

This form used for Article 7-A, EPTL, and dual filers. Agency forms CHAR 497, CHAR 910 and CHAR 906.

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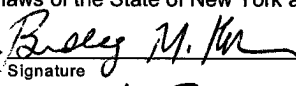

1. General Information

a. For the fiscal year beginning (mm/dd/yyyy) 03/01 / **2008** and ending (mm/dd/yyyy) 02/28/2009

b. Check if applicable for NYS: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial filing <input type="checkbox"/> Final filing <input type="checkbox"/> Amended filing <input type="checkbox"/> NY registration pending	c. Name of organization Software Freedom Conservancy, Inc.		d. Fed. employer ID no. (EIN) (##-####-####) 41-2203632
	Number and street (or P.O. box if mail not delivered to street address) Room/suite 1995 Broadway FL 17		e. NY State registration no. (##-##-##) 40-39-09
	City or town, state or country and zip + 4 New York, NY 10023-5882		f. Telephone number 212-461-3245 g. Email conservancy@softwarefreedom.org

2. Certification - Two Signatures Required

We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.

a. President or Authorized Officer		Bradley M. Kuhn	President	15 OCT 2009
	Signature	Printed Name	Title	Date
b. Chief Financial Officer or Treasurer		Karen M. Sandler	Secretary	15 OCT 2009
	Signature	Printed Name	Title	Date

3. Annual Report Exemption Information

a. **Article 7-A annual report exemption** (Article 7-A registrants and dual registrants)
 Check if total contributions from NY State (including residents, foundations, corporations, government agencies, etc.) did not exceed \$25,000 **and** the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during this fiscal year.
NOTE: An organization may claim this exemption if no PFR or FRC was used **and** either: 1) it received an allocation from a federated fund, United Way or incorporated community appeal **and** contributions from other sources did not exceed \$25,000 **or** 2) it received all or substantially all of its contributions from one government agency to which it submitted an annual report similar to that required by Article 7-A.

b. **EPTL annual report exemption** (EPTL registrants and dual registrants)
 Check if gross receipts did not exceed \$25,000 **and** assets (market value) did not exceed \$25,000 at any time during this fiscal year.

For EPTL or Article 7-A registrants claiming the annual report exemption under the one law under which they are registered and for dual registrants claiming the annual report exemptions under both laws, simply complete part 1 (General Information), part 2 (Certification) and part 3 (Annual Report Exemption Information) above.
Do not submit a fee, do not complete the following schedules and do not submit any attachments to this form.

4. Article 7-A Schedules

If you did **not** check the Article 7-A annual report exemption above, complete the following for this fiscal year:

a. Did the organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? .. Yes* No
 * If "Yes", complete **Schedule 4a**.

b. Did the organization receive government contributions (grants)? Yes* No
 * If "Yes", complete **Schedule 4b**.

5. Fee Submitted: See last page for summary of fee requirements.

Indicate the filing fee(s) you are submitting along with this form:		Submit only one check or money order for the total fee, payable to "NYS Department of Law"
a. Article 7-A filing fee	\$ <u>10</u>	
b. EPTL filing fee	\$ <u>50</u>	
c. Total fee	\$ <u>60</u>	

6. Attachments - For organizations that are not claiming annual report exemptions under both laws, see last page for required attachments →→→

Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsels (FRC), Commercial Co-Venturers (CCV)

If you checked the box in question 4.a. on page 1, complete the following schedule for each PFR, FRC or CCV that the organization engaged for fund raising activity in NY State:

1. Type of fund raising professional (FRP):
- Professional fund raiser
- Fund raising counsel
- Commercial co-venturer

2. Name of FRP:

Number and street (or P.O. box if mail is not delivered to street address):

City or town, state or country and zip + 4:

3. FRP telephone number:

4. Services provided by FRP (provide description):

5. Compensation arrangement with FRP (provide description):

6. Dates of contract (mm/dd/yyyy) through (mm/dd/yyyy)

7. Amount paid to FRP \$ _____

8. If services were provided by a CCV, did the CCV provide the charitable organization with the interim report(s) required by §§ 173-a. 3 of the Executive Law?

5. Fee Instructions

The filing fee depends on the organization's Registration Type. For details on Registration Type and filing fees, see the Instructions for Form CHAR500.

Organization's Registration Type	Fee Instructions
----------------------------------	------------------

- | | |
|---------------|--|
| • Article 7-A | Calculate the Article 7-A filing fee using the table in part a below. The EPTL filing fee is \$0. |
| • EPTL | Calculate the EPTL filing fee using the table in part b below. The Article 7-A filing fee is \$0. |
| • Dual | Calculate both the Article 7-A and EPTL filing fees using the tables in parts a and b below. Add the Article 7-A and EPTL filing fees together to calculate the total fee. Submit a <u>single</u> check or money order for the total fee. |

a) Article 7-A filing fee

Total Support & Revenue	Article 7-A Fee
more than \$250,000	\$25
up to \$250,000 *	\$10

* Any organization that contracted with or used the services of a professional fund raiser (PFR) or fund raising counsel (FRC) during the reporting period must pay an Article 7-A filing fee of \$25, regardless of total support and revenue.

b) EPTL filing fee

Net Worth at End of Year	EPTL Fee
Less than \$50,000	\$25
\$50,000 or more, but less than \$250,000	\$50
\$250,000 or more, but less than \$1,000,000	\$100
\$1,000,000 or more, but less than \$10,000,000	\$250
\$10,000,000 or more, but less than \$50,000,000	\$750
\$50,000,000 or more	\$1500

6. Attachments – Document Attachment Check-List

Check the boxes for the documents you are attaching.

For All Filers		
<u>Filing Fee</u>		
<input checked="" type="checkbox"/> Single check or money order payable to "NYS Department of Law"		
<u>Copies of Internal Revenue Service Forms</u>		
<input type="checkbox"/> IRS Form 990	<input checked="" type="checkbox"/> IRS Form 990-EZ	<input type="checkbox"/> IRS Form 990-PF
<input type="checkbox"/> All required schedules (including Schedule B)	<input checked="" type="checkbox"/> All required schedules (including Schedule B)	<input type="checkbox"/> All required schedules (including Schedule B)
<input type="checkbox"/> IRS Form 990-T	<input type="checkbox"/> IRS Form 990-T	<input type="checkbox"/> IRS Form 990-T

Additional Article 7-A Document Attachment Requirement
<u>Independent Accountant's Report</u>
<input type="checkbox"/> Audit Report (total support & revenue more than \$250,000)
<input checked="" type="checkbox"/> Review Report (total support & revenue \$100,001 to \$250,000)
<input type="checkbox"/> No Accountant's Report Required (total support & revenue not more than \$100,000)

Short Form Return of Organization Exempt From Income Tax

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form.

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning **March 1**, 2008, and ending **February 28**, 20 **09**

<p>B Check if applicable:</p> <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p>C Name of organization Software Freedom Conservancy</p> <p>Number and street (or P.O. box, if mail is not delivered to street address) Room/suite 1995 Broadway FL 17</p> <p>City or town, state or country, and ZIP + 4 New York, NY 10023-5882</p>	<p>D Employer identification number 41 2203632</p> <p>E Telephone number (212) 461-3245</p> <p>F Group Exemption Number . . . ▶</p>
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• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Accounting method: Cash Accrual
Other (specify) ▶

I Website: ▶ <http://conservancy.softwarefreedom.org/>

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Organization type (check only one) — 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$1,000,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ **146,052.88**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

Revenue	1 Contributions, gifts, grants, and similar amounts received	1	103,449.82
	2 Program service revenue including government fees and contracts	2	42,333.78
	3 Membership dues and assessments	3	0
	4 Investment income	4	269.28
	5a Gross amount from sale of assets other than inventory	5a	
	b Less: cost or other basis and sales expenses	5b	
	c Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (attach schedule)	5c	0
	6 Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here <input type="checkbox"/>		
	a Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
	b Less: direct expenses other than fundraising expenses	6b	
c Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	6c	0	
7a Gross sales of inventory, less returns and allowances	7a		
	b Less: cost of goods sold	7b	
	c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	0
8 Other revenue (describe ▶ _____)	8	0	
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8.	9	146,052.88	
Expenses	10 Grants and similar amounts paid (attach schedule)	10	29.98
	11 Benefits paid to or for members	11	0
	12 Salaries, other compensation, and employee benefits	12	0
	13 Professional fees and other payments to independent contractors	13	30,500.00
	14 Occupancy, rent, utilities, and maintenance	14	4,200.00
	15 Printing, publications, postage, and shipping	15	0.00
	16 Other expenses (describe ▶ Banking, Filing fees, translation services, conference travel)	16	38,063.21
	17 Total expenses. Add lines 10 through 16	17	72,793.19
Net Assets	18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	73,259.69
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	57,477.82
	20 Other changes in net assets or fund balances (attach explanation)	20	0
	21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	130,737.51

Part II Balance Sheets. If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

		(A) Beginning of year		(B) End of year
22 Cash, savings, and investments		57,477.82	22	130,737.51
23 Land and buildings		0	23	0
24 Other assets (describe ▶ _____)		0	24	0
25 Total assets		57,477.82	25	130,737.51
26 Total liabilities (describe ▶ _____)		0	26	0
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)		57,477.82	27	130,737.51

Part III Statement of Program Service Accomplishments (See the instructions for Part III.)		Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)	
What is the organization's primary exempt purpose? Facilitate Free, Libre, and Open Source Software			
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.			
28	Conferences. FLOSS developers were reimbursed for travel to relevant conferences. We also organized some conferences where developers meet colleagues and users, improve software and perform education outreach. (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	34,672.57
29	Improvement to freely licensed Python Twisted software library. Contractors improved the library, making public monthly progress reports. Requests for needed improvements were solicited from the public. (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	27,000.00
30	Essential services for FLOSS projects: including trademark registration, documentation translation services (for essential academic research for the Samba Project), internet hosting and bandwidth costs (for global software sharing and international collaborative software development), etc. (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	7,559.56
31	Other program services (attach schedule) (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	
32	Total program service expenses (add lines 28a through 31a)	32	69,232.13

Part IV List of Officers, Directors, Trustees, and Key Employees. List each one even if not compensated. (See the instructions for Part IV.)

(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 & deferred compensation	(e) Expense account and other allowances
Bradley M. Kuhn 1995 Broadway FL 17, New York, NY 10023	President & Director 5 hours/week	0	0	0
Mark Galassi Mail Stp B244, LA Nat'l Lab, Los Alamos, NM 87545	Vice Pres. & Director 1 hour/week	0	0	0
Axel Metzger 1995 Broadway FL 17, New York, NY 10023	Director 0.5 hours/week	0	0	0
Eben Moglen 1995 Broadway FL 17, New York, NY 10023	Director 0.25 hours/week	0	0	0
Daniel B. Ravicher 1995 Broadway FL 17, New York, NY 10023	Director 1 hour/week	0	0	0
Ian Lance Taylor 1995 Broadway FL 17, New York, NY 10023	Director 1 hour/week	0	0	0
Tom Tromej 1995 Broadway FL 17, New York, NY 10023	Director 1 hour/week	0	0	0
Matthew S. Wilson 701 Corporate Cntr DR STE 450, Raleigh, NC 27607	Director 1 hour/week	0	0	0
Karen M. Sandler 1995 Broadway FL 17, New York, NY 10023	Secretary & Counsel 2 hours/week	0	0	0

Part V Other Information (Note the statement requirements in the instructions for Part VI.)

		Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		✓
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		✓
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		
a	Did the organization have unrelated business gross income of \$1,000 or more or section 6033(e) notice, reporting, and proxy tax requirements?		✓
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," complete applicable parts of Schedule N		✓
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ 37a		
b	Did the organization file Form 1120-POL for this year?		✓
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		✓
b	If "Yes," complete Schedule L, Part II and enter the total amount involved 38b		
39	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on line 9 39a		
b	Gross receipts, included on line 9, for public use of club facilities 39b		
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____		
b	Section 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," complete Schedule L, Part I		✓
c	Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ _____		
d	Enter amount of tax on line 40c reimbursed by the organization ▶ _____		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T.		✓
41	List the states with which a copy of this return is filed. ▶ <u>New York</u>		
42a	The books are in care of ▶ <u>Software Freedom Conservancy</u> Telephone no. ▶ <u>(212) 461-3245</u> Located at ▶ <u>1995 Broadway FL 17, New York, NY</u> ZIP + 4 ▶ <u>10023-5882</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	Yes	No
42b			✓
c	At any time during the calendar year, did the organization maintain an office outside of the U.S.? If "Yes," enter the name of the foreign country: ▶ _____	Yes	No
42c			✓
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43		
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ	Yes	No
44			✓
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ	Yes	No
45			✓

Part VI Section 501(c)(3) organizations only. All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

- | | | Yes | No |
|--|------------|--------------------------|-------------------------------------|
| 46 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I | 46 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 47 Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II | 47 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 48 Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | 48 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 49a Did the organization make any transfers to an exempt non-charitable related organization? | 49a | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b If "Yes," was the related organization(s) a section 527 organization? | 49b | <input type="checkbox"/> | <input type="checkbox"/> |
- 50** Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$100,000 ▶				

51 Complete this table for the five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation
None		
Total number of other independent contractors each receiving over \$100,000 . . ▶		

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 officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer: <u>Bradley M. Kuhn</u> Type or print name and title: <u>Bradley M. Kuhn, President</u>	Date: <u>115 OCT 2009</u>
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Paid Preparer's Use Only	Preparer's signature: _____ Firm's name (or yours if self-employed), address, and ZIP + 4: _____	Date: _____	Check if self-employed <input type="checkbox"/>	Preparer's Identifying Number (See instructions): _____ EIN: _____ Phone no.: () _____
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May the IRS discuss this return with the preparer shown above? See instructions Yes No

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2008

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Table with 2 columns: Name of the organization (Software Freedom Conservancy) and Employer identification number (41-2203632)

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

- The organization is not a private foundation because it is: (Please check only one organization.)
1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii). (Attach Schedule H.)
4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state:
5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4). (see instructions)
11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
a Type I b Type II c Type III—Functionally integrated d Type III—Other
e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
(ii) A family member of a person described in (i) above?
(iii) A 35% controlled entity of a person described in (i) or (ii) above?
h Provide the following information about the organizations the organization supports.

Small table with 2 columns: Yes, No and 3 rows: 11g(i), 11g(ii), 11g(iii)

Main table with 7 columns: (i) Name of supported organization, (ii) EIN, (iii) Type of organization, (iv) Is the organization in col. (i) listed in your governing document?, (v) Did you notify the organization in col. (i) of your support?, (vi) Is the organization in col. (i) organized in the U.S.?, (vii) Amount of support

Total

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")			33,425.81	57,391.00	103,449.82	194,266.63
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3						194,266.63
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						97,907.39
6 Public support. Subtract line 5 from line 4.						96,359.24

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4			33,425.81	57,391.00	103,449.72	194,266.63
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources			4.11	139.89	269.28	413.28
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						194,679.91
12 Gross receipts from related activities, etc. (see instructions)					12	61,197.01
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input checked="" type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	%
16a 33 1/3 % support test—2008. If the organization did not check the box on line 13, and line 14 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3 % support test—2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3 % or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3 % support tests—2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

b 33 1/3 % support tests—2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

Lined area for supplemental information with horizontal dashed lines.

**SOFTWARE FREEDOM CONSERVANCY
(A NONPROFIT ORGANIZATION)**

FINANCIAL STATEMENTS

FEBRUARY 28, 2009

**To the Board of Directors of
Software Freedom Conservancy
New York, New York**

We have reviewed the accompanying statement of financial position of SOFTWARE FREEDOM CONSERVANCY (A NONPROFIT ORGANIZATION) as at February 28, 2009 and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Software Freedom Conservancy.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included in the supplemental expense summary is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements and we are not aware of any material modifications that should be made thereto.

Cornick, Garber & Sandler LLP
CERTIFIED PUBLIC ACCOUNTANTS

**New York, New York
October 9, 2009**

**SOFTWARE FREEDOM CONSERVANCY
(A NONPROFIT ORGANIZATION)**

STATEMENT OF FINANCIAL POSITION

AS AT FEBRUARY 28, 2009

ASSETS

Current assets:

Cash and cash equivalents	\$	136,438
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Total current assets	\$	136,438
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LIABILITIES

Current liabilities:

Accounts payable and accrued expenses	\$	5,700
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Total current liabilities	5,700
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NET ASSETS

Net assets:

Temporarily restricted	\$	123,369	
Unrestricted		7,369	130,738

TOTAL LIABILITIES AND NET ASSETS	\$	136,438
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Attention is directed to the accountants' review report relating to this statement. The notes to financial statements are made a part hereof.

**SOFTWARE FREEDOM CONSERVANCY
(A NONPROFIT ORGANIZATION)**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED FEBRUARY 28, 2009

UNRESTRICTED NET ASSETS:

Unrestricted revenues:		
Contributions	\$ 10,607	
Dividend and Interest	<u>141</u>	\$ 10,748
Net assets released from restrictions:		
Restrictions satisfied by payments		<u>69,232</u>
Total unrestricted revenues and other support		79,980

Expenses:

Program services	69,232	
General and administrative	<u>3,561</u>	<u>72,793</u>
Increase in unrestricted net assets		<u>7,187</u>

TEMPORARILY RESTRICTED NET ASSETS:

Contributions		92,843
Program service fees		42,334
Dividend and interest		128
Net assets released from restrictions:		
Restrictions satisfied by payments		<u>(69,232)</u>
Increase in temporarily restricted net assets		<u>66,073</u>

INCREASE IN NET ASSETS		73,260
Net assets - March 1, 2008		<u>57,478</u>
NET ASSETS - FEBRUARY 28, 2009		<u><u>\$ 130,738</u></u>

Attention is directed to the accountants' review report relating to this statement. The notes to financial statements are made a part hereof.

**SOFTWARE FREEDOM CONSERVANCY
(A NONPROFIT ORGANIZATION)****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED FEBRUARY 28, 2009****INCREASE IN CASH AND CASH EQUIVALENTS****Cash flows from operating activities:**Increase in net assets **\$ 73,260**Adjustments to reconcile results of operations to net cash
effect of operating activities:

Net change in asset and liability accounts:

Accounts payable and accrued expenses 5,700**Net cash provided by operating activities** **78,960****NET INCREASE IN CASH AND CASH EQUIVALENTS** **78,960****Cash and cash equivalents - March 1, 2008** **57,478****CASH AND CASH EQUIVALENTS - FEBRUARY 28, 2009** **\$ 136,438**

Attention is directed to the accountants' review report relating to this statement. The notes to financial statements are made a part hereof.

**SOFTWARE FREEDOM CONSERVANCY
(A NONPROFIT ORGANIZATION)****NOTES TO FINANCIAL STATEMENTS****NOTE A - Summary of Significant Accounting Policies****The Organization**

Software Freedom Conservancy (the "Organization") is a not-for-profit organization formed to support Free and Open Source Software (FOSS) projects. As a fiscal sponsor for FOSS projects, the Organization is composed of Open Source and Free Software projects that benefit from financial and administrative services. The Organization is supported primarily through donor contributions. For the year ended February 28, 2009, approximately 43.5% of support was received from three donors, with the largest of which representing approximately 24% of the total.

Contributions and Grants Received

Revenue is recorded pursuant to the provisions of Statement of Financial Accounting Standards Number 116, "Accounting for Contributions Received and Contributions Made" which specifies that pledges receivable from grantors be recorded as revenue if they are both unconditional and legally enforceable.

Financial Statement Presentation

The Organization follows the reporting format of Statement of Financial Accounting Standards Number 117, "Financial Statements of Not-For-Profit Organizations" which requires that information about financial position and activities is reported according to three categories of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

As of February 28, 2009, 94.4% of the Organization's donations have been restricted for certain individual projects within the Organization. Each restricted fund can be spent only to advance that specific Open Source/Free Software project.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and was recognized in an advance ruling as a public charity.

Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. The Organization maintains its cash balances at two financial institutions.

**SOFTWARE FREEDOM CONSERVANCY
(A NONPROFIT ORGANIZATION)****SCHEDULE I****EXPENSE SUMMARY****FOR THE YEAR ENDED FEBRUARY 28, 2009**

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Member project support	\$ 57,970		\$ 57,970
Travel and entertainment	10,213		10,213
Accounting fees		\$ 3,500	3,500
Bank charges	1,049	11	1,060
Filing Fees		50	50
	<u>\$ 69,232</u>	<u>\$ 3,561</u>	<u>\$ 72,793</u>

Attention is directed to the accountants' review report relating to this schedule. The notes to financial statements are made a part hereof.

