
6.

NONE

NONE

2,091.

EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23  
FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.

DANIEL R. EULE  
888 SEVENTH AVENUE  
NEW YORK, NY 10106

TREASURER (UNTIL 7/10/09)  
1.

NONE

NONE

1,094.

RICARDO A. CASTRO  
400 WEST 59TH STREET  
NEW YORK, NY 10019

SECRETARY  
1.

NONE

NONE

2,091.

EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23  
FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.

HERBERT STURZ  
400 WEST 59TH STREET  
NEW YORK, NY 10019

CHAIR/DIRECTOR  
1.

NONE

NONE

2,091.

EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23  
FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.

ANNEXURE, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ANDREW ROMAY C/O RG NIEDERHOFFER CAPITAL MGMT. 1700 BROADWAY, 39TH FLOOR NEW YORK, NY 10019	DIRECTOR 1.	NONE	NONE	2,091.
NEAL DELAURENTIS 1700 BROADWAY 17TH FLOOR NEW YORK, NY 10019	VICE PRESIDENT 40.	128,250.	45,828.	2,091.
EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23 FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.				
JONATHAN SOROS 888 SEVENTH AVENUE, 33RD FLOOR NEW YORK, NY 10106	DIRECTOR 1.	NONE	NONE	2,091.
ROBERT SOROS 888 SEVENTH AVENUE, 33RD FLOOR NEW YORK, NY 10106	DIRECTOR 1.	NONE	NONE	2,091.
MARIA SANTOS VALENTIN 400 WEST 59TH STREET NEW YORK, NY 10019	GENERAL COUNSEL 24.	112,529.	29,779.	2,091.
EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23 FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.				
NASSAR AHMAD	DIRECTOR 1.	NONE	NONE	2,091.

FORM 990, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
DIMAIO AHMAD CAPITAL 245 PARK AVENUE 44TH FLOOR NEW YORK, NY 10167				
FAWZIA NAQVI 1700 BROADWAY 17TH FLOOR NEW YORK, NY 10019	VICE PRESIDENT 40.	137,643.	26,273.	2,091.

EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23 FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.

REUBEN ABRAHAM GACHIBOWLI 500 032 HYPERABAD INDIA	DIRECTOR 1.	NONE	NONE	2,091.
MAIJA ARBOLINO 400 WEST 59TH STREET NEW YORK, NY 10019	TREASURER (STARTING 7/10/09) 1.			997.

EMPLOYED AND PAID BY THE OPEN SOCIETY INSTITUTE (OSI). SEE STATEMENT 23 FOR FURTHER DETAILS REGARDING SERVICE AGREEMENT BETWEEN SEDF AND OSI.

GRAND TOTALS				
		378,422.	101,880.	25,092.

~~390PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS~~

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NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
KPMG LLP NEW YORK, NY AUDIT AND TAX SERVICES	FINANCIAL SERVICES	66,150.
MORGAN, LEWIS & BOCKIUS LLP NEW YORK, NY LEGAL SERVICES	LEGAL SERVICES	150,627.
TOTAL COMPENSATION		----- 216,777. -----

## FORM 990PF, PART IX-B - SUMMARY OF OTHER PROGRAM-RELATED INVESTMENTS

DESCRIPTION	AMOUNT
INVESTMENT IN MICROINVEST LLC TO SUPPORT THEIR LENDING PROGRAM FOR MICRO-ENTREPRENEURS IN ECONOMICALLY-DEPRESSED AREAS OF MOLDOVA.	274,410.
INVESTMENT IN MIKROFOND TO SUPPORT THEIR LENDING PROGRAM FOR MICRO-ENTREPRENEURS IN ECONOMICALLY-DEPRESSED AREAS OF BULGARIA.	124,914.
INVESTMENT IN SONG INVESTMENT MANAGEMENT COMPANY TO PROVIDE INVESTMENT MANAGEMENT SERVICES TO SONG GROWTH COMPANY.	24,000.
TOTAL	423,324.

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
AUTONOMIA FOUNDATION POOZSONYI UT 14. II. EMELET 9 1137 BUDAPEST HUNGARY	FOREIGN ORGANIZATION	TO EXPAND THE EXISTING CONDITIONAL CASH TRANSFER PROGRAM OR INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) PROGRAM FROM TWO ROMA/LOW INCOME COMMUNITIES IN HUNGARY TO FIVE COMMUNITIES.	150,000.
EMERGENCY LIQUIDITY FACILITY OFICENTRO LA VIRGEN NO.2 SAN JOSE COSTA RICA	FOREIGN ORGANIZATION	TO SUPPORT THE TECHNICAL SUPPORT FACILITY TO TRAIN MICROFINANCE INSTITUTIONS ON HOW TO ANTICIPATE AND WITHSTAND NATURAL DISASTERS AND TO FUND CARIBBEAN TECHNICAL SUPPORT FACILITY.	75,000.
FUNDACJA CENTRUM ORGANIZACJI POLYCYKOWYCH UL. KOSZYKOWA 60/62 00-673 WARSAW POLAND	FOREIGN ORGANIZATION	TO SUPPORT FOR THE 2008 PUBLICATION OF THE MICROFINANCE POLICY MONITOR.	60,000.
NATHAN EME LIMITED 3 MILL HARBOUR E14 9XP LONDON UNITED KINGDOM	FOREIGN ORGANIZATION	TO ASSIST WITH ADMINISTRATION AND MANAGEMENT FOR BUSINESS PLAN COMPETITION IN SIERRA LEONE.	100,000.
OPEN SOCIETY INSTITUTE - MACEDONIA BUL. JANE SANDANSKI 111, POB 378 1000 SKOPJE MACEDONIA	FOREIGN ORGANIZATION	TO PROVIDE FINANCIAL LITERACY COURSES FOR ROMA AND THE POOR IN MACEDONIA.	69,500.
THE TIDES CENTER P.O. BOX 29907, PRESIDIO BUILDING 1014 AT LINCOLN BOULVARD SAN FRANCISCO, CA 94129	501(C)(3) PUBLIC CHARITY	EMPLOYEE MATCHING GIFT CONTRIBUTION	600.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

STAGE AURORA THEATRICAL COMPANY  
5164-A NORWOOD AVENUE  
JACKSONVILLE, FL 32208

501(C)(3) PUBLIC CHARITY

12,300.

PRISON DHARMA NETWORK  
P.O. BOX 4623  
BOULDER, CO 80306-4623

501(C)(3) PUBLIC CHARITY

300.

TOTAL CONTRIBUTIONS PAID

467,700.

CIS4P1P2M7

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
FOREIGN CURRENCY LOSSES					
LOC DEPOSIT INCOME					15,710.
INCOME ON PRI'S UNDER EQUITY METHOD OF ACCOUNTING					4,239.
INTEREST ON PRI'S					286,207.
TOTALS			01	-1,910,323.	306,156.

13-3965896

**SOROS ECONOMIC DEVELOPMENT FUND**

**Agreement with the Open Society Institute**

Soros Economic Development Fund (SEDF) has an agreement with the Open Society Institute (OSI), a New York charitable trust founded and funded by George Soros that established and funded SEDF, whereby SEDF has agreed to pay for certain services to be provided by OSI. Pursuant to the agreement, OSI maintains on its payroll and benefit plans certain employees who provide services to SEDF. OSI also provides office space and other overhead items, including support services, to SEDF in accordance with the agreement. Beginning in 2006, OSI and SEDF agreed that all of the activities of the Economic and Business Development Program of OSI (EBD) would be transferred to SEDF, and all of the EBD staff would be allocated to work for SEDF on a full-time basis. In exchange for OSI's services, SEDF pays to OSI its proportionate share of the cost incurred by OSI to provide such services, which amounted to approximately \$989,000 during 2008, of which \$822,000 represents salaries and benefits.

**Capital Gains and Losses**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

**2008**

Name of estate or trust

SOROS ECONOMIC DEVELOPMENT FUND

Employer identification number

13-3965896

Note: Form 5227 filers need to complete only Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr)	(c) Date sold (mo., day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .	<b>1b</b>	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .	<b>2</b>	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>3</b>	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2007 Capital Loss Carryover Worksheet . . . . .	<b>4</b>	( )
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . .	<b>5</b>	

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr)	(c) Date sold (mo., day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .	<b>6b</b>	-1,782,740.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .	<b>7</b>	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>8</b>	
9 Capital gain distributions . . . . .	<b>9</b>	
10 Gain from Form 4797, Part I . . . . .	<b>10</b>	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2007 Capital Loss Carryover Worksheet . . . . .	<b>11</b>	( )
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . .	<b>12</b>	-1,782,740.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2008



