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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

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

2009

For calendar year 2009, or tax year beginning

, 2009, and ending

, 20

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation IBM International Foundation		A Employer identification number 13-3267906
	Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see page 10 of the instructions) 914-765-2344
	City or town, state, and ZIP code Armonk, NY 10504		C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 162,287,889		J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	20,840,705	ST 1		
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	38,334	38,334	0	
	4 Dividends and interest from securities	4,315,789	4,759,189	0	
	5a Gross rents			0	
	b Net rental income or (loss)	0			
	6a Net gain or (loss) from sale of assets not on line 10	(179,841)			
	b Gross sales price for all assets on line 6a	34,637,049			
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			935,252	
	9 Income modifications			0	
	10a Gross sales less returns and allowances	0			
b Less. Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0		0		
11 Other income (attach schedule)	24,629,752	313,778	0		
12 Total. Add lines 1 through 11	49,644,739	5,111,301	935,252		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0	0	0	0
	14 Other employee salaries and wages	0	0	0	0
	15 Pension plans, employee benefits	0	0	0	0
	16a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	0	0	0	0
	c Other professional fees (attach schedule)	1,334,554	256,922	0	1,240,849
	17 Interest	0	0	0	0
	18 Taxes (attach schedule) (see page 14 of the instructions)	300,956	1,500	0	299,451
	19 Depreciation (attach schedule) and depletion	0	0	0	0
	20 Occupancy	0	0	0	0
	21 Travel, conferences, and meetings	0	0	0	0
	22 Printing and publications	0	0	0	0
	23 Other expenses (attach schedule)	0	0	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	1,635,510	258,422	0	1,540,300
	25 Contributions, gifts, grants paid	22,223,340			17,160,340
26 Total expenses and disbursements. Add lines 24 and 25	23,858,850	258,422	0	18,700,640	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	25,785,889				
b Net investment income (if negative, enter -0-)		4,852,879			
c Adjusted net income (if negative, enter -0-)			935,252		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	1,875,841	3,619,887	3,619,887
	2 Savings and temporary cash investments	0	0	0
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶	82,885	5,364,252	5,364,252
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶	0	0	0
	5 Grants receivable	0	0	0
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)	0	0	0
	7 Other notes and loans receivable (attach schedule) ▶			
	Less: allowance for doubtful accounts ▶	0	0	0
	8 Inventories for sale or use	0	0	0
	9 Prepaid expenses and deferred charges	0	0	0
	10a Investments—U S and state government obligations (attach schedule)	0	0	0
	b Investments—corporate stock (attach schedule) ST. 2A	87,021,177	100,378,410	100,378,410
	c Investments—corporate bonds (attach schedule) ST. 2A	47,453,363	52,922,589	52,922,589
	11 Investments—land, buildings, and equipment: basis ▶			
Liabilities	Less: accumulated depreciation (attach schedule) ▶	0	0	0
	12 Investments—mortgage loans	0	0	0
	13 Investments—other (attach schedule)	0	0	0
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶	0	0	0
	15 Other assets (describe ▶ Consigned Artwork)	2,750	2,750	2,750
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	136,436,016	162,287,889	162,287,889
	17 Accounts payable and accrued expenses	1,026,263	1,092,247	
	18 Grants payable	0	0	
	19 Deferred revenue	0	0	
Net Assets or Fund Balances	20 Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21 Mortgages and other notes payable (attach schedule)	0	0	
	22 Other liabilities (describe ▶)	0	0	
	23 Total liabilities (add lines 17 through 22)	1,026,263	1,092,247	
	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	0	0	
	25 Temporarily restricted	0	0	
	26 Permanently restricted	0	0	
	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	0	0	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	135,409,753	161,195,642	
Net Assets or Fund Balances	29 Retained earnings, accumulated income, endowment, or other funds	0	0	
	30 Total net assets or fund balances (see page 17 of the instructions)	135,409,753	161,195,642	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	136,436,016	162,287,889	

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	135,409,753
2 Enter amount from Part I, line 27a	2	25,785,889
3 Other increases not included in line 2 (itemize) ▶	3	0
4 Add lines 1, 2, and 3	4	161,195,642
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	161,195,642

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 CAPITAL GAINS (LOSSES) FROM TRUST FUNDS FORM K-1	P	VARIOUS	2009
b REALIZED GAINS (LOSSES) FROM FUND REBALANCING	P	VARIOUS	2009
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 (2,879,209)			(2,879,209)
b 34,637,049		34,816,890	(179,841)
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	(3,059,050)
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	935,252

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.

(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))
2008	14,800,364	162,396,158	.0911
2007	12,896,011	190,923,721	.0675
2006	11,939,340	172,625,702	.0692
2005	11,935,505	161,310,408	.0740
2004	11,054,279	157,101,409	.0704

2 Total of line 1, column (d)	2	.3722
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	.07444
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	140,358,184
5 Multiply line 4 by line 3	5	10,448,263
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	48,529
7 Add lines 5 and 6	7	10,496,792
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.	8	18,700,640

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1		48,529
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		0
3	Add lines 1 and 2	3		48,529
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		48,529
6	Credits/Payments:			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	539,573	
b	Exempt foreign organizations—tax withheld at source	6b	0	
c	Tax paid with application for extension of time to file (Form 8868)	6c	0	
d	Backup withholding erroneously withheld	6d	0	
7	Total credits and payments. Add lines 6a through 6d	7		539,573
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		0
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		491,044
11	Enter the amount of line 10 to be. Credited to 2010 estimated tax 150,000 Refunded	11		341,044

Part VII-A Statements Regarding Activities

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?	Yes	No
1a			✓
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		✓
1b			✓
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c	Did the foundation file Form 1120-POL for this year?		✓
1c			✓
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	2	✓
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	3	✓
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	✓
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	5	✓
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✓
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	7	✓
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ New York		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	8b	✓
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>	9	✓
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	✓

Part VII-A Statements Regarding Activities (continued)

11	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 page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	✓	

Website address ► **NOT APPLICABLE**

14 The books are in care of ► **IBM INTERNATIONAL FOUNDATION** Telephone no. ► **914-765-6283**
 Located at ► **NEW ORCHARD ROAD, ARMONK, NEW YORK** ZIP+4 ► **10504**

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here. ☐
 and enter the amount of tax-exempt interest received or accrued during the year ► **15**

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . <input checked="" type="checkbox"/> Yes <input 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 20 of the instructions)? . . . 1b		✓
	Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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 2009? 1c		✓
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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions.) 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. ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 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 2009.) 3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		✓
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 2009?		✓

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))?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?				5b
Organizations relying on a current notice regarding disaster assistance check here		<input type="checkbox"/>		
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?		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
If "Yes," attach the statement required by Regulations section 53.4945–5(d). ST 4				
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				6b
If "Yes" to 6b, file Form 8870.				
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?				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 (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 5				

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
NONE				

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

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
1. IBM CORPORATION NEW ORCHARD ROAD, ARMONK NY, 10504	MANAGEMENT / ADMINISTRATION	901,772
2. GOODMEASURE INC. PO BOX 381609, CAMBRIDGE, MA 02238-1609	PROFESSIONAL SERVICES	150,877
3. ANN MARIE KAPLAN 6 NORTHERN AVENUE, COLD SPRING, NY 10516-2711	MATCHING GRANTS / ADMIN	78,361
4. GENE SPERLING 3255 O ST. NW, WASHINGTON DC 20007-2843	PROFESSIONAL SERVICES	75,000
5. RD CLIFFORD 413 ACKERMAN AVENUE, HO HO KUS, NJ 07423-0097	MANAGEMENT / ADMINISTRATION	53,725
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NOT APPLICABLE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 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 NOT APPLICABLE	
2	
All other program-related investments. See page 24 of the instructions	
3 NOT APPLICABLE	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	134,533,993
b	Average of monthly cash balances	1b	5,235,307
c	Fair market value of all other assets (see page 24 of the instructions)	1c	2,726,319
d	Total (add lines 1a, b, and c)	1d	142,495,618
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	142,495,618
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	2,137,434
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	140,358,184
6	Minimum investment return. Enter 5% of line 5	6	7,017,909

Part 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.)

1	Minimum investment return from Part X, line 6	1	7,017,909
2a	Tax on investment income for 2009 from Part VI, line 5	2a	48,529
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	48,529
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	6,969,380
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	6,969,380
6	Deduction from distributable amount (see page 25 of the instructions)	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	6,969,380

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	18,700,640
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	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	18,700,640
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	48,529
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	18,652,111

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				6,969,380
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			0	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	3,363,570			
b From 2005	4,186,269			
c From 2006	3,662,652			
d From 2007	3,826,260			
e From 2008	6,739,984			
f Total of lines 3a through e	21,778,735			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 18,700,640				
a Applied to 2008, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2009 distributable amount				6,969,380
e Remaining amount distributed out of corpus	11,731,260			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	33,509,995			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0
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)	0			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	3,363,570			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	30,146,425			
10 Analysis of line 9:				
a Excess from 2005	4,186,269			
b Excess from 2006	3,662,652			
c Excess from 2007	3,826,260			
d Excess from 2008	6,739,984			
e Excess from 2009	11,731,260			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶	NOT APPLICABLE				
b Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 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	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 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 ☐ 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:

PROGRAM MANAGER, IBM INTERNATIONAL FOUNDATION, NEW ORCHARD ROAD, ARMONK, NEW YORK 10504 (914) 765-2344.

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

SEE STATEMENT 6

c Any submission deadlines:

APPLICATIONS ACCEPTED ALL YEAR. REJECTIONS OR REQUESTS FOR MORE INFORMATION SENT WITHIN 1 MONTH.

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

GRANTS ARE MADE FOR PURPOSES WHICH INCLUDE K-12 EDUCATION AND ADULT TRAINING AND ENVIRONMENTAL CHALLENGES.

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 7				22,223,340
Total			▶ 3a	22,223,340
b Approved for future payment NOT APPLICABLE				
Total			▶ 3b	0

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash	1a(1)	✓
	(2) Other assets	1a(2)	✓
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	✓
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	✓
	(3) Rental of facilities, equipment, or other assets	1b(3)	✓
	(4) Reimbursement arrangements	1b(4)	✓
	(5) Loans or loan guarantees	1b(5)	✓
	(6) Performance of services or membership or fundraising solicitations	1b(6)	✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	✓
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

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 ☒ No

b If "Yes," complete the following schedule

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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

Robin Willner

Date _____

Date 10/7/10

Director

Title

**Paid
Preparer's
Use Only**

Preparer's
signature

Firm's name (or yours if self-employed), address, and ZIP code

Date _____

Check if self-employed ☐

Preparer's identifying
number (see **Signature** on
page 30 of the instructions)

EIN ►

Phone no.

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No 1545-1709

► **File a separate application for each return.**

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

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

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

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

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	Number, street, and room or suite no. If a P.O. box, see instructions	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	

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

- | | | |
|--------------------------------------|---|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ►

Telephone No. ► () FAX No ► ()

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until, 20...., to file the exempt organization return for the organization named above. The extension is for the organization's return for.

- ☐ calendar year 20..... or
- ☐ tax year beginning, 20....., and ending, 20.....

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

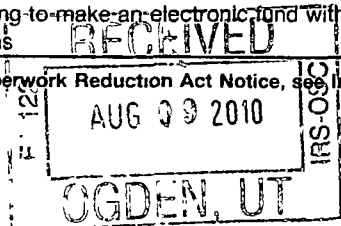
3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment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

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

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Cat No 27916D

Form **8868** (Rev 4-2009)



- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☐ **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization IBM International Foundation	Employer identification number 13 3267906 For IRS use only
	Number, street, and room or suite no. If a P.O. box, see instructions. c/o IBM Corporate Income Tax Department, North Castle Drive	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Armonk, New York 10504	

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

- | | | | |
|--------------------------------------|---|--------------------------------------|------------------------------------|
| <input type="checkbox"/> Form 990 | <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8870 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 5227 | |

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

- The books are in the care of **Judy Chin**
Telephone No. **(914) 765-6283** FAX No. **(914) 765-2075**
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **November, 15**, 20**10**.
- 5 For calendar year **2009**, or other tax year beginning _____, 20____, and ending _____, 20____.
- 6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension **All of the information necessary to file a complete and accurate tax return is still in the process of being compiled. As such, an additional extension of time is respectfully requested.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$	224,000
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$	224,000
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$	0

Signature and Verification

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

Signature ▶

Robin Willner

Title ▶ Director

Date ▶

8/2/10
Form 8868 (Rev 4-2009)

IBM INTERNATIONAL FOUNDATION
EIN # 13-3267906
TAX YEAR ENDED 12/31/2009
STATEMENT 1

PART 1, LINE 1
CONTRIBUTIONS RECEIVED

Donations	
Cash	20,840,705
Stock	0
	<hr/>
Total	20,840,705
	<hr/> <hr/>

The above donations to IIF were made by IBM Corporation, Armonk, New York, at various times during the tax year.

PART 1, LINE 6, COL. (a)
NET GAIN (LOSS) FROM SALE OF ASSETS

Net Gain (Loss) from Sale of Securities	(179,841)
	<hr/> <hr/>

PART 1, LINE 11
OTHER INCOME

	COL (a)	COL (b)
Net Appreciation on Endowment	24,629,513	313,778
Marketable Securities	0	0
Miscellaneous	0	0
	<hr/>	<hr/>
Total	24,629,513	313,778
	<hr/> <hr/>	<hr/> <hr/>

IBM International Foundation
E.I.# 13-3267906
Year Ended 12/31/2009
Statement 2

PART 1, LINE 16c
Other Professional Fees

IBM Corporation	\$ 901,722
Consultants	<u>432,832</u>
Total to Column (a)	\$1,334,554
Plus: Accrued Expenses 12/2008	846,436
Less: Accrued Expenses 12/2009	(928,082)
Less: Amounts to Column (b)	<u>(12,059)</u>
Total to Column (d)	<u>\$ 1,240,849</u>

PART 1, LINE 18
Taxes

Federal & State, Column (a)	\$ 300,956
Plus: Accrued Expenses 12/2008	55
Less: Accrued Expenses 12/2009	(60)
Less: Amounts to Column (b)	<u>(1,500)</u>
Total to Column (d)	<u>\$ 299,451</u>

IBM INTERNATIONAL FOUNDATION
EIN # 13-3267906
TAX YEAR ENDED 12/31/2009
STATEMENT 2A

PART 1, LINE 16c
Other Professional Fees

Investment Advisory Fees	60,881
Investment Portfolio Fees	183,982
Investment Consulting Fees	12,059
	<hr/>
Total	256,922
	<hr/>

PART II, LINE 10b
Investments - Corporate Stock

	Column (a)
Dow Jones Sustainability World Index	41,327,531
MSCI ACWI ex USA SL QP CTF	13,701,241
Russell 3000 (R) Index SL CTF	37,413,398
Tuckerman Asia Ex JPY / AUD	1,654,128
Tuckerman AUD Liq Real Estate	770,558
Tuckerman Europe	858,020
Tuckerman JPY	805,293
Tuckerman North America	3,309,187
Tuckerman UK	539,054
Subtotal	100,378,410
	<hr/>

PART II, LINE 10c
Investments - Corporate Bonds

US Aggregate Bond Indx	52,922,589
Subtotal	52,922,589
	<hr/>

Total Endowment / Investments **153,300,999**

IBM International Foundation
E.I.# 13-3267906
Year Ended 12/31/2009
Statement 3

PART 1, LINE 25
CONTRIBUTIONS, GIFTS, GRANTS PAID

	Grants Paid <u>Column (a)</u>	Accruals <u> </u>	TOTAL <u>Column (d)</u>
PROGRAMS			
Matching Grants Program			
Total 2009 Program	\$7,179,247		\$ 7,179,247
General Support Grants	590,000		590,000
Corporate Service Corp	6,558,344		6,558,344
IBM Fellowship Grants	1,599,812		1,599,812
KidSmart Early Learning Program (Asia)	411,866		411,866
China Documentary	60,574		60,574
KidSmart Early Learning Program (Latin America)	360,000		360,000
GRANTS			
United Way of York (Matching Grants)	220,497		220,497
IBM Italy Foundation	425,000		-0-
United Way-Canada	125,000	\$ 125,000	-0-
IBM UK Trust	<u>4,693,000</u>	<u> </u>	<u>-0-</u>
Adjustment:			
United Way – Canada			
Reverse accrual			
(2008 accrual: paid in 2009)			180,000
Total – Columns A &D	<u>\$22,223,340</u>	<u>\$ 125,000</u>	<u>\$17,160,340</u>

PART VII-B, LINE 5c
Grants made that require expenditure responsibility

PROGRAMS:

- | | |
|---|--|
| 1 | <p>Program: Corporate Service Corp (CSC)
Grantee: Australian Business Volunteers Ltd
Digital Opportunity Trust
Date: 2/12/09, 7/16/09 and 12/15/09
Purpose: Cash grants to support implementation of CSC in designated countries.
Amount: \$2,532,026</p> |
| 2 | <p>Program: Education
Grantee: Society for Early Childhood Dual Language Education (Korea),
Promise Foundation,
Pratham Mumbai Educ. Initiative, China Scholarship Counsel,
Date: 8/19/09, 10/7/09 and 12/15/09
Purpose: To give young children an effective head-start in their education (Asia)
Amount: \$411,866</p> |
| 3 | <p>Program: Education
Grantee: Fundacion Esquel (Ecuador), Fundacion Para El Desarrollo Solidareo Fundades (Peru), Give to Colombia (Colombia), Assoc. Civil AFS Programas Intercult (Argentina), Desem Jovenes Emprendedores (Uruguay), Saludarte Foundation (Uruguay), GIFE (Brazil), Comunitas (Brazil), Assoc Cidade Escola Aprendiz (Brazil), Fundacion Humanitaria Concamin (Mexico), Christel House De Mexico AC (Mexico), Fundacion Mustakis (Chile), Universidad Catolica Andres Bello (Venezuela)
Date: 8/20/09
Purpose: To give children an effective head-start in education (Latin America)
Amount: \$360,000</p> |

IBM International Foundation

E.I.# 13-3267906

Year Ended 12/31/09

Statement 4

Page 2

- | | | |
|---|----------|--|
| 4 | Program: | Italy Education/Culture Programs |
| | Grantee: | IBM Italy Foundation |
| | Date: | 6/11/09 |
| | Purpose: | Cash grant to support educational/cultural initiatives |
| | Amount: | \$425,000 |
| 5 | Program: | European Education/Cultural Programs |
| | Grantee: | IBM United Kingdom Trust |
| | Date: | 6/09/09 and 9/25/09 |
| | Purpose: | Cash grant to support educational/cultural initiatives |
| | Amount: | \$4,693,000 |

PART VIII, LINE 1
Officers, Directors, Etc.

Name & Address	Title and Average Hours/Wk. Devoted To Position	Contributions To Employee Benefit Plan	Expense Account & Other Allowances	Compensation
Samuel J. Palmisano IBM Corporation New Orchard Road Armonk, NY 10504	Director, Chairman/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation.
John Iwata IBM Corporation New Orchard Road Armonk, NY 10504	Director/ Vice Chairman/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation.
Mark Loughridge IBM Corporation New Orchard Road Armonk, NY 10504	Director Negligible	N/A	N/A	Individual received no compensation directly from Foundation.
Stanley S. Litow IBM Corporation New Orchard Road Armonk, NY 10504	Director & President/ approx. 20 hrs per week	N/A	N/A	Individual received no compensation directly from Foundation.
Robin G. Willner IBM Corporation New Orchard Road Armonk, NY 10504	Director/ approx. 20 hrs per week	N/A	N/A	Individual received no compensation directly from Foundation.

IBM International Foundation
E.I.# 13-3267906
Year Ended 12/31/09
Statement 5
Page 2

Martin Schroeter IBM Corporation New Orchard Road Armonk, NY 10504	Treasurer/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation
Nick D'Anniballe IBM Corporation New Orchard Road Armonk, NY 10504	Controller/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation.
A. Bonzani IBM Corporation New Orchard Road Armonk, NY 10504	Secretary/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation.
Joseph Massimo IBM Corporation New Orchard Road Armonk, NY 10504	Assistant Controller/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation.
Gregory C. Hubertus IBM Corporation New Orchard Road Armonk, NY 10504	Assistant Treasurer/ Negligible	N/A	N/A	Individual received no compensation directly from Foundation.

IBM International Foundation

E.I.# 13-3267906

Year Ended 12/31/09

Statement 5

Page 3

NOTE: The IBM International Foundation reimburses IBM for salary and travel expense incurred by employees, including certain officers, for services provided to the Foundation.

IBM International Foundation
E.I.# 13-3267906
Year Ended 12/31/09
Statement 6

PART XV, LINE 2b

Form in which applications must be submitted

A formal grant request and application must be submitted which requires, among other information:

- a. purpose of grant
- b. past managerial experiences
- c. other contributions
- d. specific expected use of funds
- e. controls in place to ensure funds will be utilized as prescribed

PART XV, LINE 3a

GRANTS & CONTRIBUTIONS PAID DURING THE YEAR

PROGRAMS:

- | | | |
|---|-----------|--|
| 1 | Program: | Matching Grants Program
c/o IBM International Foundation, Armonk NY 10504 |
| | Grantees: | Various U.S. tax exempt U.S.-based colleges, universities,
or other post-secondary institutions, cultural, health and
Environmental organizations. |
| | Purpose: | To support IBM employee-directed gifts to tax exempt
organizations of their choice within the parameters of
program guidelines. |
| | Amount: | \$7,179,247 |
| | | |
| 2 | Program: | General Support Grants
c/o IBM International Foundation, Armonk NY 10504 |
| | Grantees: | Grants to U.S. tax exempt organizations working in the
areas of education, workforce diversity, health, human
services, arts and culture, science and technology, public
policy research, medicine and in support of the under-
represented. |
| | Purpose: | To provide general support funds. |
| | Amount: | \$590,000 |
| | | |
| 3 | Program: | Corporate Service Corp.
c/o IBM International Foundation, Armonk, NY 10504 |
| | Grantee: | Three (3) NGO's proficient in developing training programs. |
| | Purpose: | To provide job-training/developmental infrastructure in
developing countries |
| | Amount: | \$6,558,344 |
| | | |
| 4 | Program: | IBM Fellowship Grants
c/o IBM International Foundation, Armonk, NY 10504 |
| | Grantees: | Selected Universities and Colleges |
| | Purpose: | To provide funds for students pursuing PhD's in engineering/
computer sciences. |
| | Amount: | \$1,599,812 |

GRANTS:

- | | |
|---|---|
| 5 | <p>Program: KidSmart Early Learning Program (Asia)</p> <p>Grantee: Various (4) Asia Pacific NGO's proficient in the delivery of cutting-edge technology to pre-schoolers.</p> <p>Purpose: Educational materials to enable young children to achieve a head-start in their education.</p> <p>Amount: \$411,866</p> |
| 6 | <p>Program: China Documentary</p> <p>Grantee: Global Netoptex Inc.
75 E. Santa Clara St.
San Jose, CA 95113</p> <p>Purpose: Cash payments to produce documentary for cultural Project: Forbidden City in Palace Museum (China)</p> <p>Amount: \$60,574</p> |
| 7 | <p>Program: KidSmart Early Learning Program (Latin America)</p> <p>Grantee: Various (13) LA NGOs proficient in the delivery of cutting edge technology to pre-schoolers</p> <p>Purpose: Educational materials to enable children to achieve head-start in their education</p> <p>Amount: \$360,000</p> |
| 8 | <p>Program: IBM Canadian Matching Grants Program</p> <p>Grantee: United Way of York Region
80F Centurian Drieve Suite 200
Markham, Ontario, Canada</p> <p>Purpose: Cash grant to administer/fund the IBM Canadian Matching Grants Program.</p> <p>Amount: \$220,497</p> |
| 9 | <p>Grantee: IBM Italy Foundation
Circonvallazione Idroscalo, 20090 Segrate, Milano, Italy</p> <p>Purpose: Cash grant to support educational/cultural initiatives.</p> <p>Amount: \$425,000</p> |

- 10 Grantee: United Way - Canada
 404-56 Sparks Street, Ottawa, Ontario, Canada K1P 5A9
 Purpose: Cash grant to support local social/voluntary initiatives.
 Amount: \$125,000
- 11 Grantee: IBM United Kingdom Trust
 76 Upper Ground South Bank
 London, Great Britain
 Purpose: Cash grant to deliver educational/cultural programs to selected
 European Countries.
 Amount: \$4,693,000

IBM INTERNATIONAL FOUNDATION
ACCOUNTS RECEIVABLE RECONCILIATION

December 31, 2009

Opening Balance (1/01/09)	<u>\$80,000</u>
Accrual (Y/E 2008) Personal Donor check dated 12/22/08 Deposited on 01/30/09 We set up Acct. Rec. and credited Income @ YE 2008 Account Receivable was "cleared" on 1/30/09	(\$ 80,000)
Accrued (Y/E 2009) IBM donation (Electronic Deposit 1/05/10) We set up account receivable and credited income to match "Donation deduction" on IBM corporation books. Account Receivable was "cleared" 1/5/10	\$ 5,300,000
Accrued (YE 2009) personal Donor Check dated 12/18/2009, Deposited on 01/13/10. We set up account receivable and credited Income at ye 2009. Account Receivable was "cleared" on 1/13/10.	\$ 63,000
Closing Balance (12/31/09)	<u>\$ 5,363,000</u>