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

2010

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

For calendar year 2010, or tax year beginning _____, **2010, and ending** _____

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

LS FOUNDATION
555 BYRON STREET #105
PALO ALTO, CA 94301

A Employer identification number
94-1689629

B Telephone number (see the instructions)
(650) 324-1775

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

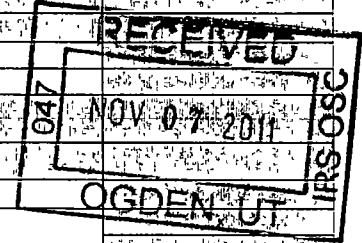
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 16,559,209.

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

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc. received (att sch)				
	2 Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	19,707.	19,707.	19,707.	
	4 Dividends and interest from securities	192,313.	192,313.	192,313.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	257,958.			
	b Gross sales price for all assets on line 6a	992,958.			
	7 Capital gain net income (from Part IV, line 2)		257,958.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule) See Statement 1	-80,046.				
12 Total. Add lines 1 through 11	389,932.	469,978.	212,020.		
ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) See St 2	3,650.			3,650.
	c Other prof fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule)(see instr) See Stm 3	25,526.	25,526.		
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 4	40,263.	23,349.		46,914.
	24 Total operating and administrative expenses. Add lines 13 through 23	69,439.	48,875.		50,564.
	25 Contributions, gifts, grants paid Part XV	448,850.			448,850.
26 Total expenses and disbursements. Add lines 24 and 25	518,289.	48,875.	0.	499,414.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-128,357.				
b Net investment income (if negative, enter -0-)		421,103.			
c Adjusted net income (if negative, enter -0-)			212,020.		



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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			
	2	Savings and temporary cash investments	999,795.	3,007.	3,007.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions).			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – US and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) Statement 5	1,223,512.	1,093,091.	1,221,632.
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule) Statement 6	5,397,170.	5,875,096.	14,857,720.	
14	Land, buildings, and equipment basis 115,000.				
	Less: accumulated depreciation (attach schedule) See Stmt 7	505,728.	115,000.	476,850.	
15	Other assets (describe)				
16	Total assets (to be completed by all filers – see instructions Also, see page 1, item I)	8,126,205.	7,086,194.	16,559,209.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons.			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	Total liabilities (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	8,126,205.	7,086,194.	
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
30	Total net assets or fund balances (see the instructions)	8,126,205.	7,086,194.		
31	Total liabilities and net assets/fund balances (see the instructions)	8,126,205.	7,086,194.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	8,126,205.
2	Enter amount from Part I, line 27a	2	-128,357.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	7,997,848.
5	Decreases not included in line 2 (itemize) See Statement 8	5	911,654.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	7,086,194.

Part IV: Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)

(b) How acquired
P — Purchase
D — Donation

(c) Date acquired
(month, day, year)

(d) Date sold
(month, day, year)

1a See Statement 9			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	257,958.
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 the instructions). If (loss), enter -0- in Part I, line 8 }	3	0.

Part V: Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2009	510,199.	10,101,145.	0.050509
2008	285,047.	10,463,708.	0.027241
2007	503,668.	13,282,208.	0.037921
2006	173,535.	3,849,696.	0.045078
2005	159,766.	3,733,514.	0.042792

2 Total of line 1, column (d)	2	0.203541
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.040708
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	13,020,805.
5 Multiply line 4 by line 3	5	530,051.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,211.
7 Add lines 5 and 6	7	534,262.
8 Enter qualifying distributions from Part XII, line 4	8	499,414.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b.		1	8,422.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	8,422.
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	8,422.
6 Credits/Payments:			
a 2010 estimated tax prmts and 2009 overpayment credited to 2010	6a	3,473.	
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	3,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	6,473.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		1,949.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be. Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		X
<i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) CA		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

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 instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>LAURENCE L. SPITTERS</u> Telephone no <u>(650) 324-1775</u> Located at <u>555 BYRON STREET PALO ALTO CA</u> ZIP + 4 <u>94301</u>			
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 <u>N/A</u>	15	N/A	N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>	16	Yes	No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly).		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	N/A
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 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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 the instructions.)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__</u>		
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 2010 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 2010)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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 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? Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d) N/A

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 '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? 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 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
LAURENCE L. SPITTERS 555 BYRON STREET PALO ALTO, CA 94301	President 15.00	0.	0.	0.
LOUIS SPITTERS 555 BYRON STREET PALO ALTO, CA 94301	VP 1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				

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

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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		

-----		0

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 GRANTS MADE TO SECTION 501 (C) (3) ORGANIZATIONS	

2	

3	

4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	

2	

All other program-related investments See instructions.	
3	
-----	0.

Total. Add lines 1 through 3 ▶ 0.

BAA

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:		
a Average monthly fair market value of securities	1a	1,281,083.
b Average of monthly cash balances	1b	667,346.
c Fair market value of all other assets (see instructions)	1c	11,270,662.
d Total (add lines 1a, b, and c)	1d	13,219,091.
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	13,219,091.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	198,286.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	13,020,805.
6 Minimum investment return. Enter 5% of line 5	6	651,040.

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

1 Minimum investment return from Part X, line 6		1	651,040.
2a Tax on investment income for 2010 from Part VI, line 5	2a	8,422.	
b Income tax for 2010. (This does not include the tax from Part VI.)	2b		
c Add lines 2a and 2b	2c	8,422.	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	642,618.	
4 Recoveries of amounts treated as qualifying distributions	4		
5 Add lines 3 and 4	5	642,618.	
6 Deduction from distributable amount (see instructions)	6		
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	642,618.	

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes		
a Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1a	499,414.
b Program-related investments – total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	499,414.
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 instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	499,414.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				642,618.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			446,913.	
b Total for prior years: 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ 499,414.				
a Applied to 2009, but not more than line 2a			446,913.	
b Applied to undistributed income of prior years (Election required — see instructions)		0.		
c Treated as distributions out of corpus (Election required — see instructions)	0.			
d Applied to 2010 distributable amount				52,501.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount — see instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				590,117.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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)

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

	Tax year				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a 'Assets' alternative test – enter.					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter.					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year – see 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).)

LAURENCE L. SPITTERS

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 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:

See Statement 10

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

See Statement for Line 2a

c Any submission deadlines

See Statement for Line 2a

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

See Statement for Line 2a

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 11				
Total			▶ 3a	448,850.
b Approved for future payment				
Total			▶ 3b	

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Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	\$ -80,046.		
Total	\$ -80,046.	\$ 0.	\$ 0.

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
TAX PREPARATION	\$ 3,650.			\$ 3,650.
Total	\$ 3,650.	\$ 0.	\$ 0.	\$ 3,650.

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BROOK TASMAN TAX PAID	\$ 148.	\$ 148.		
FOREIGN TAX W/H ON GFI	18,910.	18,910.		
FOREIGN TAX W/H ON MS DIVIDENDS	6,468.	6,468.		
Total	\$ 25,526.	\$ 25,526.	\$ 0.	\$ 0.

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
HASTINGS EXPENSES	\$ 6,410.	\$ 6,410.		
MS INVESTMENT FEES	117.	117.		
OFFICE EXPENSES	33,645.	16,822.		\$ 46,823.
STATE OF CA. REG FEES	91.			91.
Total	\$ 40,263.	\$ 23,349.	\$ 0.	\$ 46,914.

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Statement 5
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
9,000 SH BABCOCK AND BROWN	Cost	\$ 0.	\$ 0.
4,000 SH NOVARTIS AG ADR	Cost	191,956.	213,640.
5,000 SH NOVO NORDISK	Cost	222,843.	497,100.
2,400 SH PROCTOR & GAMBLE	Cost	96,503.	146,568.
2,500 SH PT TELEKOMUNIKASI	Cost	117,652.	89,975.
35,000 SH TELEKOM MALAYSIA	Cost	36,473.	29,776.
8,500 SH AVID BANK HOLDING CO	Cost	114,750.	47,175.
3,000 SH AVID BANK HOLDINGS CO.	Cost	37,500.	16,650.
35,000 SH AXIATA GROUP BERHAD	Cost	72,079.	58,843.
9,000 SH FLY LEASING LTD ADR	Cost	203,335.	121,905.
	Total	\$ 1,093,091.	\$ 1,221,632.

Statement 6
Form 990-PF, Part II, Line 13
Investments - Other

Other Investments	Valuation Method	Book Value	Fair Market Value
3,950 SH GUARANTY FINANCE INV.	Cost	\$ 3,950,000.	\$ 11,415,000.
33,551 SH MATTHEW ASIA FUND	Cost	300,000.	733,563.
988.025 SH MONEDA LATIN AMERICAN DEBT FD	Cost	1,000,000.	1,542,286.
10,000 SH WESTERN EMERGING MARKETS	Cost	130,418.	115,884.
707.687.4861 SH BROOK TASMAN FUND	Cost	108,942.	646,243.
HASTINGS EQUITY FUND - II	Cost	131,584.	131,584.
TAIWAN INVESTMENT FUND	Cost	154,152.	173,160.
TAIWAN OPPORTUNITIES FUND	Cost	100,000.	100,000.
	Total	\$ 5,875,096.	\$ 14,857,720.

Statement 7
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Buildings	\$ 115,000.	\$ 0.	\$ 115,000.	\$ 476,850.
Total	\$ 115,000.	\$ 0.	\$ 115,000.	\$ 476,850.

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Statement 8
Form 990-PF, Part III, Line 5
Other Decreases

BOOK/TAX BASIS DIFFERENCE

Total \$ 911,654.
 Total \$ 911,654.

Statement 9
Form 990-PF, Part IV, Line 1
Capital Gains and Losses for Tax on Investment Income

Item	(a) Description	(b) How Acquired	(c) Date Acquired	(d) Date Sold
1	200,000 ALLY BANK CD	Purchased	9/28/2009	4/01/2010
2	250,000 CITIBANK CD	Purchased	6/30/2009	1/08/2010
3	95,000 GE CAPITAL FINL	Purchased	7/14/2009	1/19/2010
4	95,000 INDEPENDENT BK CD	Purchased	8/25/2009	3/02/2010
5	95,000 ST BK INDIA CD	Purchased	7/30/2009	2/05/2010
6	GUARANTY FINANCE INVESTORS	Purchased	Various	12/31/2010

Item	(e) Gross Sales	(f) Deprec. Allowed	(g) Cost Basis	(h) Gain (Loss)	(i) FMV 12/31/69	(j) Adj. Bas. 12/31/69	(k) Excess (i) - (j)	(l) Gain (Loss)
1	200,000.		200,000.	0.				\$ 0.
2	250,000.		250,000.	0.				0.
3	95,000.		95,000.	0.				0.
4	95,000.		95,000.	0.				0.
5	95,000.		95,000.	0.				0.
6	257,958.		0.	257,958.				257,958.
								Total \$ <u>257,958.</u>

Statement 10
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:
 Name: L. L. SPITTERS. PRESIDENT
 Care Of:
 Street Address: 555 BYRON STREET
 City, State, Zip Code: PALO ALTO, CA 94301
 Telephone: (650) 324-1775
 Form and Content: NO PRESCRIBED FORM
 Submission Deadlines: NONE
 Restrictions on Awards: NO RESTRICTIONS OR LIMITATIONS

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Statement 11
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
KALAMAZOO COLLEGE KALAMAZOO, MI		NOT PF	EDUCATION	\$ 25,000.
UNIVERSITY OF MICHIGAN LAW SCHOOL ANN ARBOR, MI		NOT PF	EDUCATION	25,000.
STANFORD UNIVERSITY STANFORD, CA		NOT PF	EDUCATION	35,000.
HARVARD UNIVERSITY BOSTON, MA		NOT PF	EDUCATION	25,200.
SANTA CLARA UNIVERSITY SANTA CLARA, CA		NOT PF	EDUCATION	25,000.
CHILDREN'S HEALTH COUNCIL PALO ALTO, CA		NOT PF	EDUCATION	25,000.
SEED PROGRAM INC. DAVIDSON, NC		NOT PF	INTERNATIONAL RELIEF	25,000.
UNIVERSITY OF CALIFORNIA, SAN FRANCISCO SAN FRANCISCO, CA		NOT PF	MEDICAL RESEARCH	10,000.
SAN FRANCISCO SYMPHONY SAN FRANCISCO, CA		NOT PF	ARTS	15,000.
FINE ARTS MUSEUMS OF SAN FRANCISCO SAN FRANCISCO, CA		NOT PF	ARTS	15,000.
LUCILE PACKARD CHILDREN'S HOSPITAL PALO ALTO, CA		NOT PF	MEDICAL RESEARCH	10,000.
MERCY CORPS. PORTLAND, OR		NOT PF	INTERNATIONAL RELIEF	10,000.
PALO ALTO MEDICAL FOUNDATION PALO ALTO, CA		NOT PF	MEDICAL RESEARCH	10,000.
HABITAT FOR HUMANITY SAN FRANCISCO, CA		NOT PF	NON PROFIT HOUSING	10,000.
SAN FRANCISCO MUSEUM OF MODERN ART SAN FRANCISCO, CA		NOT PF	ARTS	15,000.

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Statement 11 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
WESTERN MICHIGAN UNIVERSITY KALAMAZOO, MI		NOT PF	EDUCATION	\$ 15,000.
MONTEREY BAY AQUARIUM MONTEREY, CA		NOT PF	EDUCATION	10,000.
COMMUNITY BREAST HEALTH PROJECT PALO ALTO, CA		NOT PF	MEDICAL RESEARCH	7,500.
EAST PALO ALTO TENNIS & TUTORING FOUNDAT EAST PALO ALTO, CA		NOT PF	EDUCATION	5,000.
BUILD SAN FRANCISCO, CA		NOT PF	EDUCATION	5,000.
FOUNDATION FOR A COLLEGE EDUCATION EAST PALO ALTO, CA		NOT PF	EDUCATION	10,000.
ENVIRONMENTAL TRAVELING COMPANIONS SAN FRANCISCO, CA		NOT PF	EDUCATION	7,500.
AMERICAN CONSERVATORY THEATER SAN FRANCISCO, CA		NOT PF	ARTS	5,000.
THEATERWORKS PALO ALTO, CA		NOT PF	ARTS	5,000.
KQED SAN FRANCISCO, CA		NOT PF	EDUCATION	600.
PATHWAYS HOSPICE PALO ALTO, CA		NOT PF	HOSPICE	3,300.
SIERRA CLUB SAN FRANCISCO, CA		NOT PF	CONSERVATION	2,500.
CALIFORNIA HIGHWAY PATROL FOUNDATION LOS ANGELES, CA		NOT PF	CHP VICTIMS	1,000.
HOOVER INSTITUTE PALO ALTO, CA		NOT PF	EDUCATION	1,000.
FOOTHILL COLLEGE LOS ALTOS, CA		NOT PF	EDUCATION	1,000.

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Statement 11 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

<u>Name and Address</u>	<u>Donee Relationship</u>	<u>Found- ation Status</u>	<u>Purpose of Grant</u>	<u>Amount</u>
KTEH SAN JOSE, CA		NOT PF	PUBLIC BROADCASTING	\$ 1,000.
UNITED STATES COAST GUARD ACADEMY NEW LONDON, CT		NOT PF	EDUCATION	250.
KCSM-FM-TV SAN MATEO, CA		NOT PF	PUBLIC BROADCASTING	250.
COMPUTER HISTORY MUSEUM MOUNTAIN VIEW, CA		NOT PF	EDUCATION	25,000.
FOUNDATION FOR ACCEL VASCULAR RESEARCH PALO ALTO, CA		NOT PF	MEDICAL RESEARCH	10,000.
WORLD VISION MONROVIA, CA 91016		NOT PF	EARTHQUAKE RELIEF	50,000.
BIG CITY MOUNTAINEERS DENVER, CO 80206		NOT PF	INNER-CITY YOUTH	2,500.
KRCB ROHNERT PARK, CA 94928		NOT PF	PUBLIC BROADCASTING	250.
Total				\$ <u>448,850.</u>

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Other Income Producing Activities
Interest on savings & cash investments

GUARANTY FINANCIAL INVESTORS, LLC	\$	16,662.
MORGAN STANLEY - 7151		3,004.
THE PRIVATE BANK - 7152		16.
HASTINGS EQUITY FUND		25.
Total	\$	<u>19,707.</u>

Other Income Producing Activities
Dividends/interest from securities.

MORGAN STANLEY - 7151	\$	42,260.
MATTHEWS ASIA FUND		3,175.
GUARANTY FINANCIAL INVESTORS, LLC		146,878.
Total	\$	<u>192,313.</u>

Other Income Producing Activities
Other investment income [O]

GUARANTY ORDINARY BUSINESS INCOME	\$	-121,283.
BROOK TASMAN FUND INCOME LOSS		41,237.
Total	\$	<u>-80,046.</u>

Balance Sheet
Savings and temporary cash investments

THE PRIVATE BANK A/C 3880	\$	-21,881.
MORGAN STANLEY ACCOUNT - 7151		26,229.
THE PRIVATE BANK A/C 7152		-1,341.
Total	\$	<u>3,007.</u>

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Attached is a copy of Form 8868, Application for Extension of Time to File an Exempt Organization Return, that was timely filed to extend the time for filing to August 15, 2011. The preparer keeps an electronic log of the due dates of all tax returns prepared by the office. The extended time for the filing of this return was entered into the preparer's electronic log. Because the due date of August 15, 2011 was an unusual due date (All individual returns were extended until October 17, and all fiduciary returns were extended until July 15 and then October 15), the due date was overlooked. This return has been filed timely for many, many years, and this year is an exception. Steps have been taken to make sure that the August 15 due date is not forgotten in the future. The taxpayer respectfully requests a waiver of any penalty for late filing.

FILE

Form **8868**
(Rev. January 2011)
Department of the Treasury
Internal Revenue Service

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.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

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.

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization LS Foundation	Employer identification number 94-1689629
	Number, street, and room or suite no. If a P.O. box, see instructions. 555 Byron Street #105	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Palo Alto, CA 94301	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ Laurence L. Spitters
- Telephone No. ▶ 650-324-1775 FAX No. ▶ 650-324-1771
- 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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 20 11, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 20 10 or
 ▶ tax year beginning _____, 20 _____, and ending _____, 20 _____.

2 If the tax year entered in line 1 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	\$	6,000
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.	3b	\$	3,000
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	3,000

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 Paperwork Reduction Act Notice, see Instructions.

Cat No 27916D

Form 8868 (Rev. 1-2011)

*ck 1154
4/16/2011*