

Return of Organization Exempt From Income Tax

2002

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2002 calendar year, or tax year beginning **07/01/02**, 2002, and ending **06/30/03**, 20

- B** Check if applicable
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization
Massachusetts Institute of Technology

Number and street (or P O box if mail is not delivered to street address) Room/suite
77 Massachusetts Avenue, NE49-3142

City or town, state or country, and ZIP + 4
Cambridge, MA 02139

D Employer identification number
04 : 2103594

E Telephone number
(617) 253-2749

F Accounting method Cash Accrual
 Other (specify) ▶

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? Yes No (If "No," attach a list See instructions)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Web site: ▶ **web.mit.edu**

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

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

I Enter 4-digit GEN ▶

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **6,299,585,000**

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	236,190,000		
	b Indirect public support	1b			
	c Government contributions (grants)	1c	892,405,000		
	d Total (add lines 1a through 1c) (cash \$ 1,128,595,000 noncash \$ 0)	1d			1,128,595,000
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			446,539,000
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			
	5 Dividends and interest from securities	5			85,935,000
	6a Gross rents	6a	85,868,000		
	b Less: rental expenses	6b	24,834,000		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			61,034,000
	7 Other investment income (describe ▶)	7			
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	4,480,840,000	8a	0		
	4,550,501,000	8b	0		
	c Gain or (loss) (attach schedule) Stmt 1	8c	0		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			-69,661,000	
9 Special events and activities (attach schedule)					
a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a				
b Less: direct expenses other than fundraising expenses	9b				
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			0	
10a Gross sales of inventory, less returns and allowances	10a				
	b Less: cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			0
11 Other revenue (from Part VII, line 20)	11			71,808,000	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			1,724,250,000	
Expenses	13 Program services (from line 44, column (B))	13		1,350,097,000	
	14 Management and general (from line 44, column (C))	14		461,387,000	
	15 Fundraising (from line 44, column (D))	15		17,285,000	
	16 Payments to affiliates (attach schedule)	16		0	
	17 Total expenses (add lines 13 and 14, column (A))	17			1,828,769,000
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		-104,519,000	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		7,102,602,000	
	20 Other changes in net assets or fund balances (attach explanation) Stmt 2	20		-44,830,000	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			6,953,253,000

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Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 21 of the instructions)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) Stmt 3 (cash \$ 154,692,000 noncash \$ <u>0</u>)	154,692,000	154,692,000		
23	Specific assistance to individuals (schedule)	0			
24	Benefits paid to or for members (schedule)	0			
25	Compensation of officers, directors, etc.	2,642,000		2,642,000	
26	Other salaries and wages	726,535,000	557,652,000	157,671,000	11,212,000
27	Pension plan contributions	-907,000	-942,000	-200,000	235,000
28	Other employee benefits	135,937,000	25,506,000	109,043,000	1,388,000
29	Payroll taxes	45,570,000	35,032,000	10,025,000	513,000
30	Professional fundraising fees	0			
31	Accounting fees	587,000		587,000	
32	Legal fees	13,937,000	10,313,000	3,624,000	
33	Supplies	325,108,000	269,950,000	54,568,000	590,000
34	Telephone	11,685,000	8,647,000	3,038,000	
35	Postage and shipping	7,237,000	5,355,000	1,882,000	
36	Occupancy	92,743,000	92,743,000		
37	Equipment rental and maintenance	123,016,000	123,016,000		
38	Printing and publications	0			
39	Travel	43,952,000	38,133,000	5,145,000	674,000
40	Conferences, conventions, and meetings	0			
41	Interest	24,615,000	4,015,000	20,600,000	
42	Depreciation, depletion, etc. (schedule) Stmt 4	82,004,000	155,000	81,849,000	
43	Other expenses not covered above (itemize): a	39,416,000	25,830,000	10,913,000	2,673,000
	b See Statement 5				
	c				
	d				
	e				
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	1,828,769,000	1,350,097,000	461,387,000	17,285,000

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ 0, (ii) the amount allocated to Program services \$ _____,
 (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Statement of Program Service Accomplishments (See page 24 of the instructions.)

What is the organization's primary exempt purpose? Education and Research		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a	See Statement 6 (Grants and allocations \$ _____)	
b	 (Grants and allocations \$ _____)	
c	 (Grants and allocations \$ _____)	
d	 (Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	1,350,097,000

Part IV Balance Sheets (See page 24 of the instructions)

				(A)		(B)
				Beginning of year		End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only						
Assets	45	Cash—non-interest-bearing		38,829,000	45	23,278,000
	46	Savings and temporary cash investments		0	46	0
	47a	47a	134,907,000	139,202,000	47c	131,018,000
		b	Less: allowance for doubtful accounts			
	48a	48a	447,740,000	339,345,000	48c	402,740,000
		b	Less: allowance for doubtful accounts			
	49	Grants receivable		29,176,000	49	30,516,000
	50	Receivables from officers, directors, trustees, and key employees (attach schedule) See Statement 7		10,482,000	50	11,007,000
	51a	51a	76,778,000	80,048,000	51c	76,778,000
		b	Less: allowance for doubtful accounts			
	52	Inventories for sale or use		8,043,000	52	6,613,000
	53	Prepaid expenses and deferred charges		101,669,000	53	139,370,000
	54	Investments—securities (schedule) Stmt 9 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		5,638,196,000	54	5,391,095,000
	55a	55a	839,676,000	795,295,000	55c	839,676,000
		b	Less: accumulated depreciation (attach schedule). See Statement 10			
56	Investments—other (attach schedule) Stmt 11		32,540,000	56	-69,437,000	
57a	57a	1,810,999,000	1,172,146,000	57c	1,364,971,000	
	b	Less: accumulated depreciation (attach schedule). Stmt 12				446,028,000
58	Other assets (describe See Statement 13)		0	58	23,854,000	
59	Total assets (add lines 45 through 58) (must equal line 74)		8,384,971,000	59	8,371,479,000	
Liabilities	60	Accounts payable and accrued expenses		310,105,000	60	310,040,000
	61	Grants payable			61	
	62	Deferred revenue		20,174,000	62	13,972,000
	63	Loans from officers, directors, trustees, and key employees (attach schedule).			63	
	64a	Tax-exempt bond liabilities (attach schedule) See Statement 14		772,034,000	64a	912,135,000
		b	Mortgages and other notes payable (attach schedule)		64b	
65	Other liabilities (describe See Statement 15)		201,140,000	65	182,079,000	
66	Total liabilities (add lines 60 through 65)		1,303,453,000	66	1,418,226,000	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
	67	Unrestricted		2,847,247,000	67	2,719,717,000
	68	Temporarily restricted		2,976,337,000	68	2,881,496,000
	69	Permanently restricted		1,279,018,000	69	1,352,040,000
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
73	Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19, column (B) must equal line 21).		7,102,602,000	73	6,953,253,000	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)		8,406,055,000	74	8,371,479,000	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions.)		Part B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return		
a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	1,524,728,000	
b	Amounts included on line a but not on line 12, Form 990:	b		
(1)	Net unrealized gains on investments . . . \$ -44,830,000	(1)	Donated services and use of facilities \$	
(2)	Donated services and use of facilities \$	(2)	Prior year adjustments reported on line 20, Form 990 . . . \$	
(3)	Recoveries of prior year grants . . . \$	(3)	Losses reported on line 20, Form 990 . . . \$	
(4)	Other (specify):	(4)	Other (specify):	
	----- \$		----- \$	
	Add amounts on lines (1) through (4) ▶		Add amounts on lines (1) through (4) ▶	
	b	-44,830,000	b	0
c	Line a minus line b ▶	c	1,569,558,000	
d	Amounts included on line 12, Form 990 but not on line a:	d		
(1)	Investment expenses not included on line 6b, Form 990 . . . \$	(1)	Investment expenses not included on line 6b, Form 990 . . . \$	
(2)	Other (specify):	(2)	Other (specify):	
	----- Stmt 16 \$ 154,692,000		----- Stmt 17 \$ 154,692,000	
	Add amounts on lines (1) and (2) ▶		Add amounts on lines (1) and (2) ▶	
	d	154,692,000	d	154,692,000
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	1,724,250,000	
			e	1,674,077,000
			c	1,674,077,000
			d	154,692,000
			e	1,828,769,000

Part C List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 26 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 & deferred compensation	(E) Expense account and other allowances
See Statement 18				

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
 If "Yes," attach schedule—see page 26 of the instructions.

Part VI Other Information (See page 27 of the instructions)

Form 990 (2002) Part VI Other Information. Includes questions 76 through 92 regarding organizational activities, financials, and tax status. Includes handwritten entries such as 'MA', 'James L. Morgan, Controller', and '77 Massachusetts Avenue, NE49-3142, Cambridge, MA'.

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Tuition and Tuition Discount					322,525,000
b Fees and Services	561520	321,000			66,374,000
c Other Programs					57,319,000
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					85,935,000
97 Net rental income or (loss) from real estate:					
a debt-financed property					61,034,000
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory	900000	863,000			-70,524,000
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a Auxiliary Enterprises	511120	120,000			71,654,000
b Change in Life Income Funds					34,000
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		1,304,000		0	594,351,000
105 Total (add line 104, columns (B), (D), and (E)).					595,655,000

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 32 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	See Statement 21

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

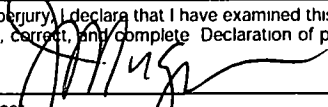
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have examined this return, in its entirety, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on information furnished by the taxpayer. I am not aware of any information that would cause this return to be inaccurate.

Please Sign Here

Signature of officer: 

James L. Morgan, Controller

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Firm's name (or yours if self-employed), address, and ZIP + 4



SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

2002

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization Massachusetts Institute of Technology	Employer identification number 04 2103594
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
Richard Schmalensee 77 Massachusetts Avenue, Cambridge, MA 02139, US	Dean 35	384,530	26,626	0
Thomas Magnanti 77 Massachusetts Avenue, Cambridge, MA 02139, US	Dean 35	366,820	28,408	0
David Briggs Lincoln Lab, Lincoln, MA 02139, US	Director 35	352,200	25,440	0
S.P. Kothari 77 Massachusetts Avenue, Cambridge, MA 02139, US	Professor 35	340,984	21,639	0
Donald Lessard 77 Massachusetts Avenue, Cambridge, MA 02139, US	Deputy Dean 35	336,738	27,843	0
Total number of other employees paid over \$50,000 ▶	5878			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Skanska USA Building Inc. 1633 Littleton Road, Parsippany, NJ 07054, US	Construction	76,166,000
Daniel O'Connell's Sons 480 Hampden Street, Holyoke, MA 01041, US	Construction	25,384,000
Linbeck Kennedy & Rossi 181 Bedford Street, Lexington, MA 02421, US	Construction	23,655,000
Turner Construction Co. 2 Seaport Lane Suite 1000, Boston, MA 02210, US	Construction	19,145,000
Goody Clancy & Associates Inc. 334 Boylston Street, 3rd Floor, Boston, MA 02116, US	Architects	10,570,000
Total number of others receiving over \$50,000 for professional services ▶	412	

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>264,184</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	✓
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?	2a	
b Lending of money or other extension of credit?	2b	
c Furnishing of goods, services, or facilities?	2c	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	
e Transfer of any part of its income or assets?	2e	
See Statement 22		
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below) Stmt 23	3	✓
4 Do you have a section 403(b) annuity plan for your employees?	4	
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6** A school Section 170(b)(1)(A)(ii). (Also complete Part V)
- 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state ▶**
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b** A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12** 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 charitable, etc., 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) (Also complete the **Support Schedule** in Part IV-A)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting. **N/A**

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28).					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts		26b	
c Total support for section 509(a)(1) test. Enter line 24, column (e)		26c	
d Add Amounts from column (e) for lines	18 _____ 19 _____ 22 _____ 26b _____	26d	
e Public support (line 26c minus line 26d total)		26e	
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	

27 Organizations described on line 12: **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year

(2001) _____ (2000) _____ (1999) _____ (1998) _____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year

(2001) _____ (2000) _____ (1999) _____ (1998) _____

c Add Amounts from column (e) for lines:	15 _____ 16 _____ 17 _____ 20 _____ 21 _____	27c	
d Add Line 27a total	_____ and line 27b total _____	27d	
e Public support (line 27c total minus line 27d total)		27e	
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)		27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		27g	
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		27h	

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	✓	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	✓	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain (If you need more space, attach a separate statement) See Statement 24	✓	
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	✓	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	✓	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	✓	
d Copies of all material used by the organization or on its behalf to solicit contributions?	✓	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		✓
b Admissions policies?		✓
c Employment of faculty or administrative staff?		✓
d Scholarships or other financial assistance?		✓
e Educational policies?		✓
f Use of facilities?		✓
g Athletic programs?		✓
h Other extracurricular activities?		✓
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)		
34a Does the organization receive any financial aid or assistance from a governmental agency?	✓	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement. Stmt 25		✓
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4.05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	✓	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39).	40	
41	Lobbying nontaxable amount Enter the amount from the following table— If the amount on line 40 is— The lobbying nontaxable amount is— Not over \$500,000 20% of the amount on line 40. Over \$500,000 but not over \$1,000,000 . . \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000 . \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000 . \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 \$1,000,000	41	
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount.					
46 Lobbying ceiling amount (150% of line 45(e)).					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
c Media advertisements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
d Mailings to members, legislators, or the public	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
e Publications, or published or broadcast statements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
f Grants to other organizations for lobbying purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
g Direct contact with legislators, their staffs, government officials, or a legislative body	<input checked="" type="checkbox"/>	<input type="checkbox"/>	264,184
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
i Total lobbying expenditures (Add lines c through h.)			264,184

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting 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? **No - N/A**

	Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:		
(i) Cash	51a(i)	
(ii) Other assets	a(ii)	
b Other transactions:		
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)	
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)	
(iii) Rental of facilities, equipment, or other assets	b(iii)	
(iv) Reimbursement arrangements	b(iv)	
(v) Loans or loan guarantees	b(v)	
(vi) Performance of services or membership or fundraising solicitations	b(vi)	
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c	

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 organization. If the organization 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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization 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

Statement 1
Form. 990
Page: 1
Part I
Question 8

Massachusetts Institute of Technology
04-2103594

Sales of Assets Other than Inventory

Publicly Traded Securities

Description:	Realized Losses
Sales Price:	\$4,480,840,000 00
Date Sold:	
Sold To:	
Expense of Sale:	\$0.00
Cost or value when acquired:	\$4,550,501,000.00
Date acquired:	
How acquired:	
Depreciation since acquisition:	
Net Sale:	-\$69,661,000.00

Statement 2
Form. 990
Page: 1
Part. I
Question: 20

Massachusetts Institute of Technology
04-2103594

Other changes in Net Assets or Fund Balances

Explanation	Amount
Unrealized Gain (Loss) on Investments	-\$44,830,000.00
Total:	-\$44,830,000.00

Statement 3
Form: 990
Page 2
Part. II
Question 22

Massachusetts Institute of Technology
04-2103594

Grants and Allocations

Explanation/Description

A list of recipients of scholarships and fellowships is on file at the Institute, and is available on request. Although there may be recipients who are related to persons having an interest in the Institute, such recipients are selected on an equal, objectively determinable basis with other recipients. That is, all students receiving scholarships and fellowships are judged worthy by the Institute's assessment on the basis of academic achievement, financial need, and other similar standards.

Statement 4
Form: 990
Page: 2
Part: II
Question: 42

Massachusetts Institute of Technology
04-2103594

Depreciation and Depletion

Asset	Cost or Basis	Acc. Depr. (Start)	Current Deprec.	Acc. Depr. (End)
Land, Buildings, and Equipment	\$1,810,999,000 0	\$364,024,000.00	\$82,004,000 00	\$446,028,000 00
Total			\$82,004,000.00	

Statement 5
Form 990
Page 2
Part II
Question 43

Massachusetts Institute of Technology
04-2103594

Attachment listing other expenses for Part II

Description	Total:	Pgm Services	Mgt and General	Fundraising
Other Expenses	\$39,416,000 00	\$25,830,000 00	\$10,913,000.00	\$2,673,000 00
Total:	\$39,416,000.00	\$25,830,000.00	\$10,913,000.00	\$2,673,000.00

Statement 6
Form: 990
Page 2
Part: III
Question:

Massachusetts Institute of Technology
04-2103594

Program Services

Achievement		Pgm. Svc. Exp.
Instruction and Un-sponsored Research		\$363,158,000.0
Grants and Allocations:	\$0.00	
Sponsored Research		\$754,519,000.0
Grants and Allocations:	\$0 00	
Scholarships and Fellowships (Tuition Discount)		\$154,692,000.0
Grants and Allocations:	\$154,692,000 00	
Other Program Services		\$77,728,000 00
Grants and Allocations:	\$0 00	
	Total:	\$1,350,097,000.00

Statement 7
Form: 990
Page: 3
Part: IV
Question: 50 B

Massachusetts Institute of Technology
04-2103594

Other Investments

Explanation/Description

A list of the faculty mortgage loan program is on file with the Institute and is available upon request

Statement 8
Form 990
Page 3
Part IV
Question 51C

Massachusetts Institute of Technology
04-2103594

Schedule of Other Notes and Loans Receivable

Borrower's Name:	Student Notes Receivable
Borrower's Title:	Various
Original Amount:	Various
Balance Due:	\$76,778,000.00
Date of Note:	Various
Maturity Date:	Various
Repayment Terms:	Various
Interest Rate:	Various
Security Provided by Borrower:	Various
Purpose of Loan:	Various
Description of Consideration:	Various
FMV of Consideration:	Various
Relationship of Borrower/Lender:	Various

Total Due:	\$76,778,000.00
-------------------	-----------------

Statement 9
Form: 990
Page: 3
Part. IV
Question: 54

Massachusetts Institute of Technology
04-2103594

Investments - Securities

Security	Valuation Type	Amount
Comm Paper & S-T Sec.	FMV	\$110,560,000.00
US Govt. Obligations	FMV	\$521,822,000.00
Corporate Bonds	FMV	\$250,808,000.00
Foreign Bonds	FMV	\$10,402,000.00
Corporate Stock	FMV	\$3,781,836,000.00
Foreign Stock	FMV	\$395,919,000.00
Money Market Trusts	FMV	\$319,748,000.00
Total:		\$5,391,095,000.00

Statement 10
Form: 990
Page: 3
Part: IV
Question: 55

Massachusetts Institute of Technology
04-2103594

Schedule of Investment Land, Buildings and Equipment

Description	Cost	Depreciation	Book Value
Inv. - Real Estate	\$839,676,000.00	\$0.00	\$839,676,000.00
Total:	\$839,676,000.00	\$0.00	\$839,676,000.00

Statement 11
Form: 990
Page: 3
Part: IV
Question: 56

Massachusetts Institute of Technology
04-2103594

Other Investments

Investment	Valuation Type	Amount
Payable fr. Investment Transactions	FMV	-\$80,444,000.00
Mortgage Loans	FMV	\$11,007,000.00
Total:		-\$69,437,000.00

Statement 12
Form 990
Page 3
Part IV
Question: 57

Massachusetts Institute of Technology
04-2103594

Schedule of Land, Buildings and Equipment

Description	Cost	Depreciation	Book Value
Land, Building & Equip.	\$1,810,999,000.00	\$446,028,000.00	\$1,364,971,000.00
Total:	\$1,810,999,000.00	\$446,028,000.00	\$1,364,971,000.00

Statement 13
Form 990
Page 3
Part IV
Question: 58

Massachusetts Institute of Technology
04-2103594

Other Assets

Asset Description	BOY Amount	EOY Amount
Due from Technology Review, Inc.	\$0 00	\$23,846,000 00
Due from MIT Real Estate Foundation	\$0.00	\$8,000 00
Total:	\$0.00	\$23,854,000.00

Tax-Exempt Bond Liabilities

Bonds and Notes Payable

EDUCATIONAL PLANT

Massachusetts Health and Educational Facilities Authority (MHEFA)

Series B, 5%, due 2003	\$	0
Series C, 5% - 6.2%, due 2003-2006		1,260,000
Series H, 4.2% - 5.0%, due 2003-2023		0
Series I, 4.75% - 5.20%, due 2028, par value \$59,200,000		59,813,000
Series J-1, variable rate, due 2031		125,000,000
Series J-2, variable rate, due 2031		125,000,000
Series K, 5.25% - 5.50%, due 2012-2032, par value \$230,000,000		247,722,000
Series L, 3.0% - 5.25%, due 2004-2033, par value \$184,860,000		<u>204,628,000</u>
Total MHEFA		763,423,000

Medium Term Notes Series A, 7.125%, due 2026		17,324,000
Medium Term Notes Series A, 7.125%, due 2096		45,428,000
Notes payable to bank, variable rate, due 2004		<u>40,000,000</u>
Total Educational Plant		866,175,000

STUDENT LOANS

Notes payable to bank, variable rate, due 2004		22,500,000
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OTHER

Notes payable to bank, variable rate, due 2004		<u>23,460,000</u>
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Total Bonds and Notes Payable **\$912,135,000**

Statement 15

Form: 990

Page: 3

Part: IV

Question: 65

Massachusetts Institute of Technology**04-2103594****Other Liabilities**

Liability Description	BOY Amount	EOY Amount
Withholdings and Deposits	\$1,071,000.00	\$633,000.00
Other Credits	\$9,158,000.00	\$9,804,000.00
Advance Payments	\$159,467,000.00	\$139,891,000.00
Government Advances for Student Loans	\$31,444,000.00	\$31,751,000.00
Total:	\$201,140,000.00	\$182,079,000.00

Statement 16
Form. 990
Page 4
Part IV-A
Question: d(2)

Massachusetts Institute of Technology
04-2103594

Revenue Audit Line d(2)

Description	Amount
Tuition Discount	\$154,692,000.00
Total:	\$154,692,000.00

Statement 17
Form: 990
Page: 4
Part: IV-B
Question. d(2)

Massachusetts Institute of Technology
04-2103594

Expense Audit Line d(2)

Description	Amount
Tuition Discount	\$154,692,000.00
Total:	\$154,692,000.00

Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Alex D'Arbeloff 77 Massachusetts Avenue Cambridge, MA 02139 United States	Chairman	20	\$184,700.00	\$9,863 00	\$0.00
Charles Vest 77 Massachusetts Avenue Cambridge, MA 02139 United States	President	40	\$606,829.00	\$32,846.00	\$8,094.00
John Curry 77 Massachusetts Avenue Cambridge, MA 02139 United States	Vice President	40	\$411,725.00	\$23,855.00	\$0.00
Allan Bufferd 77 Massachusetts Avenue Cambridge, MA 02139 United States	Treasurer	40	\$602,131.00	\$31,905.00	\$0.00
Robert Brown 77 Massachusetts Avenue Cambridge, MA 02139 United States	Provost	40	\$395,884.00	\$29,117.00	\$0 00
Phillip Clay 77 Massachusetts Avenue Cambridge, MA 02139 United States	Chancellor	40	\$233,550 00	\$26,546 00	\$0 00
Katherine Wilmore 77 Massachusetts Avenue Cambridge, MA 02139 United States	Secretary	40	\$207,165 00	\$21,697 00	\$0 00

Related Organizations

Explanation

The Institute has various sorts of working relationships with numerous not-for-profit organizations. Any commonality of governing body, officers, committees, or membership in such instances is strictly coincidental and does not arise from any requirement or condition that service with respect to one organization is a condition of or requires service for the other organization. In some cases, the relationships are formal ones. Typical of this type organization are ones of which the MIT Corporation is a member, which organizations carry out or assist in carrying out MIT's educational and scientific purposes in specific areas. Examples of such organizations include Northeast Radio Observatory Corporation; Nercom, Inc.; and University Corporation for Atmospheric Research. Other organizations operate for the benefit of or carry out functions of the Institute, such as the MIT Alumni Association which carries out typical alumni relations matters. The relationships between such organizations and the Institute vary widely. In almost all cases, the Institute has effective control over the organizations, although in some cases, only in a defacto manner. Numerous student activities are incorporated or have other legal status and assist in carrying out the purpose of the Institute. Typically the Institute has no control over or formal relationship with these organizations.

A large number of officers and members of the MIT Corporation serve as officers or in other positions of responsibility with other organizations with which there is an affinity or historical relationship to MIT although no present formal arrangement providing for commonality of officers or members. An example of such an organization is the Charles Stark Draper Laboratory, Inc. There are undoubtedly a large number of institutions with which the Institute has common members directors or officers. Commonality of members and officers in the MIT Corporation are prominent people of diverse backgrounds active in many fields, including matters in connection with other organizations other than the existence of one or more common members or officers. Finally, there are organizations with which the Institute is related solely on a working basis and typically not involving any commonality of officers and directors. Examples include Harvard University, Wellesley College, and the Woods Hole Oceanographic Institute with each of which the Institute maintains collaborative educational programs.

As the above information indicates, depending on the interpretation given to this question, a variety of answers could be appropriate. If specific information other than that supplied above is required, the Institute will endeavor to supply any appropriate information which might be requested.

Statement 20
Form 990
Page 5
Part VI
Question 82 b

Massachusetts Institute of Technology
04-2103594

Donated Services

Explanation

The Institute receives substantial donated services usually from Alumni and usually in connection with fund raising and development and may, on occasion, be permitted to use facilities or equipment of others at no charge or at less than fair rental value

Statement 21
Form 990
Page 6
Part VIII
Question 93 - 103

Massachusetts Institute of Technology
04-2103594

Relationship of Activities to the Accomplishment of Exempt Purposes

All income listed above provided for the Instruction and Research activities of the Institute and as such aided the Institute in achieving its goals.

Transaction Explanations

Line	Explanation
2	<p>The Institute, in the course of carrying out its educational and scientific purposes, purchases supplies and services from thousands of sources, borrows money for student loans and other purposes, conducts educational program and scientific research for the benefit of the general public and governmental agencies; contracts to supply sponsored research for other entities, and, as set forth in Part I, pays compensation to its officers. As noted in Item 2, supra, officers and members of the MIT Corporation are active in many organizations - educational, charitable, scientific, commercial and industrial. In the course of carrying out its exempt purposes, the Institute purchases supplies or services from, borrows from, and furnishes services or facilities to one or more organizations with which a member or principal officer of the MIT Corporation is affiliated. With relatively few exceptions, available records would not enable such transactions to be isolated. To determine the precise details of transactions which could be isolated would involve an inordinate amount of staff time and expenses; to maintain records which would allow all such transactions which might have occurred to be isolated would impose an intolerable administrative burden. The Institute believes that all such transactions which have occurred have been on terms at least as favorable to the Institute as would have been the case had the officer of the MIT Corporation was affiliated. No part of the assets or income of the Institute has been diverted for non-exempt purposes by any such transactions.</p>

Explanation of Grant Determination

Explanation of grant qualifications

The Institute is not a grant-making organization and, thus, does not make disbursements to individuals or organizations for charitable purposes except that the MIT Community Service Fund, whose resources are derived solely from fund raising within the MIT Community, disburses such funds for charitable purposes and the Institute contributes small amounts, insubstantial in the aggregate, to locally-based charitable organizations for the purpose of fostering better community relations. Procedures of the Institute with respect to admissions, scholarships, fellowships, and student loans are publicized in the Institute Bulletin which constitutes its Catalogue and will be provided on request.

A list of recipients of scholarships and fellowships is on file at the Institute, and is available on request. Although there may be recipients who are related to persons having an interest in the Institute, such recipients are selected on an equal, objectively determinable basis with other recipients. That is, all students receiving scholarships and fellowships are judged worthy by the Institute's assessment on the basis of academic achievement, financial need, and other similar standards

Statement 24
Form: Schedule A
Page 4
Part. V
Question: 31

Massachusetts Institute of Technology
04-2103594

Publicize Racially Nondiscriminatory Policy

Explanation/Description

The Institute customarily draws a substantial percentage of its students nationwide and worldwide and makes its racially non-discriminatory policy as to students known to all segments of the general community it serves by including a statement of its racially non-discriminatory policy as to students in all its brochures and catalogues dealing with student admissions, programs, and scholarships

Statement 25
Form. Schedule A
Page 4
Part V
Question: 34

Massachusetts Institute of Technology
04-2103594

Financial Assistance

Explanation

The Institute is a substantial Federal Government contractor. In addition, the Institute and students at the Institute receive moneys under the numerous federal programs, many of which are directed at providing scholarship, fellowship or similar aid to students. More detail could be provided regarding the nature of the government aid and assistance which the Institute receives if the types of financial aid and assistance intended to be covered by this question were specified.

23964-12-2003-08132003090738

Clerk of the House of Representatives Legislative Resource Center B-106 Cannon Building Washington, DC 20515	Secretary of the Senate Office of Public Records 232 Hart Building Washington, DC 20510
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LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Required To Complete This Page

1. Registrant Name: MASSACHUSETTS INST OF TECHNOLOGY			
2. Address <input type="checkbox"/> Check if different than previously reported 77 MASSACHUSETTS AVE			
City: CAMBRIDGE		State MA Zip 02139 Country: USA	
3 Principal place of business (if different from line 2) City: State. MA Zip. Country: USA			
4 Contact Name. JULIE T. NORRIS	Telephone 617-253-2492	Email JNORRIS@MIT.EDU	5. Senate ID # 23964-12
7. Client Name. MASSACHUSETTS INST OF TECHNOLOGY			6 House ID # 30945000

Type of Report 8 Year (YYYY) 2003 Midyear (Jan 1-Jun 30) or Year End (Jul 1-Dec 31)

9. Check if this filing amends a previously filed version of this report

10 Check if this is a Termination Report --> Termination Date 11. No Lobbying Activity

INCOME OR EXPENSES - Complete Either Line 12 OR Line 13

12. Lobbying Firms	13. Organizations
INCOME relating to lobbying activities for this reporting period was: <input type="checkbox"/> Less than \$10,000 (\$0.00 - \$9,999.99) <input type="checkbox"/> \$10,000 or more Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).	EXPENSES relating to lobbying activities for this reporting period were: <input type="checkbox"/> Less than \$10,000 (\$0.00 - \$9,999.99) <input checked="" type="checkbox"/> \$10,000 or more \$133,805
	14. REPORTING METHOD. Check box to indicate expense accounting method See instructions for description of options <input checked="" type="checkbox"/> Method A. Reporting amounts using LDA definitions only <input type="checkbox"/> Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code <input type="checkbox"/> Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Signature *Julie T. Norris*

Printed Name: JULIE T. NORRIS

Title: DIRECTOR, OFFICE OF SPONSORED PROGRAMS

23964-12-2003-08132003090738

Registrant Name:
MASSACHUSETTS INST OF TECHNOLOGY

Client Name:
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code BUD

16. Specific lobbying issues (current and anticipated)

Establishing the Congressional budget for the U.S. government FY 04.
Original Concurrent Resolution setting forth the congressional budget for the U.S. FY 04.
Commerce, Justice, State, Judiciary - 04 (HR. 2799/SGW. 102).
Energy & Water - FY 04 (HR. 2754/S. 1424).
Interior FY 04 (HR 2691/S1391).
National Security (Defense) FY 04 (HR. 2658/S.1382).
Labor-HHS FY 04 (HR. 2660/S. 1356).
VA-HUD FY 04 (HGW. 113/SGW. 113).

17. House(s) of Congress and Federal agencies contacted Check if none.

SENATE	HOUSE OF REPRESENTATIVES	Office of Management & Budget (OMB)	Office of Science & Technology Policy (OSTP)
Defense, Dept of (DOD)	Natl Aeronautics & Space Administration (NASA)	Natl Science Foundation (NSF)	Natl Institutes of Health (NIH)

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	N/A
CROWLEY, JOHN C.	N/A
PARRAVANO, PAUL	N/A
VAN WAY, JASON	N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above Check if none

Printed Name:
JULIE T. NORRIS

Date 8/13/03
Title:
DIRECTOR, OFFICE OF SPONSORED PROGRAMS

23964-12-2003-08132003090738

Registrant Name
MASSACHUSETTS INST OF TECHNOLOGY

Client Name
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code **EDU**

16. Specific lobbying issues (current and anticipated)

Higher Education Authorization

S. 14 - A bill to enhance the energy security of the U.S., and for other purposes.

HR. 6 - A bill to enhance energy conservation and research & development, to provide for security & diversity in the energy supply for the American people, and for other purposes.

HR. 1588/S. 1050 - To authorize appropriations for FY 04 for military activities of DOD, for military construction, and for defense activities of the DOE, to proscribe personnel strength for such FY for the armed forces, & for other purposes.

17 House(s) of Congress and Federal agencies contacted. Check if none

SENATE HOUSE OF REPRESENTATIVES

18 Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	N/A
CROWLEY, JOHN C.	N/A
VAN WAY, JASON	N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above Check if none

Printed Name.
JULIE T. NORRIS

Date. 8/13/03
Title.
DIRECTOR, OFFICE OF SPONSORED PROGRAMS

23964-12-2003-08132003090738

Registrant Name.
MASSACHUSETTS INST OF TECHNOLOGY

Client Name:
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code GOV

16. Specific lobbying issues (current and anticipated)

Bates Linear Accelerator Laboratory
Lincoln Laboratory

17. House(s) of Congress and Federal agencies contacted. Check if none

SENATE	HOUSE OF REPRESENTATIVES	Office of Management & Budget (OMB)	Office of Science & Technology Policy (OSTP)
Defense, Dept of (DOD)			

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	N/A
CROWLEY, JOHN C.	N/A
NORRIS, JULIE T.	N/A
VAN WAY, JASON	N/A

19. Interest of each foreign entry in the specific issues listed on line 16 above. Check if none.

Printed Name:
JULIE T. NORRIS

Date. 8/13/03
Title
DIRECTOR, OFFICE OF SPONSORED PROGRAMS

23964-12-2003-08132003090738

Registrant Name:
MASSACHUSETTS INST OF TECHNOLOGY

Client Name
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code SCI

16. Specific lobbying issues (current and anticipated)

NSF, DOE, DOD, NIH, NASA, OMB, & OSTP

17. House(s) of Congress and Federal agencies contacted. Check if none.

HOUSE OF REPRESENTATIVES

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	N/A
CROWLEY, JOHN C.	N/A
VAN WAY, JASON	N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above Check if none.

Printed Name
JULIE T. NORRIS

Date 8/13/03
Title:
DIRECTOR, OFFICE OF SPONSORED PROGRAMS

23964-12-2003-02112003100611

Clerk of the House of Representatives Legislative Resource Center B-106 Cannon Building Washington, DC 20515	Secretary of the Senate Office of Public Records 232 Hart Building Washington, DC 20510
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LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Required To Complete This Page

1. Registrant Name: MASSACHUSETTS INST OF TECHNOLOGY			
2. Address <input type="checkbox"/> Check if different than previously reported 77 MASSACHUSETTS AVE			
City: CAMBRIDGE		State: MA Zip: 02139 Country: MONACO	
3. Principal place of business (if different from line 2) City: State: MA Zip: Country: MONACO			
4 Contact Name: JULIE T. NORRIS	Telephone: 617-253-2492	Email: JNORRIS@MIT.EDU	5. Senate ID # 23964-12
7. Client Name: MASSACHUSETTS INST OF TECHNOLOGY			6. House ID # 30945000

Type of Report 8. Year (YYYY) **2002** Midyear (Jan 1-Jun 30) or Year End (Jul 1-Dec 31)

9. Check if this filing amends a previously filed version of this report

10. Check if this is a Termination Report --> Termination Date _____ 11. No Lobbying Activity

INCOME OR EXPENSES - Complete Either Line 12 OR Line 13

12. Lobbying Firms	13. Organizations
INCOME relating to lobbying activities for this reporting period was:	EXPENSES relating to lobbying activities for this reporting period were.
<input type="checkbox"/> Less than \$10,000 (\$0.00 - \$9,999.99)	<input type="checkbox"/> Less than \$10,000 (\$0.00 - \$9,999.99)
<input type="checkbox"/> \$10,000 or more	<input checked="" type="checkbox"/> \$10,000 or more
Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).	\$130,379
14. REPORTING METHOD. Check box to indicate expense accounting method. See instructions for description of options.	
<input checked="" type="checkbox"/> Method A. Reporting amounts using LDA definition only	
<input type="checkbox"/> Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code	
<input type="checkbox"/> Method C. Reporting amounts under section 162 of the Internal Revenue Code	
Signature: <i>Julie T. Norris</i>	2/12/03

Printed Name: **JULIE T. NORRIS**
Title: **DIRECTOR, OFFICE OF SPONSORED PROGRAMS**

23964-12-2003-02112003100611

Registrant Name:
MASSACHUSETTS INST OF TECHNOLOGY

Client Name:
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code **BUD**
 16. Specific lobbying issues (current and anticipated)

Establishing the Congressional Budget for the United States Government for FY'03 (H.Con.Res. 353)
Original Concurrent Resolution Setting forth the Congressional Budget for the United States Government FY'03 (S.Con.Res. 100)
Commerce, Justice, State, Judiciary - FY'03 (H.R. XXXX by Wolf)
Energy and Water - FY'03 (H.R. XXXX by Callhan)
Interior - FY'03 (H.R. 5093)
National Security (Defense) - FY'03 (H.R. 5010)
Labor-HHS - FY'03 (H.R. XXXX by Regula)
FY'03 Military Activities of the Department of Defense (H.R. 4546)
Treasury-Postal - FY'-03 (H.R. XXXX by ISTOOK)
VA-HUD - FY'03 (H.R. 2620)

17 House(s) of Congress and Federal agencies contacted Check if none.

SENATE	HOUSE OF REPRESENTATIVES	Defense, Dept of (DOD)	Education, Dept of
Natl Aeronautics & Space Administration (NASA)	Natl Science Foundation (NSF)	Natl Institutes of Health (NIH)	

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	STAFF ASSOCIATE, MIT WASHINGTON OFFICE
CROWLEY, JOHN C	VP FOR FEDERAL RELATIONS, MIT WASHINGTON OFFICE
GLUCKSMAN, SUZY	ASSISTANT DIRECTOR, MIT WASHINGTON OFFICE
PARRAVANO, PAUL	CO-DIRECTOR, OFFICE OF GOV'T & COMM RELATIONS

19. Interest of each foreign entity in the specific issues listed on line 16 above. Check if none.

Date: 2/12/03

Printed Name:
JULIE T. NORRIS

Title:
DIRECTOR, OFFICE OF SPONSORED PROGR

23964-12-2003-02112003100611

Registrant Name:
MASSACHUSETTS INST OF TECHNOLOGY

Client Name:
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code **EDU**
 16. Specific lobbying issues (current and anticipated)

Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Patriotism (USA PATRIOT ACT)(H.R. 3162)
Bioterrorism Preparedness Bill (H.R. 3448)
Enhanced Border Security and Visa Entry Reform Act of 2001 (H.R. 3525)
Department of Homeland Security (H.R. 5005)

17. House(s) of Congress and Federal agencies contacted. Check if none.

SENATE **HOUSE OF REPRESENTATIVES**

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	STAFF ASSOCIATE, MIT WASHINGTON OFFICE
CROWLEY, JOHN C	VP FOR FEDERAL RELATIONS, MIT WASHINGTON OFFICE
GLUCKSMAN, SUZY	ASSISTANT DIRECTOR, MIT WASHINGTON OFFICE

19. Interest of each foreign entity in the specific issues listed on line 16 above. Check if none.

Date: 2/12/03

Printed Name:
JULIE T. NORRIS

Title:
DIRECTOR, OFFICE OF SPONSORED PROGR

23964-12-2003-02112003100611

Registrant Name:
MASSACHUSETTS INST OF TECHNOLOGY

Client Name:
MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code **GOV**

16. Specific lobbying issues (current and anticipated)

**Bates Linear Accelerator Laboratory
 Lincoln Laboratory**

17. House(s) of Congress and Federal agencies contacted Check if none.

SENATE	HOUSE OF REPRESENTATIVES	Office of Management & Budget (OMB)	Office of Science & Technology Policy (OSTP)
Defense, Dept of (DOD)			

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	STAFF ASSOCIATE, MIT WASHINGTON OFFICE
CROWLEY, JOHN C	VP FOR FEDERAL RELATIONS, MIT WASHINGTON OFFICE
GLUCKSMAN, SUZY	ASSISTANT DIRECTOR, MIT WASHINGTON OFFICE
NORRIS, JULIE T.	DIRECTOR, OFFICE OF SPONSORED PROGRAMS

19. Interest of each foreign entity in the specific issues listed on line 16 above. Check if none.

Printed Name:
JULIE T. NORRIS

Date: 2/12/03
 Title:
DIRECTOR, OFFICE OF SPONSORED PROGR

23964-12-2003-02112003100611

Registrant Name.
 MASSACHUSETTS INST OF TECHNOLOGY

Client Name.
 MASSACHUSETTS INST OF TECHNOLOGY

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code **SCI**
 16. Specific lobbying issues (current and anticipated)

National Science Foundation
 Department of Energy
 Department of Defense
 National Institutes of Health
 National Aeronautics and Space Administration
 Office of Management and Budget
 Office of Science and Technology Policy

17. House(s) of Congress and Federal agencies contacted Check if none.

SENATE **HOUSE OF REPRESENTATIVES**

18. Name of each individual who has acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
ALSBROOKS, KATHRYN	STAFF ASSOCIATE, MIT WASHINGTON OFFICE
CROWLEY, JOHN C	VP FOR FEDERAL RELATIONS, MIT WASHINGTON OFFICE
GLUCKSMAN, SUZY	ASSISTANT DIRECTOR, MIT WASHINGTON OFFICE

19. Interest of each foreign entity in the specific issues listed on line 16 above. Check if none.

Printed Name.
JULIE T. NORRIS

Date: 2/12/03
 Title:
DIRECTOR, OFFICE OF SPONSORED PROGR

- 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—Must File Original and One Copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization Massachusetts Institute of Technology	Employer identification number 04 : 2103594
	Number, street, and room or suite no. If a P.O. box, see instructions 77 Massachusetts Avenue; NE49-3142	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions Cambridge, MA 02139	

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

- Form 990 Form 990-EZ Form 990-T (sec 401(a) or 408(a) trust) Form 1041-A Form 5227 Form 8870
- Form 990-BL Form 990-PF Form 990-T (trust other than above) Form 4720 Form 6069

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

- 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 May 15 ~~20 04~~ 20 04
- 5 For calendar year _____, or other tax year beginning July 1, 20 02 and ending June 30, 20 03
- 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 Additional time is necessary in order to prepare a complete and accurate return.

- 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. \$ _____
- 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. \$ _____
- 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. \$ _____

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 [Handwritten Signature] Title Controller Date 12 Feb 04

Notice to Applicant—To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant an extension of time to file. We are not granting a 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other _____

EXTENSION APPROVED
MAR 01 2004

Director _____ By LINDA WEISKOPF, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Alternate Mailing Address — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above

Type or print	Name
	Number and street (include suite, room, or apt. no.) Or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)

**Information Return of U.S. Persons With
Respect To Certain Foreign Corporations**

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
Information furnished for the foreign corporation's annual accounting period (tax year required by
section 898) (see instructions) beginning 8/12, 20 02, and ending 12/31, 20 02

File In Duplicate
(see When and Where
To File on page 1 of the
instructions)

Name of person filing this return MIT ENDOWMENT	A Identifying number 04-2103594
Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 238 MAIN STREET, SUITE 200	B Category of filer (See page 1 of the instructions. Check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input checked="" type="checkbox"/>
City or town, state, and ZIP code CAMBRIDGE, MA 02142	C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period <u>15.3</u> %
Filer's tax year beginning _____, 20____, and ending _____, 20____	

D Person(s) on whose behalf this information return is filed

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
NONE					

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

1a Name and address of foreign corporation PCP INVESTMENTS LIMITED TRIDENT CHAMBERS, WICKHAMS CAY, P.O. BOX 146 ROAD TOWN, TORTOLA, BVI				b Employer identification number, if any NONE	
d Date of incorporation 8/12/2002				c Country under whose laws incorporated BVI	
e Principal place of business BVI		f Principal business activity code number 551112	g Principal business activity HOLDING		h Functional currency GBP

2 Provide the following information for the foreign corporation's accounting period stated above

a Name, address, and identifying number of branch office or agent (if any) in the United States NONE		b If a U.S. income tax return was filed, enter	
		(i) Taxable income or (loss) N/A	(ii) U.S. income tax paid (after all credits) N/A
c Name and address of foreign corporation's statutory or resident agent in country of incorporation SAME		d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different SAME	

Schedule A Stock of the Foreign Corporation

Part I — All Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
N/A		

Part II — Additional Information for Preferred Stock

(To be completed only by Category 1 filers for foreign personal holding companies.)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative
N/A			

Schedule B U.S. Shareholders of Foreign Corporation (See page 4 of the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a))	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
N/A				

Schedule C Income Statement (See page 5 of the instructions.) **N/A**

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
Income	1a Gross receipts or sales	1a	
	b Returns and allowances	1b	
	c Subtract line 1b from line 1a	1c	
	2 Cost of goods sold	2	
	3 Gross profit (subtract line 2 from line 1c)	3	
	4 Dividends	4	
	5 Interest	5	
	6 Gross rents, royalties, and license fees	6	
	7 Net gain or (loss) on sale of capital assets	7	
8 Other income (attach schedule)	8		
9 Total income (add lines 3 through 8)	9		
Deductions	10 Compensation not deducted elsewhere	10	
	11 Rents, royalties, and license fees	11	
	12 Interest	12	
	13 Depreciation not deducted elsewhere	13	
	14 Depletion	14	
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15	
	16 Other deductions (attach schedule — exclude provision for income, war profits, and excess profits taxes)	16	
17 Total deductions (add lines 10 through 16)	17		
Net Income	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18	
	19 Extraordinary items and prior period adjustments (see instructions)	19	
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20	
	21 Current year net income or (loss) per books (combine lines 18 through 20)	21	

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See page 5 of instructions.)			
(a) Name of country or U S possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S dollars
1 U.S.			
2 N/A			
3			
4			
5			
6			
7			
8 Total			

Schedule F Balance Sheet
Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See page 5 of the instructions for an exception for DASTM corporations. N/A

Assets		(a)	(b)
		Beginning of annual accounting period	End of annual accounting period
1 Cash	1		
2a Trade notes and accounts receivable	2a		
b Less allowance for bad debts	2b	()	()
3 Inventories	3		
4 Other current assets (attach schedule)	4		
5 Loans to shareholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		
8a Buildings and other depreciable assets	8a		
b Less accumulated depreciation	8b	()	()
9a Depletable assets	9a		
b Less accumulated depletion	9b	()	()
10 Land (net of any amortization)	10		
11 Intangible assets:			
a Goodwill	11a		
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c		
d Less accumulated amortization for lines 11a, b, and c	11d	()	()
12 Other assets (attach schedule)	12		
13 Total assets	13		
Liabilities and Shareholders' Equity			
14 Accounts payable	14		
15 Other current liabilities (attach schedule)	15		
16 Loans from shareholders and other related persons	16		
17 Other liabilities (attach schedule)	17		
18 Capital stock:			
a Preferred stock	18a		
b Common stock	18b		
19 Paid-in or capital surplus (attach reconciliation)	19		
20 Retained earnings	20		
21 Less cost of treasury stock	21	()	()
22 Total liabilities and shareholders' equity	22		

Schedule G Other Information

Yes No

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? Yes No
If "Yes," see page 5 of the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust? Yes No
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? Yes No
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See page 5 of the instructions.)

Important: Enter the amounts on lines 1 through 5c in **functional** currency.

1 Current year net income or (loss) per foreign books of account	1	47,998
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
	Net Additions	Net Subtractions
a Capital gains or losses		
b Depreciation and amortization		
c Depletion		
d Investment or incentive allowance		
e Charges to statutory reserves		
f Inventory adjustments		
g Taxes		
h Other (attach schedule)		
3 Total net additions		
4 Total net subtractions		
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5a	47,998
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
c Combine lines 5a and 5b	5c	47,998
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions))	5d	72,178

Enter exchange rate used for line 5d ▶ 1.50377

Schedule I Summary of Shareholder's Income From Foreign Corporation (See page 5 of instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	1	NONE
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	2	NONE
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	NONE
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	NONE
5 Factoring income	5	NONE
6 Total of lines 1 through 5. Enter here and on your income tax return. See page 6 of instructions	6	0
7 Dividends received (translated at spot rate on payment date due under section 989(b)(1))	7	NONE
8 Exchange gain or (loss) on a distribution of previously taxed income	8	NONE

Yes No

- Was any income of the foreign corporation blocked? Yes No
- Did any such income become unblocked during the tax year (see section 964(b))? Yes No

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J
(Form 5471)**

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No 1545-0704

▶ Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

Identifying number

MIT ENDOWMENT

Name of foreign corporation

04-2103594

PCP INVESTMENTS LIMITED

Important: Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)		(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	
1 Balance at beginning of year	0				0
2a Current year E&P	47,998				
b Current year deficit in E&P					
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	47,998				
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year					
5a Actual distributions or reclassifications of previously taxed E&P					
b Actual distributions of nonpreviously taxed E&P					
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)					
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	47,998				
7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)	47,998				47,998

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 1-2003)

Information Return of U.S. Persons With Respect To Certain Foreign Corporations

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 6/5, 2002, and ending 12/31, 2002

File In Duplicate
(see **When and Where To File** on page 1 of the instructions)

Name of person filing this return MIT ENDOWMENT Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 238 MAIN STREET, SUITE 200 City or town, state, and ZIP code CAMBRIDGE, MA 02142 Filer's tax year beginning _____, 20____, and ending _____, 20____	A Identifying number 04-2103594 B Category of filer (See page 1 of the instructions. Check applicable box(es): 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input checked="" type="checkbox"/> C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period _____ <u>15.3</u> %
--	---

D Person(s) on whose behalf this information return is filed

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
NONE					

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

1a Name and address of foreign corporation PATRON DRURY LIMITED TRIDENT CHAMBERS, WICKHAMS CAY, P.O. BOX 146 ROAD TOWN, TORTOLA, BVI				b Employer identification number, if any NONE			
d Date of incorporation 6/5/2002				e Principal place of business BVI	f Principal business activity code number 551112	g Principal business activity HOLDING	h Functional currency GBP
c Country under whose laws incorporated BVI							

2 Provide the following information for the foreign corporation's accounting period stated above

a Name, address, and identifying number of branch office or agent (if any) in the United States NONE	b If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%; text-align: center;">(i) Taxable income or (loss)</td> <td style="width:50%; text-align: center;">(ii) U.S. income tax paid (after all credits)</td> </tr> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </table>		(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)	N/A	N/A
(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)					
N/A	N/A					
c Name and address of foreign corporation's statutory or resident agent in country of incorporation SAME	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different SAME					

Schedule A Stock of the Foreign Corporation

Part I — All Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
N/A		

Part II — Additional Information for Preferred Stock
(To be completed only by Category 1 filers for foreign personal holding companies.)

(a) Description of each class of Preferred stock <small>(Note: This description should match the corresponding description entered in Part I, column (a))</small>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative
N/A			

Schedule B U.S. Shareholders of Foreign Corporation (See page 4 of the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a))	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
N/A				

Schedule C Income Statement (See page 5 of the instructions.) N/A

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
Income	1a Gross receipts or sales	1a	
	b Returns and allowances	1b	
	c Subtract line 1b from line 1a	1c	
	2 Cost of goods sold	2	
	3 Gross profit (subtract line 2 from line 1c)	3	
	4 Dividends	4	
	5 Interest	5	
	6 Gross rents, royalties, and license fees	6	
	7 Net gain or (loss) on sale of capital assets	7	
8 Other income (attach schedule)	8		
9 Total income (add lines 3 through 8)	9		
Deductions	10 Compensation not deducted elsewhere	10	
	11 Rents, royalties, and license fees	11	
	12 Interest	12	
	13 Depreciation not deducted elsewhere	13	
	14 Depletion	14	
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15	
	16 Other deductions (attach schedule — exclude provision for income, war profits, and excess profits taxes)	16	
17 Total deductions (add lines 10 through 16)	17		
Net Income	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18	
	19 Extraordinary items and prior period adjustments (see instructions)	19	
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20	
	21 Current year net income or (loss) per books (combine lines 18 through 20)	21	

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See page 5 of instructions.)			
(a) Name of country or U S possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U S dollars
1 U.S.			
2 N/A			
3			
4			
5			
6			
7			
8 Total			

Schedule F Balance Sheet
Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See page 5 of the instructions for an exception for DASTM corporations.
 N/A

Assets		(a)	(b)
		Beginning of annual accounting period	End of annual accounting period
1 Cash	1		
2a Trade notes and accounts receivable	2a		
b Less allowance for bad debts	2b	()	()
3 Inventories	3		
4 Other current assets (attach schedule)	4		
5 Loans to shareholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		
8a Buildings and other depreciable assets	8a		
b Less accumulated depreciation	8b	()	()
9a Depletable assets	9a		
b Less accumulated depletion	9b	()	()
10 Land (net of any amortization)	10		
11 Intangible assets:			
a Goodwill	11a		
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c		
d Less accumulated amortization for lines 11a, b, and c	11d	()	()
12 Other assets (attach schedule)	12		
13 Total assets	13		
Liabilities and Shareholders' Equity			
14 Accounts payable	14		
15 Other current liabilities (attach schedule)	15		
16 Loans from shareholders and other related persons	16		
17 Other liabilities (attach schedule)	17		
18 Capital stock:			
a Preferred stock	18a		
b Common stock	18b		
19 Paid-in or capital surplus (attach reconciliation)	19		
20 Retained earnings	20		
21 Less cost of treasury stock	21	()	()
22 Total liabilities and shareholders' equity	22		

Schedule G Other Information

Yes No

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? Yes No
If "Yes," see page 5 of the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust? Yes No
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? Yes No
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See page 5 of the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1	Current year net income or (loss) per foreign books of account	1	83,762
2	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
		Net Additions	Net Subtractions
a	Capital gains or losses		
b	Depreciation and amortization		
c	Depletion		
d	Investment or incentive allowance		
e	Charges to statutory reserves		
f	Inventory adjustments		
g	Taxes		
h	Other (attach schedule)		
3	Total net additions		
4	Total net subtractions		
5a	Current earnings and profits (line 1 plus line 3 minus line 4)	5a	83,762
b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
c	Combine lines 5a and 5b	5c	83,762
d	Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions))	5d	125,958

Enter exchange rate used for line 5d ▶ 1.50377

Schedule I Summary of Shareholder's Income From Foreign Corporation (See page 5 of instructions.)

1	Subpart F income (line 40b, Worksheet A in the instructions)	1	NONE
2	Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	2	NONE
3	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	NONE
4	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	NONE
5	Factoring income	5	NONE
6	Total of lines 1 through 5. Enter here and on your income tax return. See page 6 of instructions	6	0
7	Dividends received (translated at spot rate on payment date due under section 989(b)(1))	7	NONE
8	Exchange gain or (loss) on a distribution of previously taxed income	8	NONE

Yes No

- Was any income of the foreign corporation blocked? Yes No
- Did any such income become unblocked during the tax year (see section 964(b))? Yes No

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J
(Form 5471)**

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No 1545-0704

▶ Attach to Form 5471. See instructions for Form 5471.

Name of person filing Form 5471

MIT ENDOWMENT

Name of foreign corporation

PATRON DRURY LIMITED

Identifying number

04-2103594

	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)		(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	
1 Balance at beginning of year	0				0
2a Current year E&P	83,762				
b Current year deficit in E&P					
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	83,762				
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year					
5a Actual distributions or reclassifications of previously taxed E&P					
b Actual distributions of nonpreviously taxed E&P					
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)					
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	83,762				
7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)	83,762				83,762

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev 1-2003)

Form **5471**

Information Return of U.S. Persons With Respect To Certain Foreign Corporations

OMB No 1545-0704

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

▶ See separate instructions.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 7/8, 2002, and ending 12/31, 2002

File In Duplicate
(see When and Where To File on page 1 of the instructions)

Name of person filing this return MIT ENDOWMENT	A Identifying number 04-2103594
Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 238 MAIN STREET, SUITE 200	B Category of filer (See page 1 of the instructions. Check applicable box(es)). 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input checked="" type="checkbox"/>
City or town, state, and ZIP code CAMBRIDGE, MA 02142	C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period <u>15.64</u> %
Filer's tax year beginning _____, 20____, and ending _____, 20____	

D Person(s) on whose behalf this information return is filed

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
NONE					

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

1a Name and address of foreign corporation PATRON MORLEY LIMITED TRIDENT CHAMBERS, WICKHAMS CAY, P.O. BOX 146 ROAD TOWN, TORTOLA BVI				b Employer identification number, if any NONE	
				c Country under whose laws incorporated BVI	
d Date of incorporation	e Principal place of business	f Principal business activity code number	g Principal business activity	h Functional currency	
7/8/2002	BVI	551112	HOLDING	GBP	

2 Provide the following information for the foreign corporation's accounting period stated above

a Name, address, and identifying number of branch office or agent (if any) in the United States NONE	b If a U.S. income tax return was filed, enter <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">(i) Taxable income or (loss)</td> <td style="width: 50%; text-align: center;">(ii) U.S. income tax paid (after all credits)</td> </tr> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </table>		(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)	N/A	N/A
(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)					
N/A	N/A					
c Name and address of foreign corporation's statutory or resident agent in country of incorporation SAME	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different SAME					

Schedule A Stock of the Foreign Corporation

Part I — All Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
N/A		

Part II — Additional Information for Preferred Stock
(To be completed only by Category 1 filers for foreign personal holding companies.)

(a) Description of each class of Preferred stock <i>(Note: This description should match the corresponding description entered in Part I, column (a))</i>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative
N/A			

Schedule B U.S. Shareholders of Foreign Corporation (See page 4 of the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a))	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
N/A				

Schedule C Income Statement (See page 5 of the instructions.) N/A

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. dollars column. See instructions for special rules for DASTM corporations.

			Functional Currency	U.S. Dollars
Income	1a Gross receipts or sales	1a		
	b Returns and allowances	1b		
	c Subtract line 1b from line 1a	1c		
	2 Cost of goods sold	2		
	3 Gross profit (subtract line 2 from line 1c)	3		
	4 Dividends	4		
	5 Interest	5		
	6 Gross rents, royalties, and license fees	6		
	7 Net gain or (loss) on sale of capital assets	7		
8 Other income (attach schedule)	8			
9 Total income (add lines 3 through 8)	9			
Deductions	10 Compensation not deducted elsewhere	10		
	11 Rents, royalties, and license fees	11		
	12 Interest	12		
	13 Depreciation not deducted elsewhere	13		
	14 Depletion	14		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15		
	16 Other deductions (attach schedule — exclude provision for income, war profits, and excess profits taxes)	16		
	17 Total deductions (add lines 10 through 16)	17		
Net Income	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18		
	19 Extraordinary items and prior period adjustments (see instructions)	19		
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20		
	21 Current year net income or (loss) per books (combine lines 18 through 20)	21		

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See page 5 of instructions.)

(a) Name of country or U S possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U S dollars
1 U.S.			
2 N/A			
3			
4			
5			
6			
7			
8 Total			

Schedule F Balance Sheet N/A

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See page 5 of the instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash	1		
2a Trade notes and accounts receivable	2a		
b Less allowance for bad debts	2b	()	()
3 Inventories	3		
4 Other current assets (attach schedule)	4		
5 Loans to shareholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		
8a Buildings and other depreciable assets	8a		
b Less accumulated depreciation	8b	()	()
9a Depletable assets	9a		
b Less accumulated depletion	9b	()	()
10 Land (net of any amortization)	10		
11 Intangible assets:			
a Goodwill	11a		
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c		
d Less accumulated amortization for lines 11a, b, and c	11d	()	()
12 Other assets (attach schedule)	12		
13 Total assets	13		
Liabilities and Shareholders' Equity			
14 Accounts payable	14		
15 Other current liabilities (attach schedule)	15		
16 Loans from shareholders and other related persons	16		
17 Other liabilities (attach schedule)	17		
18 Capital stock:			
a Preferred stock	18a		
b Common stock	18b		
19 Paid-in or capital surplus (attach reconciliation)	19		
20 Retained earnings	20		
21 Less cost of treasury stock	21	()	()
22 Total liabilities and shareholders' equity	22		

Schedule G Other Information

- Yes No**
- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?
If "Yes," see page 5 of the instructions for required attachment.
 - 2 During the tax year, did the foreign corporation own an interest in any trust?
 - 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See page 5 of the instructions.)

Important: Enter the amounts on lines 1 through 5c in **functional** currency.

1 Current year net income or (loss) per foreign books of account	1	23,469
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses	Net Additions	Net Subtractions
b Depreciation and amortization		
c Depletion		
d Investment or incentive allowance		
e Charges to statutory reserves		
f Inventory adjustments		
g Taxes		
h Other (attach schedule)		
3 Total net additions		
4 Total net subtractions		
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5a	23,469
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
c Combine lines 5a and 5b	5c	23,469
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions))	5d	35,292

Enter exchange rate used for line 5d ▶ 1.50377

Schedule I Summary of Shareholder's Income From Foreign Corporation (See page 5 of instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	1	NONE
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	2	NONE
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	NONE
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	NONE
5 Factoring income	5	NONE
6 Total of lines 1 through 5. Enter here and on your income tax return. See page 6 of instructions	6	0
7 Dividends received (translated at spot rate on payment date due under section 989(b)(1))	7	NONE
8 Exchange gain or (loss) on a distribution of previously taxed income	8	NONE

- Yes No**
- Was any income of the foreign corporation blocked?
 - Did any such income become unblocked during the tax year (see section 964(b))?
- If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J
(Form 5471)**

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

▶ Attach to Form 5471. See Instructions for Form 5471.

OMB No 1545-0704

Name of person filing Form 5471

MIT ENDOWMENT

Name of foreign corporation

PATRON MORLEY LIMITED

Identifying number

04-2103594

	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)		(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	
1 Balance at beginning of year	0				0
2a Current year E&P	23,469				
b Current year deficit in E&P					
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	23,469				
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year					
5a Actual distributions or reclassifications of previously taxed E&P					
b Actual distributions of nonpreviously taxed E&P					
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)					
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	23,469				
7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)	23,469				23,469

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 1-2003)

**Information Return of U.S. Persons With
Respect To Certain Foreign Corporations**

File In Duplicate

(see **When and Where To File** on page 1 of the instructions)

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

▶ **See separate instructions.**
Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 1/1, 2002, and ending 12/31, 2002

Name of person filing this return MIT ENDOWMENT Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 238 MAIN STREET, SUITE 200 City or town, state, and ZIP code CAMBRIDGE, MA 02142 Filer's tax year beginning <u>20</u> , and ending <u>20</u>	A Identifying number 04-2103594 B Category of filer (See page 1 of the instructions. Check applicable box(es)): 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period <u>24.05</u> %
---	--

D Person(s) on whose behalf this information return is filed

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
NONE					

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

1a Name and address of foreign corporation PCP FINANZIARIA SPA 9B BOULEVARD DU PRINCE HENRI L-1724 LUXEMBOURG				b Employer identification number, if any NONE	
				c Country under whose laws incorporated LUXEMBOURG	
d Date of incorporation 7/23/2001	e Principal place of business LUXEMBOURG	f Principal business activity code number 551112	g Principal business activity HOLDING	h Functional currency EURO	

2 Provide the following information for the foreign corporation's accounting period stated above

a Name, address, and identifying number of branch office or agent (if any) in the United States NONE	b If a U S income tax return was filed, enter	
	(i) Taxable income or (loss) N/A	(ii) U S income tax paid (after all credits) N/A
c Name and address of foreign corporation's statutory or resident agent in country of incorporation SAME	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different SAME	

Schedule A Stock of the Foreign Corporation

Part I — All Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	2	2

Part II — Additional Information for Preferred Stock
(To be completed only by Category 1 filers for foreign personal holding companies.)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a))	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative
N/A			

Schedule B U.S. Shareholders of Foreign Corporation (See page 4 of the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a))	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F Income (enter as a percentage)
MIT ENDOWMENT 238 MAIN STREET CAMBRIDGE, MA 02142 04-2103594	COMMON	0	.48 SHARE	N/A
PC SECURITIES, INC. 1700 GRANT BUILDING PITTSBURGH, PA 15219 51-0406401	COMMON	0	.39 SHARE	N/A

Schedule C Income Statement (See page 5 of the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
Income	1a Gross receipts or sales	1a	
	b Returns and allowances	1b	
	c Subtract line 1b from line 1a	1c	
	2 Cost of goods sold	2	
	3 Gross profit (subtract line 2 from line 1c)	3	
	4 Dividends	4	
	5 Interest	5	89,515 84,672
	6 Gross rents, royalties, and license fees	6	
	7 Net gain or (loss) on sale of capital assets	7	
8 Other income (attach schedule)	8	136,352 128,975	
9 Total income (add lines 3 through 8)	9	225,867 213,647	
Deductions	10 Compensation not deducted elsewhere	10	
	11 Rents, royalties, and license fees	11	
	12 Interest	12	18 17
	13 Depreciation not deducted elsewhere	13	
	14 Depletion	14	
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15	
	16 Other deductions (attach schedule — exclude provision for income, war profits, and excess profits taxes)	16	411,566 389,300
	17 Total deductions (add lines 10 through 16)	17	411,584 389,317
Net Income	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18	(185,717) (175,670)
	19 Extraordinary items and prior period adjustments (see instructions)	19	
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20	2,074 1,962
	21 Current year net income or (loss) per books (combine lines 18 through 20)	21	(187,791) (177,632)

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See page 5 of instructions.)			
(a) Name of country or U S possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 LUXEMBOURG	2,074	.94590	1,962
3			
4			
5			
6			
7			
8 Total			1,962

Schedule F Balance Sheet
Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See page 5 of the instructions for an exception for DASTM corporations.

Assets		(a)	(b)
		Beginning of annual accounting period	End of annual accounting period
1 Cash	1	1,229	64,853
2a Trade notes and accounts receivable	2a	4,164,614	3,013,258
b Less allowance for bad debts	2b	()	()
3 Inventories	3		
4 Other current assets (attach schedule)	4		
5 Loans to shareholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		
8a Buildings and other depreciable assets	8a		
b Less accumulated depreciation	8b	()	()
9a Depletable assets	9a		
b Less accumulated depletion	9b	()	()
10 Land (net of any amortization)	10		
11 Intangible assets:			
a Goodwill	11a		
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c	3,903	3,860
d Less accumulated amortization for lines 11a, b, and c	11d	()	()
12 Other assets (attach schedule)	12	37,141	86,237
13 Total assets	13	4,206,887	3,168,208
Liabilities and Shareholders' Equity			
14 Accounts payable	14	416,734	306,767
15 Other current liabilities (attach schedule)	15		
16 Loans from shareholders and other related persons	16		
17 Other liabilities (attach schedule)	17	263,546	500,956
18 Capital stock:			
a Preferred stock	18a		
b Common stock	18b	915,061	915,061
19 Paid-in or capital surplus (attach reconciliation)	19		
20 Retained earnings	20	2,611,546	1,445,424
21 Less cost of treasury stock	21	()	()
22 Total liabilities and shareholders' equity	22	4,206,887	3,168,208

Schedule G Other Information

- Yes No**
- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?
If "Yes," see page 5 of the instructions for required attachment.
 - 2 During the tax year, did the foreign corporation own an interest in any trust?
 - 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See page 5 of the instructions.) N/A
Important: Enter the amounts on lines 1 through 5c in **functional** currency.

1 Current year net income or (loss) per foreign books of account		1	
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):	Net Additions	Net Subtractions	
a Capital gains or losses			
b Depreciation and amortization			
c Depletion			
d Investment or incentive allowance			
e Charges to statutory reserves			
f Inventory adjustments			
g Taxes			
h Other (attach schedule)			
3 Total net additions			
4 Total net subtractions			
5a Current earnings and profits (line 1 plus line 3 minus line 4)		5a	0
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)		5b	
c Combine lines 5a and 5b		5c	0
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions))		5d	
Enter exchange rate used for line 5d ▶			

Schedule I Summary of Shareholder's Income From Foreign Corporation (See page 5 of instructions.)

		1	N/A
1 Subpart F income (line 40b, Worksheet A in the instructions)		1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)		2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)		3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)		4	
5 Factoring income		5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See page 6 of instructions		6	0
7 Dividends received (translated at spot rate on payment date due under section 989(b)(1))		7	
8 Exchange gain or (loss) on a distribution of previously taxed income		8	

- N/A
- Yes No**
- Was any income of the foreign corporation blocked?
 - Did any such income become unblocked during the tax year (see section 964(b))?
- If the answer to either question is "Yes," attach an explanation.

**SCHEDULE O
(Form 5471)**

(Rev. January 2003)

Department of the Treasury
Internal Revenue Service

**Organization or Reorganization of Foreign
Corporation, and Acquisitions and
Dispositions of its Stock**

OMB No 1545-0704

▶ Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471: MIT ENDOWMENT
Identifying number: 04-2103594

Name of foreign corporation: PCP FINANZIARIA SpA

Important: Complete a separate Schedule O for each foreign corporation for which information must be reported.

Part I To Be Completed by U.S. Officers and Directors

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition
N/A				

Part II To Be Completed by U.S. Shareholders

Note: If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.

Section A — General Shareholder Information

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U S income tax return filed, indicate:			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
MIT ENDOWMENT 238 MAIN STREET CAMBRIDGE, MA 02142 04-2103594				N/A

Section B — U.S. Persons Who Are Officers or Directors of the Foreign Corporation

(a) Name of U S officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director
NONE				

Section C — Acquisition of Stock

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively
MIT ENDOWMENT	COMMON	VARIOUS	PURCHASE		.39 SHARE	

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule O (Form 5471) (Rev 1-2003)

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired
220,072	PATRON CAPITAL L.P. I TRIDENT CHAMBERS, WICKHAMS CAY, P.O. BOX 146 ROAD TOWN, TORTOLA, BVI

Section D — Disposition of Stock

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively
NONE						

(f) Amount received	(g) Name and address of person to whom disposition of stock was made

Section E — Organization or Reorganization of Foreign Corporation

(a) Name and address of transferor	(b) Identifying number (if any)	(c) Date of transfer
MIT ENDOWMENT 238 MAIN STREET CAMBRIDGE, MA 02142 04-2103594	04-2103594	VARIOUS

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U S person)	
CASH FOR COMMON STOCK	220,072	220,072	CASH FOR COMMON STOCK

Section F — Additional Information

(a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).

(b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►

(c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see page 13 of the instructions for an example).

**STATEMENT ATTACHED TO FORM 5471
WITH RESPECT TO PCP FINANZIARIA SPA
FOR THE YEAR ENDED DECEMBER 31, 2002**

SCHEDULE C: INCOME STATEMENT

	<u>EURO</u>	<u>US\$</u>
LINE 8 - OTHER INCOME		
MISCELLANEOUS INCOME	136,352	128,975
	<u>136,352</u>	<u>128,975</u>
LINE 16 - OTHER DEDUCTIONS		
COMMISSIONS	3,175	3,003
OTHER EXPENSE	7,332	6,935
OPERATING COST	401,059	379,362
	<u>411,566</u>	<u>389,300</u>

SCHEDULE F: BALANCE SHEET

	<u>US\$ BEGINNING</u>	<u>US\$ ENDING</u>
LINE 12 - OTHER ASSETS		
OTHER	37,141	86,237
	<u>37,141</u>	<u>86,237</u>
LINE 17 - OTHER LIABILITIES		
LOAN LOSS PROVISIONS	1,628	170,545
RESERVE	226,675	318,565
OTHER	35,243	11,846
	<u>263,546</u>	<u>500,956</u>

Form **926**

(Rev October 1998)

Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation (under section 367)

OMB No 1545-0026

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment Identification number (see instructions) 04-2103594

Number, street, and room or suite no (If a PO box, see instructions)
77 Massachusetts Avenue, NE49-3142

City or town, state, and ZIP code
Cambridge, MA 02139

1 The following questions apply only if the transferor is a corporation:

- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
 - b Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identification number(s):

Controlling shareholder	Identification number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
<u>APAX EUROPE V-A, L.P.</u>	<u>98-0355027</u>

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)
YELL HOLDINGS Plc

4 Identification number, if any
N/A

5 Address (including country)
YELL, QUEEN'S WALK, OXFORD ROAD, READING, BERKS, RG1 7PT, UNITED KINGDOM

6 Place of organization or creation
UNITED KINGDOM

7 Foreign law characterization (see instructions) CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

For Paperwork Reduction Act Notice, see separate instructions.

Form **926** (Rev 10-98)

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer **APRIL 15, 2002** **10** Type of nonrecognition transaction (see instructions) **351**

11 Description of property transferred:
CASH TRANSFER \$273,903

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? . Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred pursuant to the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Please Sign Here	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) is based on all information of which preparer has any knowledge			
	▶ _____ Signature	Date	▶ _____ Title	
Paid Preparer's Use Only	Preparer's signature ▶ _____	Date	Check if self-employed ▶ <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed) and address ▶ _____		EIN ▶ _____	ZIP code ▶ _____

**Return by a U.S. Transferor of Property
 to a Foreign Corporation
 (under section 367)**

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identification number (see instructions) 04-2103594
--	---

Number, street, and room or suite no (If a P.O. box, see instructions)
77 Massachusetts Avenue, NE49-3142

City or town, state, and ZIP code
Cambridge, MA 02139

- 1 The following questions apply only if the transferor is a corporation:
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No
 If not, list the controlling shareholder(s) and their identification number(s):

Controlling shareholder	Identification number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
 If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
APAX EUROPE V-A, L.P.	98-0355027

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) PROCOGNIA LIMITED	4 Identification number, if any N/A
5 Address (including country) CEDAR HOUSE, MANOR ROAD, PENN, BUCKINGHAMSHIRE, HP10 8JA, UNITED KINGDOM	
6 Place of organization or creation UNITED KINGDOM	7 Foreign law characterization (see instructions) CORPORATION
8 Is the transferee foreign corporation a controlled foreign corporation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer
 APRIL 17, 2002; DECEMBER 19, 2002

10 Type of nonrecognition transaction (see instructions) **351**

11 Description of property transferred:
 CASH TRANSFER - \$ 105,062

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred pursuant to the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Please Sign Here	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) is based on all information of which preparer has any knowledge			
	▶ Signature	Date	▶ Title	
Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed ▶ <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed) and address ▶		EIN ▶	
			ZIP code ▶	

Form **926**

(Rev October 1998)

Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation (under section 367)

OMB No 1545-0026

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment Identification number (see instructions) 04-2103594

Number, street, and room or suite no (If a P.O. box, see instructions)
77 Massachusetts Avenue, NE4A-3142
City or town, state, and ZIP code
Cambridge, MA 02139

1 The following questions apply only if the transferor is a corporation:

- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
 - b Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identification number(s):

Controlling shareholder	Identification number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
<u>APAX EUROPE V-A, L.P.</u>	<u>98-0355027</u>

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) <u>APAX FINANCE & INCENTIVE III SARL</u>	4 Identification number, if any <u>N/A</u>
5 Address (including country) <u>3 BOULEVARD PRINCE HENRI, L-1724 LUXEMBOURG</u>	
6 Place of organization or creation <u>LUXEMBOURG</u>	7 Foreign law characterization (see instructions) <u>CORPORATION</u>
8 Is the transferee foreign corporation a controlled foreign corporation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

For Paperwork Reduction Act Notice, see separate instructions.

Form **926** (Rev 10-98)

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer FEBRUARY 7, 2002; SEPTEMBER 30, 2002	10 Type of nonrecognition transaction (see instructions) 351
---	--

11 Description of property transferred:
CASH TRANSFER - \$1,139,074

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred pursuant to the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Please Sign Here

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

Signature _____	Date _____	Title _____
-----------------	------------	-------------

Paid Preparer's Use Only

Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's social security no _____
Firm's name (or yours if self-employed) and address _____	EIN _____	ZIP code _____	

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Apax France VI	98-0230009

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) Aprovia	4 Identifying number, if any N/A
---	---

5 Address (including country)
38-40 Rue Sainte Zithe, L2763 Luxembourg

6 Country of incorporation or organization
Luxembourg

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer 7/19/2002	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred:
Cash Transfer - \$358,261

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

**Return by a U.S. Transferor of Property
 to a Foreign Corporation**

▶ Attach to your income tax return.

U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Apax France VI	98-0230009

Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) Ask	4 Identifying number, if any N/A
--	--

5 Address (including country)
15 Rue Du Louvre, 75001 Paris

6 Country of incorporation or organization
France

7 Foreign law characterization (see instructions)
Corporation

- 8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer
11/8/2002

10 Type of nonrecognition transaction (see instructions)
351

11 Description of property transferred:
Cash Transfer - \$114,049

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Apax France VI	98-0230009

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) Creatifs	4 Identifying number, if any N/A
--	---

5 Address (including country)
89 Rue Talbout, 75009 Paris, France

6 Country of incorporation or organization
France

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer 6/12/2002	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred
Cash Transfer - \$177,566

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
Apax France VI	98-0230009

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) Medlmedia	4 Identifying number, if any N/A
---	---

5 Address (including country)
Calle Conde De Aranda, 20-2D, Madrid 28001 - Spain

6 Country of incorporation or organization
Spain

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer
7/31/2002

10 Type of nonrecognition transaction (see instructions)
351

11 Description of property transferred:
Cash Transfer - \$323,313

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
 Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
APAX UK VI-A, L.P.	98-0185505

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) ULTRONICS HOLDINGS LIMITED	4 Identifying number, if any N/A
---	--

5 Address (including country)
 ATHELNEY WAY, BATTLEDOWN IND ESTATE, CHELTENHAM GL52 6RT, UK

6 Country of incorporation or organization
 UNITED KINGDOM

7 Foreign law characterization (see instructions)
 CORPORATION

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) 351
--------------------------------------	--

11 Description of property transferred:
 CASH TRANSFER - \$135,492

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? . . . Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Sign Here	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) is based on all information of which preparer has any knowledge			
	Signature _____ Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	Date	Title
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed), and address	EIN		
				ZIP code

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
BIP 2001 LP	06-1593827

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) AIT Group, PLC	4 Identifying number, if any N/A
--	---

5 Address (including country)
The South Centre, Fairmile, Henley On Thames, Oxfordshire, RG9 6AB, United Kingdom

6 Country of incorporation or organization
United Kingdom

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer various	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred.
Cash Transfer - \$240,544

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer

Form **926**
(Rev. December 2002)

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0028

Department of the Treasury
Internal Revenue Service

▶ Attach to your income tax return.

Attachment
Sequence No **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
ECI 7, L.P.	98-0335030

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) BENCHMARK DENTAL LABORATORIES HOLDINGS	4 Identifying number, if any N/A-FOREIGN
---	--

5 Address (including country)
THE LIBRARY, NEW GREENHAM PARK, GREENHAM COMMON, NEWBURY RG19 6HW

6 Country of incorporation or organization
UNITED KINGDOM

7 Foreign law characterization (see instructions)
CORPORATION

- 8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

For Paperwork Reduction Act Notice, see page 4.

Form **926** (Rev 12-2002)

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) SECTION 351
--------------------------------------	--

11 Description of property transferred:
 SEE ATTACHMENT

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

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

Sign Here	Signature	Date	Title
	Spouse's signature. If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed), and address		EIN	
			ZIP code	

**Massachusetts Institute of Technology
FEIN: 04-2103594**

Statement Required Under Regulation §1.6038B-1T(c) and Temporary Regulation 1.6038-1T(c)(1) through (5)

Information required with respect to transfers described in section 367(a)(1)

1 TRANSFEROR:

Name: Massachusetts Institute of Technology
Address: 238 Main Street, Suite 200
Cambridge, MA 02142

2 TRANSFEREE:

Name: Benchmark Dental Laboratories II Holdings
Address: The Library, New Greenham Park, Greenham Common
Newbury RG19 6HW
United Kingdom
FEIN: N/A-FOREIGN

Country of Incorporation: United Kingdom

Description of Transaction: Section 351

3 CONSIDERATION RECEIVED BY THE U S PERSON MAKING THE TRANSFER:

<u>Class of Stock or Securities</u>	<u>Number of Shares</u>	<u>FMV</u>
Non-Voting Preferred Stock	108,062	Estimated FMV of \$162,257

4 PROPERTY TRANSFERRED:

- (i) Active business property:
Not Applicable
- (ii) Stock or securities:
Not Applicable
- (iii) Depreciated property:
Not Applicable
- (iv) Property to be leased:
Not Applicable
- (v) Property to be sold:
Not Applicable
- (vi) Transfers to I-SCs:
Not Applicable

- (vii) Tainted property:
 - (A) Inventory:
Not Applicable
 - (B) Installment Obligations:
Not Applicable
 - (C) Foreign Currency
 - Amount in Foreign Currency: £ 108,062
 - Amount in Dollars (Translated at Spot Rates) \$162,257
 - (D) Intangible Property:
Not Applicable
 - (E) Leased Property:
Not Applicable
- (viii) Foreign loss branch:
Not Applicable
- (ix) Other intangibles:
Not Applicable

5 TRANSFER OF FOREIGN BRANCH WITH PREVIOUSLY DEDUCTED LOSSES
Not applicable

Form **926**

(Rev. December 2002)

Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

Identifying number (see instructions)

04-2103594

1 If the transferor was a corporation, complete questions 1a, 1b, and 1c

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No

b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
ECI 7, L.P.	98-0335030

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)

ECHO PLC

4 Identifying number, if any

N/A-FOREIGN

5 Address (including country)

30 HIGH PARK DRIVE, MILL PARK, WOLVERTON MK12 5NF

6 Country of incorporation or organization

UNITED KINGDOM

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

For Paperwork Reduction Act Notice, see page 4.

Form **926** (Rev. 12-2002)

Part III Information Regarding Transfer of Property (see instructions)	
9 Date of transfer 6/6/2002	10 Type of nonrecognition transaction (see instructions) SECTION 351
11 Description of property transferred: SEE ATTACHMENT	

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Sign Here	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) is based on all information of which preparer has any knowledge.		
	Signature Spouse's signature. If a joint return and both spouses transfer jointly owned property, both must sign.	Date	Title
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), and address	Preparer's social security no.	
	EIN		ZIP code

**Massachusetts Institute of Technology
FEIN: 04-2103594**

Statement Required Under Regulation §1 6038B-1T(c) and Temporary Regulation 1 6038-1T(c)(1) through (5)

Information required with respect to transfers described in section 367(a)(1)

1 TRANSFEROR:

Name: Massachusetts Institute of Technology
Address: 238 Main Street, Suite 200
Cambridge, MA 02142

2. TRANSFEREE:

Name: Echo Plc
Address: 30 High Park Drive, Mill Park
Wolverton MK12 5NF
United Kingdom
FEIN: N/A-FOREIGN

Country of Incorporation: United Kingdom

Description of Transaction: Section 351

3 CONSIDERATION RECEIVED BY THE U S PERSON MAKING THE TRANSFER:

<u>Class of Stock or Securities</u>	<u>Number of Shares</u>	<u>FMV</u>
Non-Voting Loan Notes	109,760	Estimated FMV of \$160,117

4 PROPERTY TRANSFERRED:

- (i) Active business property:
Not Applicable
- (ii) Stock or securities:
Not Applicable
- (iii) Depreciated property:
Not Applicable
- (iv) Property to be leased:
Not Applicable
- (v) Property to be sold:
Not Applicable
- (vi) Transfers to FSCs:
Not Applicable

- (vi) Tainted property
 - (A) Inventory:
Not Applicable
 - (B) Installment Obligations:
Not Applicable
 - (C) Foreign Currency:
 - Amount in Foreign Currency: £ 109,760
 - Amount in Dollars (Translated at Spot Rates): \$160,117
 - (D) Intangible Property:
Not Applicable
 - (E) Leased Property:
Not Applicable
- (viii) Foreign loss branch:
Not Applicable
- (ix) Other intangibles:
Not Applicable

5 TRANSFER OF FOREIGN BRANCH WITH PREVIOUSLY DEDUCTED LOSSES:
Not applicable

Form **926**
(Rev. December 2002)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No. 1545-0028
Attachment
Sequence No. **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor

Identifying number (see instructions)

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

04-2103594

1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations?

Yes No

b Did the transferor remain in existence after the transfer?

Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation?

Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
ECI 7, L.P.	98-0335030

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)

4 Identifying number, if any

GREGORY PENNINGTON LIMITED

N/A-FOREIGN

5 Address (including country)

MARSLAND HOUSE, MARSLAND ROAD, SALE M33 3LX

6 Country of incorporation or organization

UNITED KINGDOM

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation?

Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) SECTION 351
--------------------------------------	--

11 Description of property transferred:
 SEE ATTACHMENT

- 12** Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No
- 13** Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No
- 14a** Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b** If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:
-
-

Sign Here	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) is based on all information of which preparer has any knowledge.			
	Signature	Date	Title	
	Spouse's signature. If a joint return and both spouses transfer jointly owned property, both must sign	Date		
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed), and address	EIN		
		ZIP code		

**Massachusetts Institute of Technology
FEIN: 04-2103594**

Statement Required Under Regulation § 1.6038B-1T(c) and Temporary Regulation 1.6038-1T(c)(1) through (5)

Information required with respect to transfers described in section 367(a)(1)

1 TRANSFEROR:

Name: Massachusetts Institute of Technology
Address: 238 Main Street, Suite 200
Cambridge, MA 02142

2 TRANSFEREE:

Name: Gregory Pennington Limited
Address: Marsland House, Marsland Road
Sale M33 3LX
United Kingdom
FEIN: N/A-FOREIGN

Country of Incorporation: United Kingdom

Description of Transaction: Section 351

3 CONSIDERATION RECEIVED BY THE U S PERSON MAKING THE TRANSFER

<u>Class of Stock or Securities</u>	<u>Number of Shares</u>	<u>FMV</u>
Class A Ordinary Voting Stock	12,900	Estimated FMV of \$18,277
Non-Voting Preference Stock	90,523	Estimated FMV of \$141,099
Non-Voting Loan Stock	90,523	Estimated FMV of \$141,099

4 PROPERTY TRANSFERRED:

- (i) Active business property:
Not Applicable
- (ii) Stock or securities:
Not Applicable
- (iii) Depreciated property:
Not Applicable
- (iv) Property to be leased:
Not Applicable
- (v) Property to be sold:
Not Applicable
- (vi) Transfers to FSCs:
Not Applicable

- (vii) Tainted property:
 - (A) Inventory:
Not Applicable
 - (B) Installment Obligations:
Not Applicable
 - (C) Foreign Currency:
 - Amount in Foreign Currency £ 193,946
 - Amount in Dollars (Translated at Spot Rates) \$300,424
 - (D) Intangible Property:
Not Applicable
 - (E) Leased Property:
Not Applicable
- (viii) Foreign loss branch:
Not Applicable
- (ix) Other intangibles:
Not Applicable

5 TRANSFER OF FOREIGN BRANCH WITH PREVIOUSLY DEDUCTED LOSSES
Not applicable

Form **926**
(Rev. December 2002)
Department of the Treasury
Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026
Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor: **MASSACHUSETTS INSTITUTE OF TECHNOLOGY**
Identifying number (see instructions): **04-2103594**

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
ECI 7, L.P.	98-0335030

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation): **WCI GROUP**
4 Identifying number, if any: **N/A-FOREIGN**

5 Address (including country): **TRINITY COURT, BRUNEL ROAD, TOTTON, SOUTHAMPTON SO40 3WX**

6 Country of incorporation or organization: **UNITED KINGDOM**

7 Foreign law characterization (see instructions): **CORPORATION**

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) SECTION 351
--------------------------------------	--

11 Description of property transferred:
SEE ATTACHMENT

- 12** Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No
- 13** Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-8T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No
- 14a** Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b** If yes, describe the nature of the rights to the intangible property that was transferred in the transfer
-
-

Sign Here	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) is based on all information of which preparer has any knowledge.		
	Signature	Date	Title
Paid Preparer's Use Only	Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	
	Preparer's signature	Date	Check if self-employed <input type="checkbox"/> Preparer's social security no.
	Firm's name (or yours if self-employed), and address	EIN	ZIP code

**Massachusetts Institute of Technology
FEIN: 04-2103594**

Statement Required Under Regulation §1 6038B-1T(c) and Temporary Regulation 1 6038-1T(c)(1) through (5)

Information required with respect to transfers described in section 367(a)(1)

1 TRANSFEROR

Name: Massachusetts Institute of Technology
Address: 238 Main Street, Suite 200
Cambridge, MA 02142

2 TRANSFEREE

Name: WCI Group
Address: Trinity Court, Brunel Road, Totton
Southampton SO40 3WX
United Kingdom
FEIN: N/A-FOREIGN

Country of Incorporation: United Kingdom

Description of Transaction: Section 351

3 CONSIDERATION RECEIVED BY THE U S PERSON MAKING THE TRANSFER:

<u>Class of Stock or Securities</u>	<u>Number of Shares</u>	<u>FMV</u>
Class A Ordinary Voting Stock	74,156	Estimated FMV of \$50,207
Voting Preference Stock	334,828	Estimated FMV of \$485,327

4 PROPERTY TRANSFERRED

- (i) Active business property
Not Applicable
- (ii) Stock or securities
Not Applicable
- (iii) Depreciated property
Not Applicable
- (iv) Property to be leased
Not Applicable
- (v) Property to be sold
Not Applicable
- (vi) Transfers to FSCs
Not Applicable

- (vii) Tainted property
 - (A) Inventory:
Not Applicable
 - (B) Installment Obligations:
Not Applicable
 - (C) Foreign Currency:
 - Amount in Foreign Currency £ 369,632
 - Amount in Dollars (Translated at Spot Rates) \$535,534
 - (D) Intangible Property:
Not Applicable
 - (F) Leased Property:
Not Applicable
- (viii) Foreign loss branch:
Not Applicable
- (ix) Other intangibles:
Not Applicable

5 TRANSFER OF FOREIGN BRANCH WITH PREVIOUSLY DEDUCTED LOSSES
Not applicable

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
Jerusalem Venture Partners IV, LP	06-1606934

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) Cyber-Ark Software Ltd	4 Identifying number, if any N/A
--	---

5 Address (including country)
13 Hamelacha Street, Northern Industrial Area, Lod 71520, Israel

6 Country of incorporation or organization
Israel

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer <p style="text-align: center;">3/25/2002</p>	10 Type of nonrecognition transaction (see instructions) <p style="text-align: center;">351</p>
---	---

11 Description of property transferred:
Cash Transfer - \$298,900

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Jerusalem Venture Partners IV, LP	06-1606934

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) United Platform Technologies, Inc	4 Identifying number, if any N/A
---	---

5 Address (including country)
c/o Maples & Calder, PO Box 309, Ugland House, South Church Street, Grand Cayman, Cayman Islands

6 Country of incorporation or organization
Cayman Islands

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer 12/31/02	10 Type of nonrecognition transaction (see instructions) 351
--	---

11 Description of property transferred:
Cash Transfer - \$197,620

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
KKR 1996 Fund (Overseas), LP	13-3977525

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) BAI Finance Limited Partnership	4 Identifying number, if any N/A
---	---

5 Address (including country)
Commodity Exchange Tower, 30th Floor, 360 Main Street, Winnipeg, Manitoba R3C 4G1, Canada

6 Country of incorporation or organization
Canada

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer various	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred:
Cash Transfer - \$1,117,143

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Return by a U.S. Transferor of Property to a Foreign Corporation

OMB No 1545-0026

Attachment
Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
KKR 1996 Fund (Overseas), LP	13-3977525

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) FIMEP	4 Identifying number, if any N/A
--	--

5 Address (including country)
89, rue Taitbout, 75009 Paris, France

6 Country of incorporation or organization
France

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer various	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred:
Cash Transfer - \$189,076

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
KKR 1996 Fund (Overseas), LP	13-3977525

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) Lumina Holding (Gibraltar)	4 Identifying number, if any N/A
--	---

5 Address (including country)
57/63 Line Wall Road, Gibraltar

6 Country of incorporation or organization
Gibraltar

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer various	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred:
Cash Transfer - \$157,741

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer

Return by a U.S. Transferor of Property to a Foreign Corporation,

OMB No 1545-0026

Attachment
 Sequence No **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
---	---

1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.

- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
LONE STAR FUND III (U.S.), L.P.	75-2879828

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) PREMIER GOLF, K.K. (FORMERLY GOLF SEIYO, K.K.)	4 Identifying number, if any
5 Address (including country) KAMIYACHO MT BUILDING, 2ND FLOOR, 4-3-20, TORANOMON, MINATO-KU, TOKYO 105-0001 JAPAN	
6 Country of incorporation or organization JAPAN	
7 Foreign law characterization (see instructions) CORPORATION	
8 Is the transferee foreign corporation a controlled foreign corporation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer 12/14/02	10 Type of nonrecognition transaction (see instructions) IRC SECTION 351
---------------------------------------	--

Description of property transferred:
 CASH OF \$ 125,019

- 12** Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? . . . Yes No
- 13** Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No
- 14a** Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b** If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

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

Sign Here	Signature	Date	Title	
	Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date		
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed), and address	EIN	ZIP code	

**Return by a U.S. Transferor of Property
 to a Foreign Corporation**

OMB No. 1545-0026

Attachment
 Sequence No. **128**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
---	---

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
LSF3 REOC III, L.P.	71-0867586

Part II: Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) OFFSHORE DERIVATIVE INVESTMENTS III, LTD.	4 Identifying number, if any
5 Address (including country) GIBBONS BLDG., STE 102, 10 QUEEN ST, HAMILTON, HM 11, BERMUDA	
6 Country of incorporation or organization BERMUDA	
7 Foreign law characterization (see instructions) CORPORATION	
8 Is the transferee foreign corporation a controlled foreign corporation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Part. III. Information Regarding Transfer of Property (see instructions)

9 Date of transfer 08/31/02	10 Type of nonrecognition transaction (see instructions) IRC SECTION 351
---------------------------------------	--

11 Description of property transferred:
 CASH OF \$ 450,093

- 12** Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? . . . Yes No
- 13** Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No
- 14a** Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b** If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Sign Here 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) is based on all information of which preparer has any knowledge

Signature	Date	Title
Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only	Preparer's signature <i>Patrick Cary</i>	Date 3/24/2003	Check if self-employed <input type="checkbox"/>	Preparer's social security no 540-22-3032
	Firm's name (or yours if self-employed), and address PRICEWATERHOUSECOOPERS L.L.P. 2001 ROSS AVENUE, SUITE 1800, DALLAS, TEXAS 75201	EIN 13-4008324	ZIP code	

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
LONE STAR FUND IV (U.S.), L.P.	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) LSF IV LB LIMITED	4 Identifying number, if any FOREIGN
--	--

5 Address (including country)
GIBBONS BLDG , STE 102, 10 QUEEN ST, HAMILTON, HM 11, BERMUDA

6 Country of incorporation or organization
BERMUDA

7 Foreign law characterization (see instructions)
CORPORATION

- 8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

For Paperwork Reduction Act Notice, see page 4.

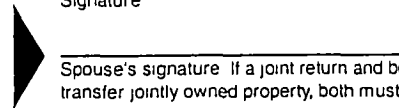
Part III Information Regarding Transfer of Property (see instructions)	
9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) IRC SEC 351
11 Description of property transferred CASH OF \$968,419	

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Sign Here	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) is based on all information of which preparer has any knowledge.			
	Signature  Spouse's signature. If a joint return and both spouses transfer jointly owned property, both must sign.	Date	Title	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
	Firm's name (or yours if self-employed), and address	2121 SAN JACINTO, 1500, DALLAS, TX	EIN ▶ 34-6565596	ZIP code ▶ 75201

Return by a U.S. Transferor of Property to a Foreign Corporation

Department of the Treasury,
Internal Revenue Service

▶ Attach to your income tax return.

Attachment
Sequence No 128

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number
C	

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
LONE STAR FUND IV (U.S.), L.P.	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) TOKYO CAPITAL INVESTMENTS LIMITED	4 Identifying number, if any N/A
--	--

5 Address (including country)
GIBBONS BLDG., STE 102, 10 QUEEN ST, HAMILTON, HM 11, BERMUDA

6 Country of incorporation or organization
BERMUDA

7 Foreign law characterization (see instructions)
CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer **VARIOUS** 10 Type of nonrecognition transaction (see instructions)
IRC SEC 351

11 Description of property transferred
CASH - \$652,134

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer

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

Sign Here

Signature	Date	Title
Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only

Preparer's signature <i>Linda O Henry</i>	Date 03-26-03	Check if self-employed <input type="checkbox"/>	Preparer's social security no P00361892
Firm's name (or yours if self-employed), and address ERNST & YOUNG LLP 2121 SAN JACINTO, 1500, DALLAS, TX	EIN 34-6565596	ZIP code 75201	

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

1 If the transferor was a corporation, complete questions 1a, 1b, and 1c

- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation

Name of parent corporation	EIN of parent corporation

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
LONE STAR FUND IV (U.S.), LTD.	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) LSF IV DERIVATIVES II, LTD.	4 Identifying number, if any FOREIGN
--	--

5 Address (including country)
GIBBONS BLDG., STE. 102, 10 QUEENS ST., HAMILTON, HM 11, BERMUDA

6 Country of incorporation or organization
BERMUDA

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
---	---	-----------------------------

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) IRC SEC 351
--------------------------------------	--

11 Description of property transferred
CASH OF \$550,238

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer

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

Sign Here

Signature	Date	Title
Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only

Preparer's signature <i>Linda S Henry</i>	Date 03-26-03	Check if self-employed <input type="checkbox"/>	Preparer's social security no P00361892
Firm's name (or yours if self-employed), and address ERNST & YOUNG LLP 2121 SAN JACINTO, 1500, DALLAS, TX	EIN 34-6565596	ZIP code 75201	

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Lone Star Fund IV (U.S.), L.P.	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) LSF A&T INVESTMENTS SARL	4 Identifying number, if any FOREIGN
---	--

5 Address (including country)
8, BOULEVARD DE LA FOIRE, L-1528 LUXEMBOURG

6 Country of incorporation or organization
LUXEMBOURG

7 Foreign law characterization (see instructions)
CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) IRC SEC. 351
-------------------------------	--

11 Description of property transferred:
CASH OF \$622,592

- 12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No
- 13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc)? Yes No
- 14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:
-
-

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

Sign Here

Signature	Date	Title
Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only	Preparer's signature <i>Linda O Henry</i>	Date 03-26-03	Check if self-employed <input type="checkbox"/>	Preparer's social security no P00361892
	Firm's name (or yours if self-employed), and address ERNST & YOUNG LLP 2121 SAN JACINTO, 1500, DALLAS, TX	EIN 34-6565596	ZIP code 75201	

**Return by a U.S. Transferor of Property
 to a Foreign Corporation**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
LONE STAR FUND IV (U.S.), LP	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) RECUPERFIN COMERCIAL, S. DE R.L. DE C.V	4 Identifying number, if any FOREIGN
--	--

5 Address (including country)
BLVD PUERTA DE HIERRO NO 5200, PISO-1, CONDOMINIO 7, ZAPOPAN, JALISCO 45110, MEXICO

6 Country of incorporation or organization
MEXICO

7 Foreign law characterization (see instructions)
CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) IRC SEC 351
--------------------------------------	--

11 Description of property transferred:
 CASH OF \$202,164

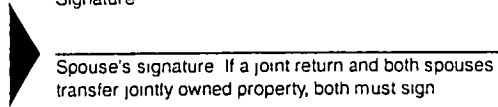
12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? . . . Yes No

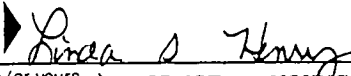
13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? . . . Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? . . . Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

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

Signature 	Date 03-26-03	Title _____
Spouse's signature. If a joint return and both spouses transfer jointly owned property, both must sign.	Date	_____

Paid Preparer's Use Only	Preparer's signature 	Date 03-26-03	Check if self-employed <input type="checkbox"/>	Preparer's social security no P00361892
	Firm's name (or yours if self-employed), and address ERNST & YOUNG LLP 2121 SAN JACINTO, 1500, DALLAS, TX		EIN ▶ 34-6565596	ZIP code ▶ 75201

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1 If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a If the transferor was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation

Name of parent corporation	EIN of parent corporation

- 2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
LONE STAR FUND IV (U.S.), L.P.	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) HL HOLDINGS SA	4 Identifying number, if any FOREIGN
---	--

5 Address (including country)
21, RUE CAPOUILLET, 1060, BRUSSELS, BELGIUM

6 Country of incorporation or organization
BELGIUM

7 Foreign law characterization (see instructions)
CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) IRC SEC 351
-------------------------------	---

11 Description of property transferred
 CASH OF \$779,300

- 12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No
- 13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No
- 14 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

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

Sign Here

Signature Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date Date	Title
--	------------------	---------------

Paid Preparer's Use Only	Preparer's signature <i>Linda J Henry</i>	Date 03-26-03	Check if self-employed <input type="checkbox"/>	Preparer's social security no P00361892
	Firm's name (or yours if self-employed), and address ERNST & YOUNG LLP 2121 SAN JACINTO, 1500, DALLAS, TX	EIN ▶ 34-6565596 ZIP code ▶ 75201		

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
LONE STAR FUND IV (U.S.), L.P.	75-2935380

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) LSF IV REOC I DERIVATIVES, LTD.	4 Identifying number, if any N/A
--	--

5 Address (including country)
GIBBONS BLDG., STE 102, 10 QUEEN ST, HAMILTON, HM 11, BERMUDA
BERMUDA

7 Foreign law characterization (see instructions)
CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer: **VARIOUS** 10 Type of nonrecognition transaction (see instructions): **IRC SEC 351**

11 Description of property transferred: **CASH - \$103,526**

- 12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No
- 13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No
- 14 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
 - b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer

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

Sign Here

Signature Spouse's signature, if a joint return and both spouses transfer jointly owned property, both must sign	Date Date	Title
---	------------------	-------

Paid Preparer's Use Only	Preparer's signature: <i>Linda S. Henry</i>	Date: 03-26-03	Check if self-employed: <input type="checkbox"/>	Preparer's social security no: P00361892
	Firm's name (or yours if self-employed), and address: ERNST & YOUNG LLP 2121 SAN JACINTO, 1500, DALLAS, TX		EIN: 34-6565596 ZIP code: 75201	

**Return by a U.S. Transferor of Property
 to a Foreign Corporation**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
 If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
 If not, list the name and employer identification number (EIN) of the parent corporation

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
MDCP III GLOBAL INVESTMENTS, LP	98-0379482

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) MDCP ACQUISITIONS, PLC	4 Identifying number, if any NONE
5 Address (including country) C/O WALKERS, P.O. BOX 265GT, WALKER HOUSE, MARY STREET, GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS	
6 Country of incorporation or organization IRELAND	
7 Foreign law characterization (see instructions) CORPORATION	
8 Is the transferee foreign corporation a controlled foreign corporation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Part III Information Regarding Transfer of Property (see instructions)

Date of transfer VARIOUS TRANSFERS DURING 2002	10 Type of nonrecognition transaction (see instructions) IRC SECTION 351
---	---

11 Description of property transferred:
 MDCP III GLOBAL INVESTMENTS LP CONTRIBUTED \$147,462,630.33 OF CASH TO MDCP ACQUISITIONS PLC.
 MASSACHUSETTS INSTITUTE OF TECHNOLOGY
 OWNS A 1.150483% INTEREST IN MDCP III GLOBAL INVESTMENTS LP AND AS SUCH IS TREATED AS
 HAVING TRANSFERRED A PROPORTIONATE SHARE OF THE TRANSFER MADE BY MDCP III GLOBAL INVESTMENTS LP
 TO MDCP ACQUISITIONS PLC. - \$1,196,532

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Sign Here

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

Signature	Date	Title
Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
Firm's name (or yours if self employed), and address	EIN		ZIP code

**Return by a U.S. Transferor of Property
 to a Foreign Corporation**

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MASSACHUSETTS INSTITUTE OF TECHNOLOGY	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s)

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership

Name of partnership	EIN of partnership
MDCP IV GLOBAL INVESTMENTS, LP	98-0379475

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) MDCP ACQUISITIONS, PLC	4 Identifying number, if any NONE
---	---

5 Address (including country)
C/O WALKERS, P.O. BOX 265GT, WALKER HOUSE, MARY STREET, GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS

6 Country of incorporation or organization
IRELAND

7 Foreign law characterization (see instructions)
CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS TRANSFERS DURING 2002	10 Type of nonrecognition transaction (see instructions) IRC SECTION 351
--	--

11 Description of property transferred
 MDCP IV GLOBAL INVESTMENTS LP CONTRIBUTED \$381,233,711.77 OF CASH TO MDCP ACQUISITIONS PLC.
 MASSACHUSETTS INSTITUTE OF TECHNOLOGY
 OWNS A 0.867195% INTEREST IN MDCP IV GLOBAL INVESTMENTS LP AND AS SUCH IS TREATED AS
 HAVING TRANSFERRED A PROPORTIONATE SHARE OF THE TRANSFER MADE BY MDCP IV GLOBAL INVESTMENTS LP
 TO MDCP ACQUISITIONS PLC. - \$ 3,306,059

- 12** Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No
- 13** Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc)? Yes No
- 14 a** Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No
- b** If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Sign Here

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

Signature	Date	Title
Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date	

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no
Firm's name (or yours if self employed), and address	EIN	ZIP code	

Return by a U.S. Transferor of Property to a Foreign Corporation

Department of the Treasury
Internal Revenue Service

▶ Attach to your income tax return.

Attachment
Sequence No **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT ENDOWMENT	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c. **N/A**
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number
N/A	

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No **N/A**

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation
N/A	

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
N/A	

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) MIT ENDOWMENT/PATRON SCOTLAND LP	4 Identifying number, if any NONE
---	---

5 Address (including country)
50 LOTHIAN ROAD, FESTIVAL SQUARE, EDINBURGH, SCOTLAND EH3 9WJ

6 Country of incorporation or organization
LUXEMBOURG

7 Foreign law characterization (see instructions)
CORPORATION

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer VARIOUS	10 Type of nonrecognition transaction (see instructions) 351
--------------------------------------	--

11 Description of property transferred:
 CASH FOR COMMON STOCK (SEE ATTACHED STATEMENT)

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? . . . Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer:

Sign Here

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

Signature _____ Spouse's signature If a joint return and both spouses transfer jointly owned property, both must sign	Date _____	Title _____
---	---------------	----------------

Paid Preparer's Use Only

Preparer's signature _____ Firm's name (or yours if self-employed), and address _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's social security no. _____ EIN <input type="checkbox"/> ZIP code <input type="checkbox"/>
--	---------------	---	--

MIT Endowment
Statement Attached to Form 926 —
Return by a U.S. Transferor of Property to a Foreign Corporation
For the Year Ended December 31, 2002

Information Provided Under Treas. Reg. §1.6038B-1(c) and 1.6038B-1T(c)(1)-(5)
Concerning a Transfer Described Under Internal Revenue Code §6038B(a)(1)(A)

Treas. Reg. §1.6038B-1T(c)(1)—U.S. Transferor Information

MIT Endowment
 238 Main Street – Suite 200
 Cambridge, MA 02142
 EIN: 04-2103594

Treas. Reg. §1.6038B-1T(c)(2)(i)—Foreign Corporation Information

MIT Endowment/Patron Scotland LP
 50 Lothian Road
 Festival Square
 Edinburgh, Scotland EH3 9WJ
 EIN: N/A
 Type of Entity: Corporation
 Country of Incorporation: Luxembourg

Treas. Reg. §1.6038B-1T(c)(2)(ii)—General Description of the Transfer

MIT Endowment transferred cash totaling \$3,506,338 to MIT Endowment/Patron Scotland LP which was invested in the following foreign corporations:
 Patron Holding Santa Maria S.A. - \$654,704
 Patron Holding (Luxembourg) S.A.R.L. - \$363,455
 Patron Holding Arts S.A. - \$1,058,790
 PCP Investments Limited - \$957,005
 Patron Morley Limited - \$472,384

Treas. Reg. §1.6038B-1T(c)(3)—Consideration Received

MIT Endowment received the following amount of shares (treated as equity for US tax purposes) in exchange for the amount transferred.
 Patron Holding Santa Maria S.A. – 3,728 Shares
 Patron Holding (Luxembourg) S.A.R.L. – 47 Shares
 Patron Holding Arts S.A. – 2,773 Shares
 PCP Investments Limited – 1,530 Shares
 Patron Morley Limited – 16 Shares

Treas. Reg. §1.6038B-1T(c)(4)—Property Transferred

(i) <u>Active business property</u>	None
(ii) <u>Stock or securities</u>	None
(iii) <u>Depreciated property</u>	None
(iv) <u>Property to be leased</u>	None
(v) <u>Property to be sold</u>	None
(vi) <u>Transfers to FSC's</u>	None
(vii) <u>Tainted property</u>	None
(viii) <u>Foreign loss branch</u>	None
(ix) <u>Other intangibles</u>	None

Treas. Reg. §1.6038B-1T(c)(5)—Transfer of Foreign Branch with Previously Deducted Losses

N/A

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Vestar AIV Holdings A, LP	04-3598523

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) SAB Wabco Management AB	4 Identifying number, if any N/A
--	--

5 Address (including country)
Kaptensgatan 1, Box 193, SE 201 21 Malmo, Sweden

6 Country of incorporation or organization
Sweden

7 Foreign law characterization (see instructions)
Corporation

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer various	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred
Cash Transfer - \$484,632

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ Attach to your income tax return.

Part I U.S. Transferor Information (see instructions)

Name of transferor MIT Endowment	Identifying number (see instructions) 04-2103594
--	--

- 1** If the transferor was a corporation, complete questions 1a, 1b, and 1c
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), list the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
Vestar AIV Holdings A, LP	04-3598523

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation) ZML Industries S.p.A	4 Identifying number, if any N/A
---	--

5 Address (including country)
Viale dell'Industria 10, 33085 Maniago (PN), Italy

6 Country of incorporation or organization
Italy

7 Foreign law characterization (see instructions)
Corporation

8 Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

9 Date of transfer various	10 Type of nonrecognition transaction (see instructions) 351
---	---

11 Description of property transferred:
Cash Transfer - \$118,393

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Was the transferor required to recognize income under Temporary Regulations sections 1.367(a)-4T through 1.367(a)-6T (e.g., for tainted property, depreciation recapture, branch loss recapture, etc.)? Yes No

14a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If yes, describe the nature of the rights to the intangible property that was transferred in the transfer.

Information Return of U.S. Persons With Respect to Certain Foreign Corporations

▶ See separate instructions.

OMB No. 1545-0704
File in Duplicate
(see When and Where To File on page 1 of the instructions)

Department of the Treasury Internal Revenue Service Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning , and ending

Name of person filing this return **MASSACHUSETTS INSTITUTE OF TECHNOLOGY** A Identifying number **04-2103594**

Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) **238 MAIN STREET, SUITE 200** B Category of filer (See page 1 of the instructions. Check applicable box(es)) 1 2 3 4 5

City or town, state, and ZIP code **CAMBRIDGE MA 02142** C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period %

Filer's tax year beginning **01/01/2002** and ending **12/31/2002**

D Person(s) on whose behalf this information return is filed

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

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

1 a Name and address of foreign corporation **CYPRESS TREE INVESTMENT PARTNERS I, LTD
C/O MAPLES & CALDER, UGLAND HOUSE, PO BOX 309
GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS**

b Employer identification number, if any **N/A**

c Country under whose laws incorporated **CAYMAN ISLANDS**

d Date of incorporation **7/15/1997** e Principal place of business **CAYMAN ISLANDS** f Principal business activity code number **523900** g Principal business activity **INVESTMENTS** h Functional currency **U.S. DOLLAR**

2 Provide the following information for the foreign corporation's accounting period stated above

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

b If a U.S. income tax return was filed, enter:

(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)

c Name and address of foreign corporation's statutory or resident agent in country of incorporation

d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different

Schedule A Stock of the Foreign Corporation
Part I - All Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON STOCK	14,375.	14,375.

Part II - Additional Information for Preferred Stock
(To be completed only by Category 1 filers for foreign personal holding companies.)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative

Schedule B U.S. Shareholders of Foreign Corporation (See page 4 of the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (e))	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
MASSACHUSETTS INST. OF TCHNLGY 238 MAINS STREET, SUITE 200 CAMBRIDGE, MA 02142 04-2103594	COMMON STOCK	2,000,000	2,000,000	13.91304

Schedule C Income Statement (See page 5 of the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars	
Income	1 a Gross receipts or sales	1a		
	b Returns and allowances	1b		
	c Subtract line 1b from line 1a	1c		
	2 Cost of goods sold	2		
	3 Gross profit (subtract line 2 from line 1c)	3		
	4 Dividends	4		
	5 Interest	5	34,408,948.	
	6 Gross rents, royalties, and license fees	6		
	7 Net gain or (loss) on sale of capital assets	7	-18,805,029.	
8 Other income (attach schedule)	8	SEE STATEMENT 1.	5,967,018.	
9 Total income (add lines 3 through 8)	9		21,570,937.	
Deductions	10 Compensation not deducted elsewhere	10		
	11 Rents, royalties, and license fees	11		
	12 Interest	12		10,913,696.
	13 Depreciation not deducted elsewhere	13		
	14 Depletion	14		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15		
	16 Other deductions (attach schedule - exclude provision for income, war profits, and excess profits taxes)	16	SEE STATEMENT 1.	6,194,489.
17 Total deductions (add lines 10 through 16)	17		17,108,185.	
Net Income	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18		4,462,752.
	19 Extraordinary items and prior period adjustments (see instructions)	19		
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20		
	21 Current year net income or (loss) per books (combine lines 18 through 20)	21		4,462,752.

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See page 5 of instructions.)

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 US			
2			
3			
4			
5			
6			
7			
8 Total			

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See page 5 of the instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash		17,661,189.	35,030,751.
2a Trade notes and accounts receivable			
b Less allowance for bad debts		()	()
3 Inventories			
4 Other current assets (attach schedule)	SEE STATEMENT 2	4,039,427.	4,394,415.
5 Loans to stockholders and other related persons			
6 Investment in subsidiaries (attach schedule)	SEE STATEMENT 2	458,240,246.	343,782,766.
7 Other investments (attach schedule)			
8a Buildings and other depreciable assets			
b Less accumulated depreciation		()	()
9a Depletable assets			
b Less accumulated depletion		()	()
10 Land (net of any amortization)			
11 Intangible assets:			
a Goodwill			
b Organization costs			
c Patents, trademarks, and other intangible assets			
d Less accumulated amortization for lines 11a, b, and c.		()	()
12 Other assets (attach schedule)	SEE STATEMENT 2	276,030.	11,020.
13 Total assets		480,216,892.	383,218,952.
Liabilities and Stockholders' Equity			
14 Accounts payable			
15 Other current liabilities (attach schedule)	SEE STATEMENT 2	4,078,502.	5,807,441.
16 Loans from stockholders and other related persons			
17 Other liabilities (attach schedule)	SEE STATEMENT 2	503,239,830.	401,265,154.
18 Capital stock:			
a Preferred stock			
b Common stock		71,875,000.	71,875,000.
19 Paid-in or capital surplus (attach reconciliation)			
20 Retained earnings		-98,976,440.	-95,728,643.
21 Less cost of treasury stock		()	()
22 Total liabilities and stockholders' equity		480,216,892.	383,218,952.

Schedule G Other Information

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? Yes No
 If "Yes," see page 5 of the instructions for required attachment.
- 2 During the tax year, did the foreign corporation own an interest in any trust? Yes No
- 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? Yes No
 If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

Schedule H Current Earnings and Profits (See page 5 of the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account	1	4,462,752.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
	Net Additions	Net Subtractions
a Capital gains or losses		
b Depreciation and amortization		
c Depletion		
d Investment or incentive allowance		
e Charges to statutory reserves		
f Inventory adjustments		
g Taxes		
h Other (attach schedule). STMT. 3	2,353,356.	953,768.
3 Total net additions	2,353,356.	
4 Total net subtractions		953,768.
5a Current earnings and profits (line 1 plus line 3 minus line 4)	5a	5,862,340.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
c Combine lines 5a and 5b	5c	5,862,340.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions)). Enter exchange rate used for line 5d ▶	5d	

Schedule I Summary of Shareholder's Income From Foreign Corporation (See page 5 of instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions)	1	815,630.
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5 Factoring income	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See page 6 of instructions	6	815,630.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8 Exchange gain or (loss) on a distribution of previously taxed income	8	

- Was any income of the foreign corporation blocked? Yes No
- Did any such income become unblocked during the tax year (see section 964(b))? Yes No
- If the answer to either question is "Yes," attach an explanation

**SCHEDULE J
(Form 5471)**

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No 1545-0704

▶ Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471 **MASSACHUSETTS INSTITUTE OF TECHNOLOGY** Identifying number **04-2103594**

Name of foreign corporation **CYPRESS TREE INVESTMENT PARTNERS I, LTD**

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U S Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year						
2a Current year E&P	5,862,340.					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	5,862,340.					
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year	5,862,340.				5,862,340.	
5a Actual distributions or reclassifications of previously taxed E&P					3,926,644.	
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)					1,935,696.	
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)						
7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.)					1,935,696.	1,935,696.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 1-2003)

JSA
2X1865 2 000

FORM 5471, PAGE 2 DETAIL

SCH C, LINE 8 - OTHER INCOME

AMENDMENT FEES AND OTHER INCOME 5,967,018.

TOTAL 5,967,018.
=====

SCH C, LINE 16 - OTHER DEDUCTIONS

MANAGEMENT FEES 3,988,174.
TRUSTEE, CUSTODIAN AND ADMIN. FEES 311,358.
AMORTIZATION OF DEBT PLACEMENT FEES 340,721.
MISC EXPENSES 480,089.
AMORTIZATION OF ORGANIZATION EXPENSE 179,554.
NET CHANGE IN UNREALIZED DEPRECIATION ON
INVESTMENT AND INTEREST RATE HEDGE AGREEMENT 894,593.

TOTAL 6,194,489.
=====

FORM 5471, PAGE 3 DETAIL

	BEGINNING	ENDING
=====		
SCH F, LINE 4 - OTHER CURRENT ASSETS	-----	-----

INTEREST RECEIVABLE	4,039,427.	4,394,415.
	-----	-----
TOTALS	4,039,427.	4,394,415.
	=====	=====
SCH F, LINE 6 - INVESTMENT IN SUBSIDIARIES		

BANK TERM LOANS	313,673,186.	224,124,656.
HIGH YIELD BONDS	51,601,511.	31,874,349.
EMERGING MARKET DEBT	54,091,766.	42,379,677.
SYNTHETIC SECURITIES	38,251,507.	40,606,924.
EQUITIES AND WARRANTS	622,276.	4,797,160.
	-----	-----
TOTALS	458,240,246.	343,782,766.
	=====	=====
SCH F, LINE 12 - OTHER ASSETS		

INTEREST RATE HEDGE AGREEMENT	96,476.	7,270.
DEFERRED ORGANIZATION COSTS	179,554.	
PRINCIPAL PAYDOWN RECEIVABLE		3,750.
	-----	-----
TOTALS	276,030.	11,020.
	=====	=====
SCH F, LINE 15 - OTHER CURRENT LIABILITIES		

ACCRUED INTEREST	3,021,673.	1,954,420.
ACCRUED EXPENSES	1,056,829.	3,853,021.
	-----	-----
TOTALS	4,078,502.	5,807,441.
	=====	=====
SCH F, LINE 17 - OTHER LIABILITIES		

SENIOR SECURED FLOATING RATE NOTES	444,187,276.	344,251,764.
SUBORDINATED FLOATING RATE NOTES	56,943,456.	57,013,390.
UNEARNED UPFRONT FEES	2,109,098.	
	-----	-----
TOTALS	503,239,830.	401,265,154.
	=====	=====

FORM 5471, PAGE 4 DETAIL

SCH H, LINE 2H - OTHER RECONCILING ITEMS	NET ADDITIONS	NET SUBTRACTS
ADD: TAX AMORTIZATION IF SWAP		35,914.
LESS: BOOK AMORTIZATION OF SWAP	89,206.	
ORGANIZATION COSTS	179,554.	
TAX AMORTIZATION OF DEBT ISSUANCE		486,309.
BOOK AMORTIZATION OF DEBT ISSUANCE	251,515.	
ADD: OID	938,488.	
LESS: TAX PREMIUM AMORTIZATION		431,545.
ADD BACK BOOK NET CHANGE IN UNREALIZED DEPR.ON INVESTMENTS AND INTEREST RATE HEDGE AGREEMENT	894,593.	
TOTALS	2,353,356.	953,768.

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury Internal Revenue Service

Attach to your tax return. See separate instructions. Information furnished for the foreign partnership's tax year (see instructions) beginning 2002, and ending 2003

Attachment Sequence No 118

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return: MIT Endowment; Filer's identifying number: 04-2103594; Filer's address: 77 Massachusetts Avenue, NE49-3142, Cambridge, MA 02139; Filer's share of liabilities: Nonrecourse \$ None; Qualified nonrecourse financing \$ None; Other \$ None.

Table with 4 columns: (1) Name, (2) Address, (3) Identifying number, (4) Check applicable box(es). All entries are N/A.

F1 Name and address of foreign partnership: MDCP III GLOBAL INVESTMENTS, LP, C/O KENNETH W. REDMAN, THREE FIRST NATIONAL PLAZA, SUITE 3800, CHICAGO, IL 60602; EIN: 98-0379482; Country: CAYMAN ISLANDS.

G Provide the following information for the foreign partnership's tax year: 1 Name, address, and identifying number of agent in the United States; 2 Check if the foreign partnership must file; 3 Name and address of foreign partnership's agent in country of organization; 4 Name and address of person(s) with custody of the books and records.

5 Were any special allocations made by the foreign partnership? 6 Number of foreign disregarded entities owned by the partnership; 7 How is this partnership classified under the law of the country in which it is organized? 8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? 9 Does this partnership meet both of the following requirements?

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return; 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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2	Short-term capital gain from installment sales from Form 6252, line 26 or 37				2	
3	Short-term capital gain (loss) from like-kind exchanges from Form 8824				3	
4	Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts				4	
5	Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7				5	

Part II Long-Term Capital Gains and Losses — Assets Held More Than One Year N/A

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
7	Long-term capital gain from installment sales from Form 6252, line 26 or 37				7	
8	Long-term capital gain (loss) from like-kind exchanges from Form 8824				8	
9	Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts				9	
10	Capital gain distributions				10	
11	Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7				11	
12	Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7				12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a	Gross income from other rental activities	3a
	b	Expenses from other rental activities (attach schedule)	3b
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4	Portfolio income (loss):	
	a	Interest income	4a
	b	Ordinary dividends	4b
	c	Royalty income	4c
	d	Net short-term capital gain (loss)	4d
	e	(1) Net long-term capital gain (loss)	4e(1)
		(2) 28% rate gain (loss) ▶ _____ (3) Qualified 5-year gain ▶ _____	
	f	Other portfolio income (loss) (attach schedule)	4f
Deductions	5	Guaranteed payments to partners	5
	6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6
	7	Other income (loss) (attach schedule)	7
	8	Charitable contributions (attach schedule)	8
	9	Section 179 expense deduction	9
Credits	10	Deductions related to portfolio income (itemize)	10
	11	Other deductions (attach schedule)	11
	12a	Low-income housing credit:	
		(1) From partnerships to which section 42(j)(5) applies	12a(1)
		(2) Other than on line 12a(1)	12a(2)
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c
d	Credits related to other rental activities	12d	
Investment Interest	13	Other credits	13
	14a	Interest expense on investment debts	14a
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)
Self-Employment		(2) Investment expenses included on line 10 above	14b(2)
	15a	Net earnings (loss) from self-employment	15a
	b	Gross farming or fishing income	15b
Adjustments and Tax Preference Items	c	Gross nonfarm income	15c
	16a	Depreciation adjustment on property placed in service after 1986	16a
	b	Adjusted gain or loss	16b
	c	Depletion (other than oil and gas)	16c
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)
e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued) **N/A**

		(a) Distributive share items	(b) Total amount
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ _____		
	b Gross income from all sources		17b
	c Gross income sourced at partner level		17c
	d Foreign gross income sourced at partnership level:		
	(1) Passive		17d(1)
	(2) Listed categories (<i>attach schedule</i>)		17d(2)
	(3) General limitation		17d(3)
	e Deductions allocated and apportioned at partner level:		
	(1) Interest expense		17e(1)
	(2) Other		17e(2)
	f Deductions allocated and apportioned at partnership level to foreign source income:		
	(1) Passive		17f(1)
(2) Listed categories (<i>attach schedule</i>)		17f(2)	
(3) General limitation		17f(3)	
g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g	
h Reduction in taxes available for credit (<i>attach schedule</i>)		17h	
Other	18 Section 59(e)(2) expenditures: a Type ▶ _____ b Amount ▶ _____		18b
	19 Tax-exempt interest income		19
	20 Other tax-exempt income		20
	21 Nondeductible expenses		21
	22 Distributions of money (cash and marketable securities)		22
	23 Distributions of property other than money		23
	24 Other items and amounts required to be reported separately to partners (<i>attach schedule</i>)		

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes.") **N/A**

	Assets			
	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (<i>attach schedule</i>)				
7 Mortgage and real estate loans				
8 Other investments (<i>attach schedule</i>)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (<i>attach schedule</i>)				
14 Total assets				
	Liabilities and Capital			
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (<i>attach schedule</i>)				
18 All nonrecourse loans				
Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (<i>attach schedule</i>)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation <i>N/A</i>		(a) Beginning of tax year	(b) End of tax year
1	Total U.S. assets		
2	Total foreign assets:		
a	Passive income category		
b	Listed categories (attach schedule)		
c	General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") <i>N/A</i>				
1	Net income (loss) per books . . .		6	Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):
2	Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): _____		a	Tax-exempt interest \$ _____
3	Guaranteed payments (other than health insurance)		7	Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):
4	Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):		a	Depreciation \$ _____
a	Depreciation \$ _____			
b	Travel and entertainment \$ _____		8	Add lines 6 and 7
5	Add lines 1 through 4		9	Income (loss). Subtract line 8 from line 5

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") <i>N/A</i>				
1	Balance at beginning of year . . .		6	Distributions: a Cash
2	Capital contributed:		b	Property
a	Cash		7	Other decreases (itemize): _____
b	Property			
3	Net income (loss) per books . . .		8	Add lines 6 and 7
4	Other increases (itemize): _____		9	Balance at end of year. Subtract line 8 from line 5
5	Add lines 1 through 4			

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities **N/A**

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.) . .				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				

SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor

MIT Endowment

Filer's identifying number

04-2103594

Name of foreign partnership

MDCP III GLOBAL INVESTMENTS, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	<u>Various</u>		<u>1,764,282</u>				<u>1.1505%</u>
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

N/A - None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
<u>N/A</u>							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Schedule O (Form 8865) 2002

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury Internal Revenue Service

Attach to your tax return. See separate instructions. Information furnished for the foreign partnership's tax year (see instructions) beginning , 2002, and ending , 20

Attachment Sequence No 118

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment Filer's identifying number 04-2103594

Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE 49-3142 Cambridge, MA 02139 A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 [] 2 [] 3 [x] 4 [] B Filer's tax year beginning 7/1, 20 02, and ending 10/30, 20 03

C Filer's share of liabilities: Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent. Name Address N/A EIN

E Information about certain other partners (see instructions). Table with columns: (1) Name, (2) Address, (3) Identifying number, (4) Check applicable box(es) (Category 1, Category 2, Constructive owner). Entry: N/A

F1 Name and address of foreign partnership MDCP IV GLOBAL INVESTMENTS, LP C/O KENNETH W. REDMAN, THREE FIRST NATIONAL PLAZA, SUITE 3800 CHICAGO, IL 60602 2 EIN (if any) 98-0379475 3 Country under whose laws organized CAYMAN ISLANDS

4 Date of organization 6/10/2002 5 Principal place of business CAYMAN ISLANDS 6 Principal business activity code number 523900 7 Principal business activity VENTURE CAPITAL 8a Functional currency US DOLLAR 8b Exchange rate (see instr.) N/A

G Provide the following information for the foreign partnership's tax year: 1 Name, address, and identifying number of agent (if any) in the United States MDP IV GLOBAL GP, LP EIN:98-0379472 C/O KENNETH W. REDMAN, THREE FIRST NATIONAL PLAZA, SUITE 3800, CHICAGO, IL 60602 2 Check if the foreign partnership must file: [] Form 1042 [] Form 8804 [x] Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed: OGDEN, UT 3 Name and address of foreign partnership's agent in country of organization, if any WALKERS WALKER HOUSE, MARY STREET, P.O. BOX 908GT GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS 4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different MDP IV GLOBAL GP, LP C/O KENNETH W. REDMAN, THREE FIRST NATIONAL PLAZA, SUITE 3800, CHICAGO, IL 60602

5 Were any special allocations made by the foreign partnership? [x] Yes [] No 6 Number of foreign disregarded entities owned by the partnership (attach list) NONE 7 How is this partnership classified under the law of the country in which it is organized? LIMITED PARTNERSHIP 8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? [] Yes [x] No 9 Does this partnership meet both of the following requirements? • The partnership's total receipts for the tax year were less than \$250,000 and • The value of the partnership's total assets at the end of the tax year was less than \$600,000. [] Yes [x] No If "Yes," do not complete Schedules L, M-1, and M-2.

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return 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 general partner or limited liability company member) is based on all information of which preparer has any knowledge Signature of general partner or limited liability company member Date Preparer's signature Date Check if self-employed [] Preparer's SSN or PTIN Firm's name (or yours if self-employed), address, and ZIP code EIN Phone no

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

Part II Long-Term Capital Gains and Losses — Assets Held More Than One Year N/A

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a	Gross income from other rental activities	3a
		b Expenses from other rental activities (attach schedule)	3b
		c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4	Portfolio income (loss):	
		a Interest income	4a
		b Ordinary dividends	4b
		c Royalty income	4c
		d Net short-term capital gain (loss)	4d
		e (1) Net long-term capital gain (loss)	4e(1)
	(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f Other portfolio income (loss) (attach schedule)	4f	
	5 Guaranteed payments to partners	5	
	6 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6	
	7 Other income (loss) (attach schedule)	7	
Deductions	8	Charitable contributions (attach schedule)	8
	9	Section 179 expense deduction	9
	10	Deductions related to portfolio income (itemize)	10
	11	Other deductions (attach schedule)	11
Credits	12a	Low-income housing credit:	
		(1) From partnerships to which section 42(j)(5) applies	12a(1)
		(2) Other than on line 12a(1)	12a(2)
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c
	d Credits related to other rental activities	12d	
	13	Other credits	13
Investment Interest	14a	Interest expense on investment debts	14a
		b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)
		(2) Investment expenses included on line 10 above	14b(2)
Self-Employment	15a	Net earnings (loss) from self-employment	15a
		b Gross farming or fishing income	15b
		c Gross nonfarm income	15c
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a
		b Adjusted gain or loss	16b
		c Depletion (other than oil and gas)	16c
		d (1) Gross income from oil, gas, and geothermal properties	16d(1)
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)
	e Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued) **N/A**

		(a) Distributive share items	(b) Total amount
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶	
	b	Gross income from all sources	17b
	c	Gross income sourced at partner level	17c
	d	Foreign gross income sourced at partnership level:	
	(1)	Passive	17d(1)
	(2)	Listed categories (attach schedule)	17d(2)
	(3)	General limitation	17d(3)
	e	Deductions allocated and apportioned at partner level:	
	(1)	Interest expense	17e(1)
	(2)	Other	17e(2)
	f	Deductions allocated and apportioned at partnership level to foreign tax source income:	
	(1)	Passive	17f(1)
	(2)	Listed categories (attach schedule)	17f(2)
(3)	General limitation	17f(3)	
g	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g	
h	Reduction in taxes available for credit (attach schedule)	17h	
Other	18	Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	18b
	19	Tax-exempt interest income	19
	20	Other tax-exempt income	20
	21	Nondeductible expenses	21
	22	Distributions of money (cash and marketable securities)	22
	23	Distributions of property other than money	23
	24	Other items and amounts required to be reported separately to partners (attach schedule)	

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes.") **N/A**

	Assets			
	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1	Cash			
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	U.S. government obligations			
5	Tax-exempt securities			
6	Other current assets (attach schedule)			
7	Mortgage and real estate loans			
8	Other investments (attach schedule)			
9a	Buildings and other depreciable assets			
b	Less accumulated depreciation			
10a	Depletable assets			
b	Less accumulated depletion			
11	Land (net of any amortization)			
12a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
13	Other assets (attach schedule)			
14	Total assets			
	Liabilities and Capital			
15	Accounts payable			
16	Mortgages, notes, bonds payable in less than 1 year			
17	Other current liabilities (attach schedule)			
	All nonrecourse loans			
19	Mortgages, notes, bonds payable in 1 year or more			
20	Other liabilities (attach schedule)			
21	Partners' capital accounts			
22	Total liabilities and capital			

Schedule M-1 Balance Sheets for Interest Allocation **N/A**

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") **N/A**

1 Net income (loss) per books . . .		6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): _____		a Tax-exempt interest \$ _____	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):		a Depreciation \$ _____	
a Depreciation \$ _____		8 Add lines 6 and 7	
b Travel and entertainment \$ _____		9 Income (loss). Subtract line 8 from line 5	
5 Add lines 1 through 4			

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") **N/A**

1 Balance at beginning of year . . .		6 Distributions: a Cash	
2 Capital contributed:		b Property	
a Cash		7 Other decreases (itemize): _____	
b Property			
3 Net income (loss) per books . . .		8 Add lines 6 and 7	
4 Other increases (itemize): _____		9 Balance at end of year. Subtract line 8 from line 5	
5 Add lines 1 through 4			

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.) . .				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				

SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor MIT Endowment	Filer's identifying number 04-2103594
Name of foreign partnership MDCP IV GLOBAL INVESTMENTS, LP	

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	Various		3,486,735				0.86727
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Schedule O (Form 8865) 2002

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning **Jan. 1, 2002**, and ending **Dec. 31, 2002**

Attachment
Sequence No **118**

Important: All information **must** be in English. All amounts **must** be in U.S. dollars unless otherwise indicated.

Name of person filing this return **Massachusetts Institute of Technology** *Endowment* Filer's identifying number **04-2103594**

Filer's address (if you are not filing this form with your tax return)
**77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139**

A Category of filer (see Categories of Filers in the instructions and check applicable box(es))
1 2 3 4

B Filer's tax year beginning **July 1, 2002**, and ending **June 30, 2003**.

C Filer's share of liabilities: Nonrecourse \$ _____ Qualified nonrecourse financing \$ _____ Other \$ _____

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:
Name **N/A** EIN _____
Address _____

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership
**New Century Holdings XI, LP
Ugland House, South Church Street, P.O. Box 309
Grand Cayman, Cayman Islands, British West Indies**

2 EIN (if any)
98-0198104

3 Country under whose laws organized
Cayman Islands

4 Date of organization **04/30/97** 5 Principal place of business **Eastern Europe** 6 Principal business activity code number **523900** 7 Principal business activity **Trading** 8a Functional currency **US Dollar** 8b Exchange rate (see instr)

G Provide the following information for the foreign partnership's tax year.

1 Name, address, and identifying number of agent (if any) in the United States
N/A

2 Check if the foreign partnership must file:
 Form 1042 Form 8804 Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed

3 Name and address of foreign partnership's agent in country of organization, if any
See F1

4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different
See F1

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) **13**

7 How is this partnership classified under the law of the country in which it is organized? **Trading**

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000. } Yes No
If "Yes," do not complete Schedules L, M-1, and M-2

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member _____ Date _____

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____

Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____ Phone no () _____

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year N/A

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g) Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f) Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (<i>attach Form 8825</i>)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (<i>attach schedule</i>)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e (1)	Net long-term capital gain (loss)	4e(1)	
	(2)	28% rate gain (loss) ▶		
	(3)	Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (<i>attach schedule</i>)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (<i>attach Form 4797</i>)	6		
7	Other income (loss) (<i>attach schedule</i>)	7		
Deductions	8	Charitable contributions (<i>attach schedule</i>)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (<i>attach schedule</i>)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (<i>attach Form 3468</i>)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (<i>attach schedule</i>)	16e		

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U S possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
(2) Listed categories (attach schedule)		17f(2)		
(3) General limitation		17f(3)		
g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation N/A

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") N/A

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes ") N/A

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5		
4 Other increases (itemize):					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor: Massachusetts Institute of Technology Filer's identifying number: 04-2103594

Name of foreign partnership: New Century Holdings XI, L.P.

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	07/01/02		\$10,000,000				1.28%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
<u>N/A</u>							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



**ATTACHMENT TO FORM 8865
Calendar Year 2002**

**Foreign Partnership: New Century Holdings XI, L.P.
Filer: Massachusetts Institute of Technology**

Page 1, Item G6: Disregarded Entities

<u>Name of Entity</u>	<u>Place of Business</u>	<u>Classification in Foreign Country</u>
Lindsell Enterprises Ltd.	Cyprus	LLC
Endeavor Capital Corp.	British Virgin Island	International Business Company
IV Construction Management Corp., N.V.	Netherland Antilles	LLC
Mytton Holdings, B.V.	Netherland Antilles	LLC
Sia Muste	Latvia	Corporation
Sia Minta	Latvia	Corporation
Sia Molle	Latvia	Corporation
Sia Meire	Latvia	Corporation
Sia Manda	Latvia	Corporation
Sia Melne	Latvia	Corporation
Sia Maga	Latvia	Corporation
Sia Marca	Latvia	Corporation
Sia Milva	Latvia	Corporation

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information **must** be in English All amounts **must** be in U S dollars unless otherwise indicated.

Name of person filing this return
MIT Endowment

Filer's identifying number
04-2103594

Filer's address (if you are not filing this form with your tax return)
**77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139**

A Category of filer (see Categories of Filers in the instructions and check applicable box(es))
1 2 3 4

B Filer's tax year beginning **7/1** 20 **02**, and ending **6/30** 20 **03**

C Filer's share of liabilities Nonrecourse \$ **None** Qualified nonrecourse financing \$ **None** Other \$ **None**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent

Name **N/A** EIN

Address

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership
**Pacven Walden Ventures IV, L.P.
Suite 3110, 31/F One Pacific Place
88 Queensway, Hong Kong**

2 EIN (if any)
98-0183897

3 Country under whose laws organized
Cayman Islands

4 Date of organization 10-31-97	5 Principal place of business N/A	6 Principal business activity code number 523900	7 Principal business activity Investments	8a Functional currency U.S. Dollars	8b Exchange rate (see instr)
---	---	--	---	---	------------------------------

G Provide the following information for the foreign partnership's tax year.

1 Name, address, and identifying number of agent (if any) in the United States
N/A

2 Check if the foreign partnership must file
 Form 1042 Form 8804 Form 1065 or 1065-B
Service Center where Form 1065 or 1065-B is filed
Philadelphia, PA

3 Name and address of foreign partnership's agent in country of organization, if any
**Maples & Calder
Ugland House, PO Box 309, South Church St.
Grand Cayman, Cayman Islands**

4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different
**Nancy Lee / Walden International
One California St., 28th Fl, San Francisco, CA 94111**

5 Were any special allocations made by the foreign partnership? ▶ Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) ▶ **N/A**

7 How is this partnership classified under the law of the country in which it is organized? ▶ **Limited Partnership**

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? ▶ Yes No

9 Does this partnership meet **both** of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000 } ▶ Yes No
If "Yes," **do not** complete Schedules L, M-1, and M-2

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member _____ Date _____

Paid Preparer Sign and Complete Only If Form Is Filed Separately

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____

Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____ Phone no () _____

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner
N/A				

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
N/A			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
N/A				

Schedule B Income Statement—Trade or Business Income **N/A**

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b		1c	
	2 Cost of goods sold			2	
	3 Gross profit. Subtract line 2 from line 1c.			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 18			6	
	7 Other income (loss) (attach schedule)			7	
8 Total income (loss). Combine lines 3 through 7			8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	
	17 Depletion (Do not deduct oil and gas depletion)			17	
	18 Retirement plans, etc.			18	
	19 Employee benefit programs			19	
	20 Other deductions (attach schedule)			20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21	
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8			22		

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr. below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						
10 Capital gain distributions						
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶		
		(3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued) **N/A**

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U S possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level:			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
	(2) Listed categories (attach schedule)		17f(2)	
(3) General limitation		17f(3)		
g Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures. a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money.		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes.") **N/A**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U S government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize)		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss) Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize)		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5		
4 Other increases (itemize):					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d) **N/A**

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services . .				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services . .				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

Department of the Treasury
Internal Revenue Service

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

▶ Attach to Form 8865. See Instructions for Form 8865.

OMB No 1545-1668

2002

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Pacven Walden Ventures IV

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		432,221				3.018301%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
		B Filer's tax year beginning 7/1 20 02 and ending 6/30/03 20.....
C Filer's share of liabilities: Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None		
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Pacven Walden Ventures V, L.P. Suite 3110, 31/F One Pacific Place 88 Queensway, Hong Kong		2 EIN (if any) 94-3391017
		3 Country under whose laws organized Cayman Islands
4 Date of organization 12-08-00	5 Principal place of business N/A	6 Principal business activity code number 523900
		7 Principal business activity Investments
		8a Functional currency U.S. Dollars
		8b Exchange rate (see instr)

G Provide the following information for the foreign partnership's tax year	
1 Name, address, and identifying number of agent (if any) in the United States N/A	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed Philadelphia, PA
3 Name and address of foreign partnership's agent in country of organization, if any Maples & Calder Ugland House, PO Box 309, South Church St. Grand Cayman, Cayman Islands	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Nancy Lee / Walden International One California St., 28th Fl, San Francisco, CA 94111

5 Were any special allocations made by the foreign partnership?	▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6 Number of foreign disregarded entities owned by the partnership (attach list)	▶ N/A
7 How is this partnership classified under the law of the country in which it is organized?	▶ Limited Partnership
8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)?	▶ <input type="checkbox"/> Yes <input type="checkbox"/> No
9 Does this partnership meet both of the following requirements? • The partnership's total receipts for the tax year were less than \$250,000 and • The value of the partnership's total assets at the end of the tax year was less than \$600,000 If "Yes," do not complete Schedules L, M-1, and M-2	▶ 3 N/A ▶ <input type="checkbox"/> Yes <input type="checkbox"/> No

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return	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 general partner or limited liability company member) is based on all information of which preparer has any knowledge	
	Signature of general partner or limited liability company member	Date
Paid Preparer Sign and Complete Only If Form is Filed Separately.	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP code	Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN
	EIN	Phone no ()

Schedule D Capital Gains and Losses

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f) Enter here and on Form 8865, Schedule K, line 4d or 7					5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g) Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f) Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶		
		(3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued) **N/A**

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶		
	b	Gross income from all sources	17b	
	c	Gross income sourced at partner level	17c	
	d	Foreign gross income sourced at partnership level:		
	(1)	Passive	17d(1)	
	(2)	Listed categories (attach schedule)	17d(2)	
	(3)	General limitation	17d(3)	
	e	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17e(1)	
	(2)	Other	17e(2)	
	f	Deductions allocated and apportioned at partnership level to foreign source income:		
	(1)	Passive	17f(1)	
	(2)	Listed categories (attach schedule)	17f(2)	
	(3)	General limitation	17f(3)	
g	Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
h	Reduction in taxes available for credit (attach schedule)	17h		
Other	18	Section 59(e)(2) expenditures. a Type ▶	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	
	23	Distributions of property other than money.	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes") **N/A**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1				
2a				
b				
3				
4				
5				
6				
7				
8				
9a				
b				
10a				
b				
11				
12a				
b				
13				
14				
Liabilities and Capital				
15				
16				
17				
18				
19				
20				
21				
22				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets.		
a Passive income category		
b Listed categories (<i>attach schedule</i>)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			b Travel and entertainment \$		
b Travel and entertainment \$			8 Add lines 6 and 7		
5 Add lines 1 through 4			9 Income (loss) Subtract line 8 from line 5		

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property		
3 Net income (loss) per books		
4 Other increases (itemize):			8 Add lines 6 and 7		
.			9 Balance at end of year. Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d) N/A

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Pacven Walden Ventures V

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		2,590,156				2.870602%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year

(see instructions) beginning 1/1, 2002, and ending 12/31, 2002

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT ENDOWMENT Filer's identifying number 04-2103594

Filer's address (if you are not filing this form with your tax return)
238 MAIN STREET, SUITE 200
CAMBRIDGE, MA 02142

A Category of filer (see Categories of Filers in the instructions and check applicable box(es)):
1 2 3 4

B Filer's tax year beginning _____, 20____, and ending _____, 20____

C Filer's share of liabilities: Nonrecourse \$ 925,852 Qualified nonrecourse financing \$ NONE Other \$ NONE

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:
Name N/A EIN _____
Address _____

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
<u>N/A</u>					

F1 Name and address of foreign partnership
PATRON CAPITAL, L.P. I
TRIDENT CHAMBERS, WICKHAMS CAY, P.O. BOX 146
ROAD TOWN, TORTOLA, BVI

2 EIN (if any) NONE
3 Country under whose laws organized ENGLAND

4 Date of organization <u>03/22/2001</u>	5 Principal place of business <u>BVI</u>	6 Principal business activity code number <u>525990</u>	7 Principal business activity <u>INVESTMENTS</u>	8a Functional currency <u>US DOLLAR</u>	8b Exchange rate (see instr.) <u>N/A</u>
---	---	--	---	--	---

G Provide the following information for the foreign partnership's tax year:

1 Name, address, and identifying number of agent (if any) in the United States NONE

2 Check if the foreign partnership must file:
 Form 1042 Form 8804 Form 1065 or 1065-B
Service Center where Form 1065 or 1065-B is filed:
N/A

3 Name and address of foreign partnership's agent in country of organization, if any
PATRON CAPITAL LIMITED
41 DOVER STREET
LONDON, W1S 4NS

4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different PATRON CAPITAL LIMITED
41 DOVER STREET
LONDON, W1S 4NS

5 Were any special allocations made by the foreign partnership? ▶ Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) ▶ NONE

7 How is this partnership classified under the law of the country in which it is organized? ▶ LIMITED PARTNERSHIP

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? ▶ Yes No N/A

9 Does this partnership meet both of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000. } ▶ Yes No N/A

If "Yes," do not complete Schedules L, M-1, and M-2.

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member _____ Date _____

Paid Preparer Sign and Complete Only if Form is Filed Separately.

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____

Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____ Phone no _____

Schedule D Capital Gains and Losses

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1 N/A						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						2
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						3
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						4
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						5

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6 N/A						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						7
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824						8
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						9
10 Capital gain distributions						10
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						11
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						12

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K		Partners' Shares of Income, Credits, Deductions, etc.	
(a) Distributive share items			(b) Total amount
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1 N/A
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a	Gross income from other rental activities	3a
	b	Expenses from other rental activities (attach schedule)	3b
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4	Portfolio income (loss):	
	a	Interest income	4a
	b	Ordinary dividends	4b
	c	Royalty income	4c
	d	Net short-term capital gain (loss)	4d
	e	(1) Net long-term capital gain (loss)	4e(1)
		(2) 28% rate gain (loss) ▶ _____ (3) Qualified 5-year gain ▶ _____	
	f	Other portfolio income (loss) (attach schedule)	4f
5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6	
7	Other income (loss) (attach schedule)	7	
Deductions	8	Charitable contributions (attach schedule)	8
	9	Section 179 expense deduction	9
	10	Deductions related to portfolio income (itemize)	10
	11	Other deductions (attach schedule)	11
Credits	12a	Low-income housing credit:	
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)
	(2)	Other than on line 12a(1)	12a(2)
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c
d	Credits related to other rental activities	12d	
13	Other credits	13	
Investment Interest	14a	Interest expense on investment debts	14a
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)
	(2)	Investment expenses included on line 10 above	14b(2)
Self-Employment	15a	Net earnings (loss) from self-employment	15a
	b	Gross farming or fishing income	15b
	c	Gross nonfarm income	15c
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a
	b	Adjusted gain or loss	16b
	c	Depletion (other than oil and gas)	16c
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)
e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ _____			
	b Gross income from all sources		17b	N/A
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level:			
	(1) Passive		17d(1)	
	(2) Listed categories (<i>attach schedule</i>)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
(2) Listed categories (<i>attach schedule</i>)		17f(2)		
(3) General limitation		17f(3)		
g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (<i>attach schedule</i>)		17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ _____ b Amount ▶ _____		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (<i>attach schedule</i>)			

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes.")

	Assets			
	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		N/A		
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (<i>attach schedule</i>)				
7 Mortgage and real estate loans				
8 Other investments (<i>attach schedule</i>)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (<i>attach schedule</i>)				
14 Total assets				
	Liabilities and Capital			
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (<i>attach schedule</i>)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (<i>attach schedule</i>)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation		(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		N/A	
2 Total foreign assets:			
a Passive income category			
b Listed categories (attach schedule)			
c General limitation income category			

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.")

1 Net income (loss) per books . . .	N/A	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): _____		a Tax-exempt interest \$ _____	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):		a Depreciation \$ _____	
a Depreciation \$ _____			
b Travel and entertainment \$ _____			
5 Add lines 1 through 4		8 Add lines 6 and 7	
		9 Income (loss). Subtract line 8 from line 5	

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.")

1 Balance at beginning of year . .	N/A	6 Distributions: a Cash	
2 Capital contributed:		b Property	
a Cash		7 Other decreases (itemize): _____	
b Property			
3 Net income (loss) per books . . .			
4 Other increases (itemize): _____		8 Add lines 6 and 7	
		9 Balance at end of year. Subtract line 8 from line 5	
5 Add lines 1 through 4			

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory	N/A			
2 Sales of property rights (patents, trademarks, etc.) . .				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.) . .				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				

SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor MIT ENDOWMENT	Filer's identifying number 04-2103594
Name of foreign partnership PATRON CAPITAL, L.P. I	

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	VARIOUS		3,145,474				16.05
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

NONE

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? ▶ Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Schedule O (Form 8865) 2002

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated

Name of person filing this return MIT Endowment	Filer's identifying number 04-2103594
---	---

Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139	A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> B Filer's tax year beginning <u>July 1</u> , 20 <u>02</u> , and ending <u>June 30</u> , 20 <u>03</u>
--	--

C Filer's share of liabilities: Nonrecourse \$ **NONE** Qualified nonrecourse financing \$ **NONE** Other \$ **NONE**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent

Name N/A	EIN
Address	

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership
**Vestar - AIV Holdings A, LP
245 Park Avenue, 41st Floor
New York, NY 10167**

2 EIN (if any)
04-3598523

3 Country under whose laws organized
Cayman Islands

4 Date of organization 11/30/2001	5 Principal place of business Cayman Islands	6 Principal business activity code number 523900	7 Principal business activity Investments	8a Functional currency US Dollar	8b Exchange rate (see instr.)
--	---	---	--	---	--------------------------------------

G Provide the following information for the foreign partnership's tax year.

1 Name, address, and identifying number of agent (if any) in the United States Vestar Associates IV, LP 245 Park Avenue - First Floor; New York, NY 10167	2 Check if the foreign partnership must file. <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed: Ogden, Utah 84201-0011
3 Name and address of foreign partnership's agent in country of organization, if any	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different

5 Were any special allocations made by the foreign partnership? ▶ Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) ▶ 2 See attached

7 How is this partnership classified under the law of the country in which it is organized? . . . ▶ Partnership

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? . . . ▶ Yes No

9 Does this partnership meet **both** of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000 } ▶ Yes No
If "Yes," **do not** complete Schedules L, M-1, and M-2

N/A

Sign Here Only if You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member	Date
Preparer's signature	Date
Firm's name (or yours if self-employed), address, and ZIP code	Preparer's SSN or PTIN
	Check if self-employed <input type="checkbox"/>
	EIN
	Phone no ()

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person

Does the partnership have any other foreign person as a direct partner? **Yes** **No**

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
Vestar Europe I, LLP				
Vestar Europe II, LLP				
Vestar SW Investments, LLP				

Schedule B Income Statement—Trade or Business Income **N/A**

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a		
	b Less returns and allowances	1b		1c
	2 Cost of goods sold			2
	3 Gross profit. Subtract line 2 from line 1c			3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5
	6 Net gain (loss) from Form 4797, Part II, line 18			6
	7 Other income (loss) (attach schedule)			7
8 Total income (loss). Combine lines 3 through 7			8	
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9
	10 Guaranteed payments to partners			10
	11 Repairs and maintenance			11
	12 Bad debts			12
	13 Rent			13
	14 Taxes and licenses			14
	15 Interest			15
	16a Depreciation (if required, attach Form 4562)	16a		
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c
	17 Depletion (Do not deduct oil and gas depletion.)			17
	18 Retirement plans, etc			18
	19 Employee benefit programs			19
	20 Other deductions (attach schedule)			20
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21
22 Ordinary income (loss) from trade or business activities Subtract line 21 from line 8			22	

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						2
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						3
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						4
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						5

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr. below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						7
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						8
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						9
10 Capital gain distributions						10
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						11
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						12

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N | A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a	Name of foreign country or U S possession ▶		
	b	Gross income from all sources	17b	
	c	Gross income sourced at partner level	17c	
	d	Foreign gross income sourced at partnership level:		
	(1)	Passive	17d(1)	
	(2)	Listed categories (attach schedule)	17d(2)	
	(3)	General limitation	17d(3)	
	e	Deductions allocated and apportioned at partner level:		
	(1)	Interest expense	17e(1)	
	(2)	Other	17e(2)	
	f	Deductions allocated and apportioned at partnership level to foreign source income:		
	(1)	Passive	17f(1)	
(2)	Listed categories (attach schedule)	17f(2)		
(3)	General limitation	17f(3)		
g	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
h	Reduction in taxes available for credit (attach schedule)	17h		
Other	18	Section 59(e)(2) expenditures: a Type ▶	b Amount ▶	18b
	19	Tax-exempt interest income		19
	20	Other tax-exempt income		20
	21	Nondeductible expenses		21
	22	Distributions of money (cash and marketable securities)		22
	23	Distributions of property other than money.		23
24	Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.")

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1	Cash			
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	U.S. government obligations			
5	Tax-exempt securities			
6	Other current assets (attach schedule)			
7	Mortgage and real estate loans			
8	Other investments (attach schedule)			
9a	Buildings and other depreciable assets			
b	Less accumulated depreciation			
10a	Depletable assets			
b	Less accumulated depletion			
11	Land (net of any amortization)			
12a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
13	Other assets (attach schedule)			
14	Total assets			
Liabilities and Capital				
15	Accounts payable			
16	Mortgages, notes, bonds payable in less than 1 year			
17	Other current liabilities (attach schedule)			
18	All nonrecourse loans			
19	Mortgages, notes, bonds payable in 1 year or more			
20	Other liabilities (attach schedule)			
21	Partners' capital accounts			
22	Total liabilities and capital			

Schedule M Balance Sheets for Interest Allocation N/A

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") N/A

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes") N/A

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5		
4 Other increases (itemize):					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S. person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services . .				
4 Commissions received . . .				
5 Rents, royalties, and license fees received				
6 Distributions received . . .				
7 Interest received				
8 Other				
9 Add lines 1 through 8 . . .				
10 Purchases of inventory . . .				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services . .				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18 . .				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Vestar - AIV Holdings A, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	Various		\$624,334				0.62%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions)

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No



MIT – Endowment
77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139

FEIN: 04-2103594

Partnership: Vestar – AIV Holdings A, LP
EIN: 04-3598523

Disregarded Entities:

- ZML Investments S.a.r.l.
- Vestar Acquisition AB

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information **must** be in English. All amounts **must** be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>
		B Filer's tax year beginning 7/1 , 20 02 , and ending 6/30 , 20 03
C Filer's share of liabilities Nonrecourse \$ 0	Qualified nonrecourse financing \$ 0	Other \$ 0
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership The Candover 1994 US #1 Limited Partnership 20 Old Bailey London EC4M 7LN		2 EIN (if any) 98-0186927
		3 Country under whose laws organized United Kingdom
4 Date of organization April 13, 1994	5 Principal place of business United Kingdom	6 Principal business activity code number 523900
		7 Principal business activity Portfolio Investmen
		8a Functional currency Sterling
		8b Exchange rate (see instr) 1.50377

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States None	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed
3 Name and address of foreign partnership's agent in country of organization, if any Candover Partners Limited 20 Old Bailey London EC4M 7LN	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Candover Partners Limited 20 Old Bailey, London EC4M 7LN
5 Were any special allocations made by the foreign partnership? ▶ <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6 Number of foreign disregarded entities owned by the partnership (attach list) ▶ None	
7 How is this partnership classified under the law of the country in which it is organized? . . . ▶ Partnership	
8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? . . . ▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9 Does this partnership meet both of the following requirements? <ul style="list-style-type: none"> • The partnership's total receipts for the tax year were less than \$250,000 and • The value of the partnership's total assets at the end of the tax year was less than \$600,000. If "Yes," do not complete Schedules L, M-1, and M-2. } ▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return	Signature of general partner or limited liability company member		Date	
	Paid Preparer Sign and Complete Only If Form Is Filed Separately.	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no ()

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Massachusetts Institute of Technology	77 Massachusetts Avenue	04-2103594	
AC Israel Enterprises Inc.	707 Westchester Avenue White Plains, NY 10604	13-3129420	

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
None				

Schedule B Income Statement—Trade or Business Income

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b			1c See Attached
	2 Cost of goods sold			2	
	3 Gross profit. Subtract line 2 from line 1c			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 18			6	
	7 Other income (loss) (attach schedule)			7	
8 Total income (loss). Combine lines 3 through 7			8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c
	17 Depletion (Do not deduct oil and gas depletion.)			17	
	18 Retirement plans, etc.			18	
	19 Employee benefit programs			19	
	20 Other deductions (attach schedule)			20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21	
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8			22		

Schedule D Capital Gains and Losses

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1 See Attached						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6 See Attached						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	See Attached
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶		17b	See Attached
	b Gross income from all sources		17c	
	c Gross income sourced at partner level		17d(1)	
	d Foreign gross income sourced at partnership level:		17d(2)	
	(1) Passive		17d(3)	
	(2) Listed categories (attach schedule)		17e(1)	
	(3) General limitation		17e(2)	
	e Deductions allocated and apportioned at partner level:		17f(1)	
	(1) Interest expense		17f(2)	
	(2) Other		17f(3)	
	f Deductions allocated and apportioned at partnership level to foreign source income:		17g	
(1) Passive		17h		
(2) Listed categories (attach schedule)				
(3) General limitation				
g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>				
h Reduction in taxes available for credit (attach schedule)				
Other	18 Section 59(e)(2) expenditures: a Type ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes")

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		See Attached		
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U S government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation

	(a) Beginning of tax year	(b) End of tax year
1 Total U S assets		
2 Total foreign assets.		
a Passive income category	2,971,322	3,229,858
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes ")

1 Net income (loss) per books	See Attached		6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):.....			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize).		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize).			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.")

1 Balance at beginning of year	See Attached		6 Distributions. a Cash		
2 Capital contributed.			b Property		
a Cash			7 Other decreases (itemize).		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year Subtract line 8 from line 5		
4 Other increases (itemize)					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d)

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services . .				
4 Commissions received . . .				
5 Rents, royalties, and license fees received				
6 Distributions received . . .	361,206			
7 Interest received				
8 Other				
9 Add lines 1 through 8 . . .	361,206			
10 Purchases of inventory . . .				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services . .				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18 . .				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



U.S. Return of Partnership Income

OMB No 1545-0099

For calendar year 2002, or tax year beginning _____, and ending _____

2002

A Principal business activity INVESTING	Use the IRS label otherwise, print or type	Name of partnership THE CANDOVER 1994 US #1 LIMITED PARTNERSHIP	D Employer identification number 98-0186927
B Principal product or service INVESTMENT ACTIVITIES		Number, street, and room or suite no. If a P.O. box, see page 14 of the instructions 20 OLD BAILEY	E Date business started 05/08/1994
C Business code number 523900		City or town, state, and ZIP code LONDON EC4M 7LN,	F Total assets \$ 3,229,858.

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return

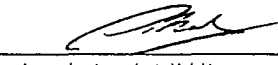
H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ▶

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ▶ **6**

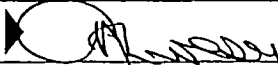
Caution: Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1 a Gross receipts or sales	1a	
	b Less returns and allowances	1b	1c
	2 Cost of goods sold (Schedule A, line 8)		2
	3 Gross profit. Subtract line 2 from line 1c		3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)		4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))		5
	6 Net gain (loss) from Form 4797, Part II, line 18		6
7 Other income (loss) (attach schedule)		7	
8 Total income (loss) Combine lines 3 through 7		8	
Deductions (see instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)		9
	10 Guaranteed payments to partners		10
	11 Repairs and maintenance		11
	12 Bad debts		12
	13 Rent		13
	14 Taxes and licenses		14
	15 Interest		15
	16 a Depreciation (if required, attach Form 4562)	16a	
	b Less depreciation reported on Schedule A and elsewhere on return	16b	16c
	17 Depletion (Do not deduct oil and gas depletion.)		17
	18 Retirement plans, etc		18
	19 Employee benefit programs		19
	20 Other deductions (attach schedule)		20
	21 Total deductions Add the amounts shown in the far right column for lines 9 through 20		21
	22 Ordinary income (loss) from trade or business activities Subtract line 21 from line 8		22

Sign Here 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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member:  Date: **24/3/03**

May the IRS discuss this return with the preparer shown below (see instr.)? Yes No

Paid Preparer's signature:  Date: **March 21, 2003** Check if self-employed: Preparer's SSN or PTIN: **NRA**

Preparer's Use Only Firm's name (or yours if self-employed), address, and ZIP code: **GRANT THORNTON, MELTON STREET, LONDON NW1 2EP, UNITED KINGDOM** EIN: **36-6055558** Phone no: **442073835100**

Schedule A Cost of Goods Sold (see page 19 of the instructions)

1	Inventory at beginning of year	1	
2	Purchases less cost of items withdrawn for personal use	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

- 9 a Check all methods used for valuing closing inventory:
- (i) Cost as described in Regulations section 1.471-3
 - (ii) Lower of cost or market as described in Regulations section 1.471-4
 - (iii) Other (specify method used and attach explanation) ▶ _____
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership? Yes No
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No
- If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 What type of entity is filing this return? Check the applicable box:		
a <input type="checkbox"/> Domestic general partnership		
b <input type="checkbox"/> Domestic limited partnership		
c <input type="checkbox"/> Domestic limited liability company		
d <input type="checkbox"/> Domestic limited liability partnership		
e <input checked="" type="checkbox"/> Foreign partnership		
f <input type="checkbox"/> Other ▶ _____		
2 Are any partners in this partnership also partnerships?	X	
3 During the partnership's tax year, did the partnership own any interest in another partnership or in any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3? If yes, see instructions for required attachment	X	
4 Is this partnership subject to the consolidated audit procedures of sections 6221 through 6233? If "Yes," see Designation of Tax Matters Partner below		X
5 Does this partnership meet all three of the following requirements?		
a The partnership's total receipts for the tax year were less than \$250,000;		
b The partnership's total assets at the end of the tax year were less than \$600,000, and		
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.		
If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2, Item F on page 1 of Form 1065, or Item J on Schedule K-1		X
6 Does this partnership have any foreign partners? If "Yes," the partnership may have to file Forms 8804, 8805 and 8813. See page 20 of the instructions	X	
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?		X
8 Has this partnership filed, or is it required to file, Form 8264, Application for Registration of a Tax Shelter?		X
9 At any time during calendar year 2002, did the partnership 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)? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶ <u>UNITED KINGDOM</u>	X	
10 During the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520. See page 20 of the instructions		X
11 Was there a distribution of property or a transfer (e.g., by sale or death) of a partnership interest during the tax year? If "Yes," you may elect to adjust the basis of the partnership's assets under section 754 by attaching the statement described under Elections Made By the Partnership on page 8 of the instructions		X
12 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ▶ _____		

Designation of Tax Matters Partner (see page 21 of the instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return.

Name of designated TMP ▶ CANDOVER PARTNERS LTD 20 OLD BAILEY Identifying number of TMP ▶ _____

Address of designated TMP ▶ LONDON, EC4M 7LN
UNITED KINGDOM

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

(a) Distributive share items		(b) Total amount	
Income (Loss)	1 Ordinary income (loss) from trade or business activities (page 1, line 22)	1	0.
	2 Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a Gross income from other rental activities	3a	
	b Expenses from other rental activities (attach schedule)	3b	
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4 Portfolio income (loss): a Interest income SEE STATEMENT 1	4a	310,509.
	b Ordinary dividends SEE STATEMENT 2	4b	79,244.
c Royalty income	4c		
d Net short-term capital gain (loss) (attach Schedule D (Form 1065))	4d		
e (1) Net long-term capital gain (loss) (attach Schedule D (Form 1065))	4e(1)	288,672.	
(2) 28% rate gain (loss) (3) Qualified 5-year gain	4f	-490.	
f Other portfolio income (loss) (attach schedule) SEE STATEMENT 3	4f		
5 Guaranteed payments to partners	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7 Other income (loss) (attach schedule)	7		
Deductions	8 Charitable contributions (attach schedule)	8	
	9 Section 179 expense deduction (attach Form 4562)	9	
	10 Deductions related to portfolio income (itemize) SEE STATEMENT 4	10	2,698.
	11 Other deductions (attach schedule)	11	
Credits	12a Low-income housing credit	12a(1)	
	(1) From partnerships to which section 42(j)(5) applies	12a(2)	
	(2) Other than on line 12a(1)	12b	
	b Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c	
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12d	
d Credits related to other rental activities	12d		
13 Other credits	13		
Investment Interest	14a Interest expense on investment debts	14a	
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	389,753.
	(2) Investment expenses included on line 10 above	14b(2)	2,698.
Self-Employment	15a Net earnings (loss) from self-employment	15a	0.
	b Gross farming or fishing income	15b	
	c Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986	16a	
	b Adjusted gain or loss	16b	
	c Depletion (other than oil and gas)	16c	
	d (1) Gross income from oil, gas, and geothermal properties	16d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17a Name of foreign country or U.S. possession UNITED KINGDOM	17b	677,935.
	b Gross income from all sources SEE STATEMENT 5	17c	
	c Gross income sourced at partner level	17d(3)	
	d Foreign gross income sourced at partnership level:		
	(1) Passive (2) Listed categories (attach sch) (3) General limitation	17e(2)	
	e Deductions allocated and apportioned at partner level:		
	(1) Interest expense (2) Other	17f(3)	
	f Deductions allocated and apportioned at partnership level to foreign source income:		
	(1) Passive (2) Listed categories (attach sch) (3) General limitation	17g	59,754.
g Total foreign taxes (check one): Paid <input checked="" type="checkbox"/> Accrued <input type="checkbox"/>	17h		
h Reduction in taxes available for credit (attach schedule)	18b		
Other	18 Section 59(e)(2) expenditures: a Type b Amount	19	
	19 Tax-exempt interest income	20	
	20 Other tax-exempt income	21	
	21 Nondeductible expenses	22	696,582.
	22 Distributions of money (cash and marketable securities)	23	
	23 Distributions of property other than money	24	
	24 Other items and amounts required to be reported separately to partners (attach schedule)		

Analysis of Net Income (Loss)

1 Net income (loss) Combine Schedule K, lines 1 through 7 in column (b). From the result, subtract the sum of Sch K, lines 8 through 11, 14a, 17g, and 18b	1	615,483.				
2 Analysis by partner type:	(i) Corporate	(ii) Individual (active)	(iii) Individual (passive)	(iv) Partnership	(v) Exempt organization	(vi) Nominee/Other
a General partners	9,946.					
b Limited partners	4,677.		137,690.		115,792.	347,378.

Note: Schedules L, M-1 and M-2 are not required if Question 5 of Schedule B is answered "Yes"

Schedule L Balance Sheets per Books

Assets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
1 Cash		269,014.		1,249,850.
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)	STATEMENT 6			682.
7 Mortgage and real estate loans				
8 Other investments (attach schedule)	STATEMENT 7	2,702,308.		1,979,326.
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets		2,971,322.		3,229,858.
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)	STATEMENT 8	1,276.		6,318.
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts		2,970,046.		3,223,540.
22 Total liabilities and capital		2,971,322.		3,229,858.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

1 Net income (loss) per books	640,937.	6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):		a Tax-exempt interest \$	
3 Guaranteed payments (other than health insurance)		STMT 10	25,454.
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):	
a Depreciation \$		a Depreciation \$	
b Travel and entertainment \$		8 Add lines 6 and 7	25,454.
5 Add lines 1 through 4	640,937.	9 Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5	615,483.

Schedule M-2 Analysis of Partners' Capital Accounts

1 Balance at beginning of year	2,970,046.	6 Distributions a Cash	696,582.
2 Capital contributed during year a Cash		b Property	
b Property		7 Other decreases (itemize)	
3 Net income (loss) per books	640,937.	8 Add lines 6 and 7	696,582.
4 Other increases (itemize):	STMT 11	9 Balance at end of year Subtract line 8 from line 5	3,223,540.
5 Add lines 1 through 4	3,920,122.		

SCHEDULE K INTEREST INCOME STATEMENT 1

DESCRIPTION	U.S. BONDS	OTHER
LOAN STOCK		298,780.
INTEREST RECEIVABLE		11,729.
TOTAL TO SCHEDULE K, LINE 4A		310,509.

SCHEDULE K DIVIDEND INCOME STATEMENT 2

DESCRIPTION	AMOUNT
DIVIDENDS	79,244.
TOTAL TO SCHEDULE K, LINE 4B	79,244.

SCHEDULE K OTHER PORTFOLIO INCOME (LOSS) STATEMENT 3

DESCRIPTION	AMOUNT
S988 TRANSACTION	-490.
TOTAL TO SCHEDULE K, LINE 4F	-490.

SCHEDULE K DEDUCTIONS RELATED TO PORTFOLIO INCOME STATEMENT 4

DESCRIPTION	AMOUNT
EXPENSES	2,698.
TOTAL TO SCHEDULE K, LINE 10	2,698.

SCHEDULE K GROSS INCOME FROM ALL SOURCES STATEMENT 5

INCOME TYPE	TOTAL
DIVIDENDS/DISTRIBUTIONS	79,244.
INTEREST	310,509.
CAPITAL GAINS	288,672.
TRADE OR BUSINESS	0.
RENT/ROYALTY	0.
STATE/LOCAL REFUNDS	0.
PARTNERSHIP/S CORPORATION	0.
TRUST/ESTATE	0.
OTHER INCOME	-490.
NONTAXABLE INCOME	0.
TOTAL TO SCHEDULE K, LINE 17B	677,935.

SCHEDULE L OTHER CURRENT ASSETS STATEMENT 6

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
OTHER RECEIVABLES		682.
TOTAL TO SCHEDULE L, LINE 6		682.

SCHEDULE L OTHER INVESTMENTS STATEMENT 7

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
OTHER INVESTMENTS	2,702,308.	1,979,326.
TOTAL TO SCHEDULE L, LINE 8	2,702,308.	1,979,326.

SCHEDULE L OTHER CURRENT LIABILITIES STATEMENT 8

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
OTHER LIABILITIES	1,276.	6,318.
TOTAL TO SCHEDULE L, LINE 17	1,276.	6,318.

FORM 1065 PARTNERS' CAPITAL ACCOUNT SUMMARY STATEMENT 9

PARTNER NUMBER	BEGINNING CAPITAL	CAPITAL CONTRIBUTED	SCHEDULE M-2 LNS 3, 4 & 7	WITH-DRAWALS	ENDING CAPITAL
1	585,811.		182,907.	135,451.	633,267.
2	1,562,212.		487,757.	361,206.	1,688,763.
3	195,276.		60,970.	45,151.	211,095.
4	23,543.		7,376.	5,475.	25,444.
5	-326.		9,781.	11,898.	-2,443.
6	603,530.		201,285.	137,401.	667,414.
TOTAL	2,970,046.		950,076.	696,582.	3,223,540.

SCHEDULE M-1 INCOME RECORDED ON BOOKS NOT INCLUDED ON RETURN STATEMENT 10

DESCRIPTION	AMOUNT
CUR ADJ ON CAP GAINS	25,454.
TOTAL TO SCHEDULE M-1, LINE 6	25,454.

SCHEDULE M-2	OTHER INCREASES	STATEMENT 11
DESCRIPTION		AMOUNT
CUR ADJ ON PTN CAP ACC		309,139.
TOTAL TO SCHEDULE M-2, LINE 4		309,139.

SCHEDULE D	LONG-TERM CAPITAL GAINS AND LOSSES					STATEMENT 12
DESCRIPTION	DATE ACQUIRED	DATE SOLD	SALES PRICE	COST OR BASIS	GAIN OR LOSS	28% RATE GAIN/LOSS
SMITH/DETICA	06/11/97	03/28/02	34,970.	40,200.	-5,230.	
SMITH/DETICA	06/11/97	04/30/02	143,265.	160,798.	-17,533.	
SMITH/DETICA	06/11/97	04/30/02	395,400.	4,020.	391,380.	
CAMDEN MOTORS	11/29/96	12/23/02	63,186.	66,322.	-3,136.	
CAMDEN M (LS)	11/29/96	12/23/02	4,972.	4,972.	0.	
CHARGERREADY	11/29/96	09/26/02	0.	5,876.	-5,876.	
CHARGERREADY	11/29/96	09/26/02	0.	2.	-2.	
SPA (LS)	12/23/97	12/18/02	160,752.	160,752.	0.	
SPA (LS)	06/30/98	12/18/02	65,719.	65,719.	0.	
SPA PREF	12/23/97	12/18/02	251,963.	247,312.	4,651.	
SPA (LS)	08/03/99	12/18/02	47,793.	47,793.	0.	
SPA PREF	12/23/97	12/18/02	114,187.	0.	114,187.	
BIP GROUP LTD	09/14/95	08/29/02	0.	71,217.	-71,217.	
BIP GROUP LTD	09/14/95	08/29/02	0.	18,314.	-18,314.	
INCANITE	04/04/01	09/26/02	0.	25,899.	-25,899.	
DRUM	04/04/01	09/26/02	0.	30,698.	-30,698.	
COLUMBIA	04/04/01	09/26/02	0.	43,641.	-43,641.	
TOTAL TO SCHEDULE D, LINE 6			1,282,207.	993,535.	288,672.	

SCHEDULE K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

Partner's Share of Income, Credits, Deductions, etc.

For calendar year 2002 or tax year

OMB No. 1545-0099

2002

beginning _____, and ending _____
 Partner's identifying number ▶ **04-2103594** Partnership's identifying number ▶ **98-0186927**
 Partner's name, address, and ZIP code Partnership's name, address, and ZIP code

MIT
238 MAIN STREET SUITE 200
CAMBRIDGE, MA 02142-1012

THE CANDOVER 1994 US #1 LIMITED
PARTNERSHIP
20 OLD BAILEY
LONDON EC4M 7LN,

A This partner is a general partner limited partner
 limited liability company member
B What type of entity is this partner? ▶ **OTHER**
C Is this partner a domestic or a foreign partner?
D Enter partner's percentage of:
 Profit sharing _____% **66.0000000%**
 Loss sharing _____% **66.0000000%**
 Ownership of capital _____% **66.0000000%**

F Partner's share of liabilities:
 Nonrecourse \$ _____
 Qualified nonrecourse financing \$ _____
 Other \$ **0.**

E IRS Center where partnership filed return **PHILADELPHIA, PA**

G Tax shelter registration number ▶ _____
H Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2)

I Check applicable boxes: (1) Final K-1 (2) Amended K-1

J Analysis of partner's capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4, and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
1,562,212.		487,757.	(361,206.)	1,688,763.

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities	0.	See page 6 of Partner's instructions for Schedule K-1 (Form 1065)
	2 Net income (loss) from rental real estate activities		
	3 Net income (loss) from other rental activities		
	4 Portfolio income (loss):		Sch. B, Part I, line 1 Sch. B, Part II, line 5 Sch. E, Part I, line 4 Sch. D, line 5, col (f) Sch. D, line 12, col. (f) Sch. D, line 12, col. (g) Line 5 of worksheet for Sch. D, line 29 Enter on applicable line of your return
	a Interest	204,936.	
	b Ordinary dividends	52,301.	
	c Royalties		
	d Net short-term capital gain (loss)		
	e (1) Net long-term capital gain (loss) (2) 28% rate gain (loss) (3) Qualified 5-year gain	93,084.	
	f Other portfolio income (loss) (attach schedule) STATEMENT	-324.	
	5 Guaranteed payments to partner		See page 6 of Partner's instructions for Schedule K-1 (Form 1065) Enter on applicable line of your return
6 Net section 1231 gain (loss) (other than due to casualty or theft)			
7 Other income (loss) (attach schedule)			
8 Charitable contributions (attach schedule)			
Deductions	9 Section 179 expense deduction		See pages 7 and 8 of Partner's instructions for Schedule K-1 (Form 1065)
	10 Deductions related to portfolio income (attach schedule) STMT	1,780.	
11 Other deductions (attach schedule)			
Credits	12 a Low-income housing credit: (1) From section 42(j)(5) partnerships (2) Other than on line 12a(1)	12a(1) 12a(2)	Form 8586, line 5
	b Qualified rehabilitation expenditures related to rental real estate activities	12b	
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	See page 8 of Partner's instructions for Schedule K-1 (Form 1065)
	d Credits related to other rental activities	12d	
	13 Other credits	13	

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14 a Interest expense on investment debts	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f	14b(1) 257,237.	
	(2) Investment expenses included on line 10	14b(2) 1,780.	
Self-employment	15 a Net earnings (loss) from self-employment	15a	Sch. SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	b Gross farming or fishing income	15b	
	c Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16 a Depreciation adjustment on property placed in service after 1986	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and Instructions for Form 6251.
	b Adjusted gain or loss	16b	
	c Depletion (other than oil and gas)	16c	
	d (1) Gross income from oil, gas, and geothermal properties	16(d)1	
	(2) Deductions allocable to oil, gas, and geothermal properties	16(d)2	
	e Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17 a Name of foreign country or U.S. possession ► UNITED KINGDOM		Form 1116, Part I Form 1116, Part II Form 1116, line 12
	b Gross income from all sources	17b 447,437.	
	c Gross income sourced at partner level	17c	
	d Foreign gross income sourced at partnership level:		
	(1) Passive	17d(1)	
	(2) Listed categories (attach schedule)	17d(2)	
	(3) General limitation	17d(3)	
	e Deductions allocated and apportioned at partner level:		
	(1) Interest expense	17e(1)	
	(2) Other	17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:		
(1) Passive	17f(1)		
(2) Listed categories (attach schedule)	17f(2)		
(3) General limitation	17f(3)		
g Total foreign taxes (check one): ► <input checked="" type="checkbox"/> Paid <input type="checkbox"/> Accrued	17g 39,438.		
h Reduction in taxes available for credit (attach schedule)	17h		
Other	18 Section 59(e)(2) expenditures: a Type ►		See page 9 of Partner's Instructions for Schedule K-1 (Form 1065). Form 1040, line 8b See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065). Form 8611, line 8
	b Amount	18b	
	19 Tax-exempt interest income	19	
	20 Other tax-exempt income	20	
	21 Nondeductible expenses	21	
	22 Distributions of money (cash and marketable securities)	22 361,206.	
	23 Distributions of property other than money	23	
	24 Recapture of low-income housing credit:		
a From section 42(j)(5) partnerships	24a		
b Other than on line 24a	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed):		

SCHEDULE K-1 DEDUCTIONS RELATED TO PORTFOLIO INCOME

DESCRIPTION	AMOUNT	PARTNER INSTRUCTIONS
EXPENSES	1,780.	
TOTAL TO SCHEDULE K-1, LINE 10	1,780.	

SCHEDULE K-1 OTHER PORTFOLIO INCOME (LOSS)

DESCRIPTION	AMOUNT	PARTNER INSTRUCTIONS
S988 TRANSACTION	-324.	
TOTAL TO SCHEDULE K-1, LINE 4F	-324.	

SCHEDULE K-1 COLUMN C RECONCILIATION

DESCRIPTION	AMOUNT
INTEREST INCOME	204,936.
DIVIDEND INCOME	52,301.
LONG-TERM CAPITAL GAIN (LOSS)	93,084.
OTHER PORTFOLIO INCOME	-324.
PORTFOLIO DEDUCTIONS	-1,780.
FOREIGN TAXES	-39,438.
CUR ADJ ON CAP GAINS	16,800.
CUR ADJ ON PTN CAP ACC	162,178.
TOTAL TO SCHEDULE K-1, ITEM J, COLUMN C	487,757.

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning _____, 2002, and ending _____, 20

Attachment
Sequence No **118**

Important: All information **must** be in English. All amounts **must** be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment	Filer's identifying number 04-2103594
---	---

Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139	<p>A Category of filer (see Categories of Filers in the instructions and check applicable box(es))</p> <p>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/></p> <p>B Filer's tax year beginning <u>7/1</u>, 20<u>02</u>, and ending <u>6/30</u>, 20<u>03</u></p>
--	--

C Filer's share of liabilities: Nonrecourse \$ **None** Qualified nonrecourse financing \$ **None** Other \$ **None**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:

Name N/A	EIN
Address	

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Candover 2001 US No. 1 Limited Partnership 20 Old Bailey London, EC4M 7LN	2 EIN (if any) N/A
	3 Country under whose laws organized United Kingdom

4 Date of organization 6/13/2001	5 Principal place of business United Kingdom	6 Principal business activity code number 523900	7 Principal business activity Portfolio Investmen	8a Functional currency Euro	8b Exchange rate (see instr) 0.9457
--	--	--	---	---------------------------------------	---

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States N/A	2 Check if the foreign partnership must file: <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed N/A
3 Name and address of foreign partnership's agent in country of organization, if any Candover Partners Limited 20 Old Bailey London EC4M 7LN	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Same

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) None

7 How is this partnership classified under the law of the country in which it is organized? Partnership

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?

- The partnership's total receipts for the tax year were less than \$250,000 and
- The value of the partnership's total assets at the end of the tax year was less than \$600,000

} } **N/A** Yes No

If "Yes," do not complete Schedules L, M-1, and M-2

Sign Here Only if You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member	Date
--	------

Paid Preparer Sign and Complete Only if Form is Filed Separately.	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code	EIN	Phone no ()	

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
See Attached			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
N/A				

Schedule B Income Statement—Trade or Business Income **N/A**

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information

Income	1a Gross receipts or sales	1a				
	b Less returns and allowances	1b			1c	
	2 Cost of goods sold				2	
	3 Gross profit. Subtract line 2 from line 1c				3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5	
	6 Net gain (loss) from Form 4797, Part II, line 18				6	
7 Other income (loss) (attach schedule)				7		
8 Total income (loss). Combine lines 3 through 7				8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9	
	10 Guaranteed payments to partners				10	
	11 Repairs and maintenance				11	
	12 Bad debts				12	
	13 Rent				13	
	14 Taxes and licenses				14	
	15 Interest				15	
	16a Depreciation (if required, attach Form 4562)	16a				
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c	
	17 Depletion (Do not deduct oil and gas depletion.)				17	
	18 Retirement plans, etc.				18	
	19 Employee benefit programs				19	
	20 Other deductions (attach schedule).				20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21	
	22 Ordinary income (loss) from trade or business activities Subtract line 21 from line 8				22	

Schedule D Capital Gains and Losses

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2	Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . .				2	
3	Short-term capital gain (loss) from like-kind exchanges from Form 8824				3	
4	Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts				4	
5	Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7				5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7	Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . .				7	
8	Long-term capital gain (loss) from like-kind exchanges from Form 8824.				8	
9	Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts . . .				9	
10	Capital gain distributions				10	
11	Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7				11	
12	Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7				12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. **N/A**

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e (1)	Net long-term capital gain (loss)	4e(1)	
	(2)	28% rate gain (loss) ▶	(3)	Qualified 5-year gain ▶
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued) **N/A**

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U S possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level.			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income			
	(1) Passive		17f(1)	
	(2) Listed categories (attach schedule)		17f(2)	
(3) General limitation		17f(3)		
g Total foreign taxes (check one). ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money.		23	
24 Other items and amounts required to be reported separately to partners (attach schedule)				

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes") **N/A**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U S government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize)			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize)		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize)			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss) Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5		
4 Other increases (itemize):					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Candover 2001 US No. 1 Limited Partnership

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		4,708,429				6.6351%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



**Candover 2001 US No. 1 Limited Partnership
Information For Completion of Form 8865
Information Provided for the period ending December 31, 2002**

Page 2 Schedule A-1 Information:

California Public Employees' Retirement System
PO Box 2749, 400 P Street, Suite 3310
Sacramento
California 95812-2749
94-6207465

HarbourVest International Private Equity Partners III - Partnership Fund LP
HarbourVest Partners LLC
1 Financial Center, 44th Floor
Boston MA 02111
04-3402908

Teachers Retirement System of Texas
1000 Red River Street
Austin
Texas 78701
-

Massachusetts Institute of Technology
Office of the Treasurer
238 Main Street, Suite 200
Cambridge, MA 02142-1012
04-2103594

Standard Life Investments (Private Equity) Ltd
1 George Street
Edinburgh, EH2 2LL
United Kingdom
-

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
		B Filer's tax year beginning 7/1 , 20 02 , and ending 6/30 , 20 03
C Filer's share of liabilities Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None		
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership CCG Investments (BVI), LP c/o Golden Gate Capital, One Embarcadero Center, 33rd Floor San Francisco, CA 94111		2 EIN (if any) 94-3402599
		3 Country under whose laws organized British Virgin Islands
4 Date of organization 7/12/2001	5 Principal place of business United States	6 Principal business activity code number 523900
		7 Principal business activity Investments
		8a Functional currency US Dollar
		8b Exchange rate (see instr) N/A

G Provide the following information for the foreign partnership's tax year	
1 Name, address, and identifying number of agent (if any) in the United States Golden Gate Capital Management, LLC One Embarcadero Center, 33rd Floor San Francisco, CA 94111	2 Check if the foreign partnership must file. <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed Ogden, UT 84201-0011
3 Name and address of foreign partnership's agent in country of organization, if any HWR Services Limited Craigmuir Chambers, PO Box 71 Road Town, Tortola, British Virgin Islands	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Sue Briedboke, c/o Golden Gate Capital One Embarcadero Center, 33rd Floor San Francisco, CA 94111
5 Were any special allocations made by the foreign partnership? ▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
6 Number of foreign disregarded entities owned by the partnership (attach list) ▶ None	
7 How is this partnership classified under the law of the country in which it is organized? ▶ Limited Partnership	
8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? ▶ <input type="checkbox"/> Yes <input type="checkbox"/> No	
9 Does this partnership meet both of the following requirements? • The partnership's total receipts for the tax year were less than \$250,000 and • The value of the partnership's total assets at the end of the tax year was less than \$600,000 If "Yes," do not complete Schedules L, M-1, and M-2 } ▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return	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 general partner or limited liability company member) is based on all information of which preparer has any knowledge	
	Signature of general partner or limited liability company member	Date
Paid Preparer Sign and Complete Only If Form is Filed Separately.	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP code	Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN
		EIN
		Phone no ()

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
None			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
None				

Schedule B Income Statement—Trade or Business Income **N/A**

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b		1c	
	2 Cost of goods sold			2	
	3 Gross profit Subtract line 2 from line 1c			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 18			6	
	7 Other income (loss) (attach schedule)			7	
8 Total income (loss). Combine lines 3 through 7			8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	
	17 Depletion (Do not deduct oil and gas depletion)			17	
	18 Retirement plans, etc.			18	
	19 Employee benefit programs			19	
	20 Other deductions (attach schedule)			20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21	
22 Ordinary income (loss) from trade or business activities Subtract line 21 from line 8			22		

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year N/A

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						
10 Capital gain distributions						
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level:			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
(2) Listed categories (attach schedule)		17f(2)		
(3) General limitation		17f(3)		
g Total foreign taxes (check one). ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money.		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (<i>attach schedule</i>)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize)		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$					
b Travel and entertainment \$			8 Add lines 6 and 7		
5 Add lines 1 through 4			9 Income (loss). Subtract line 8 from line 5		

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions. a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property					
3 Net income (loss) per books					
4 Other increases (itemize):			8 Add lines 6 and 7		
			9 Balance at end of year. Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d) **N/A**

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No. 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
CCG Investments (BVI), LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		3,078,127				3.052400%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594	
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> B Filer's tax year beginning <u>7/1</u> , 20 <u>02</u> , and ending <u>6/30</u> , 20 <u>03</u>	
C Filer's share of liabilities: Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None		D If filer is a member of a consolidated group but not the parent, enter the following information about the parent	
Name N/A		EIN	
Address			

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Cerberus Asia Partners, LP c/o Caledonian Bank & Trust Ltd., Caledonian House Jennett Street, PO Box 1043 Georgetown Grand Cayman BWI		2 EIN (if any) 98-0203581	
		3 Country under whose laws organized Cayman Islands	
4 Date of organization 3/3/1999	5 Principal place of business Japan	6 Principal business activity code number 523900	7 Principal business activity Investments
		8a Functional currency US Dollar	8b Exchange rate (see instr) N/A

G Provide the following information for the foreign partnership's tax year	
1 Name, address, and identifying number of agent (if any) in the United States c/o Cerberus Capital Management, LP 299 Park Avenue, New York, NY 10171	2 Check if the foreign partnership must file: <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed Philadelphia, PA
3 Name and address of foreign partnership's agent in country of organization, if any Cerberus Asia Partners, LP c/o Caledonian Bank & Trust Ltd, Caledonian House, Jennett Street, PO Box 1043, Georgetown, Grand Cayman	4 Name and address of person(s) with custody of the books and records of the partnership, and the location of such books and records, if different N/A

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) Yes No

7 How is this partnership classified under the law of the country in which it is organized? Partnership N/A

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?
 • The partnership's total receipts for the tax year were less than \$250,000 and
 • The value of the partnership's total assets at the end of the tax year was less than \$600,000
 If "Yes," do not complete Schedules L, M-1, and M-2. Yes No

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member _____ Date _____

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____

Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____ Phone no () _____

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
N/A			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
See Attached				

Schedule B Income Statement—Trade or Business Income *N/A*

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b		1c	
	2 Cost of goods sold			2	
	3 Gross profit. Subtract line 2 from line 1c			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 18			6	
	7 Other income (loss) (attach schedule)			7	
8 Total income (loss). Combine lines 3 through 7			8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	
	17 Depletion (Do not deduct oil and gas depletion)			17	
	18 Retirement plans, etc.			18	
	19 Employee benefit programs			19	
	20 Other deductions (attach schedule)			20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21	
22 Ordinary income (loss) from trade or business activities Subtract line 21 from line 8			22		

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued) N/A

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶		17b	
	b Gross income from all sources		17c	
	c Gross income sourced at partner level			
	d Foreign gross income sourced at partnership level:		17d(1)	
	(1) Passive		17d(2)	
	(2) Listed categories (attach schedule)		17d(3)	
	(3) General limitation			
	e Deductions allocated and apportioned at partner level:		17e(1)	
	(1) Interest expense		17e(2)	
	(2) Other			
	f Deductions allocated and apportioned at partnership level to foreign source income:		17f(1)	
	(1) Passive		17f(2)	
	(2) Listed categories (attach schedule)		17f(3)	
(3) General limitation				
g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>			17g	
h Reduction in taxes available for credit (attach schedule)			17h	
Other	18 Section 59(e)(2) expenditures: a Type ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
24 Other items and amounts required to be reported separately to partners (attach schedule)				

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.") N/A

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (<i>attach schedule</i>)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss) Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed.			b Property		
a Cash			7 Other decreases (itemize):		
b Property		
3 Net income (loss) per books		
4 Other increases (itemize):			8 Add lines 6 and 7		
.			9 Balance at end of year. Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d) **N/A**

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Cerberus Asia Partners, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		\$2,901,592				0.782343%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



Schedule A-2
Affiliation Schedule

Promontoria REO Holdings A, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4069105

Saberasu Japan Investments II, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4054814

Promontoria REO Holdings B, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135424

Cerberus NCB Acquisition, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4199266

Promontoria REO Holdings C, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135425

Caroline, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4186960

Promontoria REO Holdings D, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135426

Rocky, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4138351

Promontoria REO Holdings E, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135427

Senken, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4201456

Promontoria REO Holdings F, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135428

Shinwa Acquisition, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4138353

Promontoria REO Holdings G, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135429

Promontoria Global Holdings V, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4061249

Promontoria REO Holdings H, LLC
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 13-4135430

Cerberus Aozora Holdings I Limited
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 98-0406673

FE Capital Holdings Limited
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 98-0406677

Cerberus Asia Series One Holdings Ltd.
299 Park Avenue, 22nd Floor
New York, NY 10171
EIN: 98-0406684

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning 2002, and ending 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594	
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>	
		B Filer's tax year beginning 7/1 , 20 02 , and ending 6/30 , 20 03	
C Filer's share of liabilities. Nonrecourse \$ None		Qualified nonrecourse financing \$ None Other \$ None	
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent			
Name N/A		EIN	
Address			

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership CVC Capital Partners Asia Pacific, LP Walker House, PO Box 265 George Town, Grand Cayman, Cayman Islands				2 EIN (if any) 98-0352632	
				3 Country under whose laws organized Cayman Islands	
4 Date of organization 1/11/2000	5 Principal place of business St. Helier, Jersey	6 Principal business activity code number 523900	7 Principal business activity Investments	8a Functional currency US Dollar	8b Exchange rate (see instr) N/A

G Provide the following information for the foreign partnership's tax year	
1 Name, address, and identifying number of agent (if any) in the United States N/A	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed N/A
3 Name and address of foreign partnership's agent in country of organization, if any c/o Morant & Co. 22 Grenville St. St. Helier, Jersey JE4 8PX	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Same

- 5 Were any special allocations made by the foreign partnership? Yes **None**
- 6 Number of foreign disregarded entities owned by the partnership (attach list) **None**
- 7 How is this partnership classified under the law of the country in which it is organized? **Limited Partnership**
- 8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes **No**
- 9 Does this partnership meet both of the following requirements?
 • The partnership's total receipts for the tax year were less than \$250,000 and
 • The value of the partnership's total assets at the end of the tax year was less than \$600,000
 If "Yes," do not complete Schedules L, M-1, and M-2 } Yes **N/A**

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return	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 general partner or limited liability company member) is based on all information of which preparer has any knowledge	
	Signature of general partner or limited liability company member	Date
Paid Preparer Sign and Complete Only If Form is Filed Separately.	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP code	Check if self-employed <input type="checkbox"/>
	EIN	Preparer's SSN or PTIN
	Phone no ()	

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U S taxpayer identifying number (if any) of the person(s) whose interest you constructively own See instructions

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Metropolitan Life Company			
Proclific			
Asia Enterprise Limited			
Asia Enterprise I Limited			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
N/A				

Schedule B Income Statement—Trade or Business Income N/A

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below See the instructions for more information.

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b			1c
	2 Cost of goods sold				2
	3 Gross profit. Subtract line 2 from line 1c				3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5
	6 Net gain (loss) from Form 4797, Part II, line 18				6
7 Other income (loss) (attach schedule)				7	
8 Total income (loss). Combine lines 3 through 7				8	
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9
	10 Guaranteed payments to partners				10
	11 Repairs and maintenance				11
	12 Bad debts				12
	13 Rent				13
	14 Taxes and licenses				14
	15 Interest				15
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c
	17 Depletion (Do not deduct oil and gas depletion.)				17
	18 Retirement plans, etc				18
	19 Employee benefit programs				19
	20 Other deductions (attach schedule)				20
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21
	22 Ordinary income (loss) from trade or business activities Subtract line 21 from line 8				22

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						2
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						3
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						4
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						5

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						7
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						8
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						9
10 Capital gain distributions						10
11 Combine lines 6 through 10 in column (g) Enter here and on Schedule K, line 4e(2) or 7						11
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						12

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions)

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e (1)	Net long-term capital gain (loss)	4e(1)	
	(2)	28% rate gain (loss) ▶	(3)	Qualified 5-year gain ▶
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level			
	(1) Passive		17d(1)	
	(2) Listed categories (<i>attach schedule</i>)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income.			
	(1) Passive		17f(1)	
(2) Listed categories (<i>attach schedule</i>)		17f(2)		
(3) General limitation		17f(3)		
g Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (<i>attach schedule</i>)		17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money.		23	
24 Other items and amounts required to be reported separately to partners (<i>attach schedule</i>)				

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (<i>attach schedule</i>)				
7 Mortgage and real estate loans				
8 Other investments (<i>attach schedule</i>)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (<i>attach schedule</i>)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (<i>attach schedule</i>)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (<i>attach schedule</i>)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize)		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize)			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize).		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss) Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions		
2 Capital contributed:			a Cash		
a Cash			b Property		
b Property			7 Other decreases (itemize):		
3 Net income (loss) per books			8 Add lines 6 and 7		
4 Other increases (itemize):			9 Balance at end of year Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d) N/A

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory . . .				
2 Sales of property rights (patents, trademarks, etc)				
3 Compensation received for technical, managerial, engineering, construction, or like services . .				
4 Commissions received . .				
5 Rents, royalties, and license fees received				
6 Distributions received . .				
7 Interest received				
8 Other				
9 Add lines 1 through 8 . .				
10 Purchases of inventory .				
11 Purchases of tangible property other than inventory . . .				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services . .				
14 Commissions paid . . .				
15 Rents, royalties, and license fees paid				
16 Distributions paid . . .				
17 Interest paid				
18 Other				
19 Add lines 10 through 18 .				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
CVC Capital Partners Asia Pacific, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		2,106,401				4.0000%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning 2002, and ending 2002

Attachment
Sequence No **118**

Important: All information **must** be in English. All amounts **must** be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
		B Filer's tax year beginning 7/1 20 02 and ending 6/30 20 03
C Filer's share of liabilities Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None		
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership EAC Fund III, Limited Partnership 26 Finsbury Square London EC2A 1DS		2 EIN (if any) N/A
		3 Country under whose laws organized Scotland
4 Date of organization 8/31/2001	5 Principal place of business London	6 Principal business activity code number
		7 Principal business activity
		8a Functional currency Euro
		8b Exchange rate (see instr) \$0.9457

G Provide the following information for the foreign partnership's tax year	
1 Name, address, and identifying number of agent (if any) in the United States N/A	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed N/A
3 Name and address of foreign partnership's agent in country of organization, if any European Acquisition Capital 26 Finsbury Square London EC2A 1DS	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Julian Dean, European Acquisition Capital 26 Finsbury Square, London EC2A 1DS

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) None

7 How is this partnership classified under the law of the country in which it is organized? Partnership **Limited Partnership**

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?
 • The partnership's total receipts for the tax year were less than \$250,000 and
 • The value of the partnership's total assets at the end of the tax year was less than \$600,000
 If "Yes," do not complete Schedules L, M-1, and M-2. Yes No

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return	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 general partner or limited liability company member) is based on all information of which preparer has any knowledge	
	Signature of general partner or limited liability company member	Date
Paid Preparer Sign and Complete Only If Form Is Filed Separately.	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP code	Check if self-employed <input type="checkbox"/>
	EIN	Preparer's SSN or PTIN
	Phone no ()	

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Virginia Retirement System			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
N/A - None				

Schedule B Income Statement—Trade or Business Income **N/A**

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b			1c
	2 Cost of goods sold				2
	3 Gross profit Subtract line 2 from line 1c				3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5
	6 Net gain (loss) from Form 4797, Part II, line 18				6
	7 Other income (loss) (attach schedule)				7
8 Total income (loss). Combine lines 3 through 7				8	
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9
	10 Guaranteed payments to partners				10
	11 Repairs and maintenance				11
	12 Bad debts				12
	13 Rent				13
	14 Taxes and licenses				14
	15 Interest				15
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c
	17 Depletion (Do not deduct oil and gas depletion.)				17
	18 Retirement plans, etc.				18
	19 Employee benefit programs				19
	20 Other deductions (attach schedule)				20
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8				22	

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr. below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						
10 Capital gain distributions						
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (<i>attach Form 8825</i>)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (<i>attach schedule</i>)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss).		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e (1)	Net long-term capital gain (loss)	4e(1)	
	(2)	28% rate gain (loss) ▶	(3)	Qualified 5-year gain ▶
	f	Other portfolio income (loss) (<i>attach schedule</i>)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (<i>attach Form 4797</i>)	6		
7	Other income (loss) (<i>attach schedule</i>)	7		
Deductions	8	Charitable contributions (<i>attach schedule</i>)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (<i>attach schedule</i>)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (<i>attach Form 3468</i>)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (<i>attach schedule</i>)	16e		

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level:			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
(2) Listed categories (attach schedule)		17f(2)		
(3) General limitation		17f(3)		
g Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M-1 Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize).		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize)			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize)		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize)			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss) Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes") *N/A*

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year Subtract line 8 from line 5		
4 Other increases (itemize)					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
EAC Fund III, Limited Partnership

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		1,331,079				5.787%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions).

None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year (see instructions) beginning , 2002, and ending , 20

Attachment Sequence No **118**

Important: All information *must* be in English. All amounts *must* be in U.S. dollars unless otherwise indicated.

Name of person filing this return **MIT Endowment** Filer's identifying number **04-2103594**

Filer's address (if you are not filing this form with your tax return)
**77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139**

A Category of filer (see Categories of Filers in the instructions and check applicable box(es))
1 2 3 4

B Filer's tax year beginning **7/1**, 20**02**, and ending **6/30**, 20**03**

C Filer's share of liabilities Nonrecourse \$ **None** Qualified nonrecourse financing \$ **None** Other \$ **None**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent
Name **N/A** EIN _____
Address _____

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership
**ECI 7, LP
Brettenham House, Lancaster Place
London, WC2E 7LN**

2 EIN (if any) **98-0335030**

3 Country under whose laws organized
United Kingdom

4 Date of organization **9/12/2000** 5 Principal place of business **United Kingdom** 6 Principal business activity code number **523900** 7 Principal business activity **Investments** 8a Functional currency **UK Pound** 8b Exchange rate (see instr) **1.50254930**

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States
N/A

2 Check if the foreign partnership must file.
 Form 1042 Form 8804 Form 1065 or 1065-B
Service Center where Form 1065 or 1065-B is filed
Philadelphia, PA

3 Name and address of foreign partnership's agent in country of organization, if any
**ECI Ventures Ltd.
Brettenham House, Lancaster Place
London, WC2E 7LN**

4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different
Same

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) None

7 How is this partnership classified under the law of the country in which it is organized? **Limited Partnership**

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000
If "Yes," do not complete Schedules L, M-1, and M-2. Yes No **3 N/A**

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return
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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member _____ Date _____

Paid Preparer Sign and Complete Only If Form Is Filed Separately.
Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____
Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____ Phone no () _____

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Abbott Capital Private Equity Fund III, LP			
Harbourvest International Equity Partners III, Partnership Fund			
Massachusetts Institute of Technology			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
N/A				

Schedule B Income Statement—Trade or Business Income

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b			1c
	2 Cost of goods sold				2
	3 Gross profit. Subtract line 2 from line 1c				3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5
	6 Net gain (loss) from Form 4797, Part II, line 18				6
	7 Other income (loss) (attach schedule)				7
8 Total income (loss). Combine lines 3 through 7				8	
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9
	10 Guaranteed payments to partners				10
	11 Repairs and maintenance				11
	12 Bad debts				12
	13 Rent				13
	14 Taxes and licenses				14
	15 Interest				15
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c
	17 Depletion (Do not deduct oil and gas depletion.)				17
	18 Retirement plans, etc.				18
	19 Employee benefit programs				19
	20 Other deductions (attach schedule)				20
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8				22	

Schedule D Capital Gains and Losses

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						2
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						3
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						4
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						5

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						7
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						8
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						9
10 Capital gain distributions						10
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						11
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						12

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss).		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶		
	b	Gross income from all sources	17b	
	c	Gross income sourced at partner level	17c	
	d	Foreign gross income sourced at partnership level.		
	(1)	Passive	17d(1)	
	(2)	Listed categories (attach schedule)	17d(2)	
	(3)	General limitation	17d(3)	
	e	Deductions allocated and apportioned at partner level		
	(1)	Interest expense	17e(1)	
	(2)	Other	17e(2)	
	f	Deductions allocated and apportioned at partnership level to foreign source income		
	(1)	Passive	17f(1)	
	(2)	Listed categories (attach schedule)	17f(2)	
	(3)	General limitation	17f(3)	
g	Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
h	Reduction in taxes available for credit (attach schedule)	17h		
Other	18	Section 59(e)(2) expenditures. a Type ▶ b Amount ▶	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	
	23	Distributions of property other than money.	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes")

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1	Cash			
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	U.S. government obligations			
5	Tax-exempt securities			
6	Other current assets (attach schedule)			
7	Mortgage and real estate loans			
8	Other investments (attach schedule)			
9a	Buildings and other depreciable assets			
b	Less accumulated depreciation			
10a	Depletable assets			
b	Less accumulated depletion			
11	Land (net of any amortization)			
12a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
13	Other assets (attach schedule)			
14	Total assets			
Liabilities and Capital				
15	Accounts payable			
16	Mortgages, notes, bonds payable in less than 1 year			
17	Other current liabilities (attach schedule)			
18	All nonrecourse loans			
19	Mortgages, notes, bonds payable in 1 year or more			
20	Other liabilities (attach schedule)			
21	Partners' capital accounts			
22	Total liabilities and capital			

Schedule M Balance Sheets for Interest Allocation

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets.		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.")

1 Net income (loss) per books			
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):
3 Guaranteed payments (other than health insurance)			a Tax-exempt interest \$
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):
a Depreciation \$			a Depreciation \$
b Travel and entertainment \$			8 Add lines 6 and 7
5 Add lines 1 through 4			9 Income (loss). Subtract line 8 from line 5

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.")

1 Balance at beginning of year			6 Distributions: a Cash
2 Capital contributed.			b Property
a Cash			7 Other decreases (itemize):
b Property			8 Add lines 6 and 7
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5
4 Other increases (itemize).			
5 Add lines 1 through 4			

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory		N/A	N/A	N/A
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services . .				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received	- 0 -			
7 Interest received				
8 Other				
9 Add lines 1 through 8	- 0 -			
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services . .				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

Department of the Treasury
Internal Revenue Service

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

▶ Attach to Form 8865. See Instructions for Form 8865.

OMB No 1545-1668

2002

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
ECI 7, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		\$2,182,104				11.48%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No



Partner's Share of Income, Credits, Deductions, etc.

See separate instructions

2002

For calendar year 2002 or tax year beginning , 2002, and ending

Partner's identifying number ▶ 04-2103594 Partner's name, address, and ZIP code Partner # 6 MASSACHUSETTS INSTITUTE OF TECHNOLOGY 238 MAIN STREET SUITE 200 CAMBRIDGE, MA 02142	Partnership's identifying number ▶ 98-0335030 Partnership's name, address, and ZIP code ECI 7, L.P. BRETENHAM HOUSE LANCASTER PLACE LONDON, WC2E 7EN
--	--

A This partner is a <input type="checkbox"/> general partner <input checked="" type="checkbox"/> limited partner <input type="checkbox"/> limited liability company member B What type of entity is this partner? ▶ Exempt org. C Is this partner a <input checked="" type="checkbox"/> domestic or a <input type="checkbox"/> foreign partner? D Enter partner's percentage of Profit sharing % VARIOUS % Loss sharing % VARIOUS % Ownership of capital % VARIOUS % E IRS Center where partnership filed return Philadelphia	F Partner's share of liabilities (see instructions). Nonrecourse _____ Qualified nonrecourse financing _____ Other _____ G Tax shelter registration number ▶ _____ H Check here if this partnership is a publicly traded partnership as defined in section 469(k)(2) <input type="checkbox"/> I Check applicable boxes (1) <input type="checkbox"/> Final K-1 (2) <input type="checkbox"/> Amended K-1
---	--

J Analysis of partner's capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Partner's share of lines 3, 4 and 7, Form 1065, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year (combine columns (a) through (d))
1,179,162.	2,182,104.	-283,541.	()	3,077,725.

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065)
	2 Net income (loss) from rental real estate activities	2	
	3 Net income (loss) from other rental activities	3	
	4 Portfolio income (loss):		Sch B, Part I, line 1 Sch B, Part II, line 5 Sch E, Part I, line 4 Sch D, line 5, col (f) Sch D, line 12, col (f) Sch D, line 12, col (g) Line 5 of worksheet for Sch D line 29 Enter on applicable line of your return
	a Interest	4a 9,530.	
	b Ordinary dividends	4b	
	c Royalties	4c	
d Net short-term capital gain (loss)	4d		
e (1) Net long-term capital gain (loss)	4e(1)		
(2) 28% rate gain (loss)	4e(2)	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065) Enter on applicable line of your return	
(3) Qualified 5-year gain	4e(3)		
f Other portfolio income (loss) (attach schedule)	4f		
5 Guaranteed payments to partner	5	See page 6 of Partner's Instructions for Schedule K-1 (Form 1065) Enter on applicable line of your return	
6 Net section 1231 gain (loss) (other than due to casualty or theft)	6		
7 Other income (loss) (attach schedule)	7		
Deductions	8 Charitable contributions (see instructions) (attach schedule)	8	Sch A, line 15 or 16
	9 Section 179 expense deduction	9	
	10 Deductions related to portfolio income (attach schedule)	10 140,609.	See pages 7 and 8 of Partner's Instructions for Schedule K-1 (Form 1065)
	11 Other deductions (attach schedule)	11	
Credits	12a Low-income housing credit		Form 8586, line 5
	(1) From section 42(j)(5) partnerships	12a(1)	
	(2) Other than on line 12a(1)	12a(2)	
	b Qualified rehabilitation expenditures related to rental real estate activities	12b	See page 8 of Partner's Instructions for Schedule K-1 (Form 1065)
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d Credits related to other rental activities	12d		
13 Other credits	13		

DRAFT

(a) Distributive share item		(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Investment Interest	14 a Interest expense on investment debts	14a	Form 4952, line 1 See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f	14b(1) 9,530.	
	(2) Investment expenses included on line 10	14b(2) 140,609.	
Self-employment	15 a Net earnings (loss) from self-employment	15a	Sch SE, Section A or B See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	b Gross farming or fishing income	15b	
	c Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16 a Depreciation adjustment on property placed in service after 1986	16a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065) and instructions for Form 6251
	b Adjusted gain or loss	16b	
	c Depletion (other than oil and gas)	16c	
	d (1) Gross income from oil, gas, and geothermal properties	16d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e Other adjustments and tax preference items (attach schedule)	16e	
Foreign Taxes	17 a Name of foreign country or U S possession ▶ <u>Stmt 1</u>	17a	Form 1116, Part I
	b Gross income from all sources	17b 9,530.	
	c Gross income sourced at partner level	17c	
	d Foreign gross income sourced at partnership level		
	(1) Passive	17d(1) 9,530.	
	(2) Listed categories (attach schedule)	17d(2)	
	(3) General limitation	17d(3)	
	e Deductions allocated and apportioned at partner level		
	(1) Interest expense	17e(1)	
	(2) Other	17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income		
	(1) Passive	17f(1) 140,609.	
(2) Listed categories (attach schedule)	17f(2)		
(3) General limitation	17f(3)		
g Total foreign taxes (check one) ▶ <input checked="" type="checkbox"/> Paid <input type="checkbox"/> Accrued	17g 1,373.	Form 1116, Part II Form 1116, line 12	
h Reduction in taxes available for credit (attach schedule)	17h 1,373.		
Other	18 Section 59(e)(2) expenditures. a Type ▶ -----	18a	See page 9 of Partner's Instructions for Schedule K-1 (Form 1065)
	b Amount	18b	
	19 Tax-exempt interest income	19	Form 1040, line 8b
	20 Other tax-exempt income	20	
	21 Nondeductible expenses	21	See pages 9 and 10 of Partner's Instructions for Schedule K-1 (Form 1065)
	22 Distributions of money (cash and marketable securities)	22	
	23 Distributions of property other than money	23	
	24 Recapture of low-income housing credit		
a From section 42(j)(5) partnerships	24a	Form 8611, line 8	
b Other than on line 24a	24b		
Supplemental Information	25 Supplemental information required to be reported separately to each partner (attach additional schedules if more space is needed): <u>See Partner Footnotes Schedule</u>		

Item J, Column(b) - Capital Contributions

C-sh contributions	2,182,104.

Total Capital Contributions	2,182,104.
	=====

Line 10 - Deductions Related to Portfolio Income/Loss

INTEREST EXPENSE	7,915.
AUDIT FEES	2,215.
LEGAL & PROFESSIONAL FEES	129,656.
BANK CHARGES	15.
AMORTIZATION OF ORGANIZATIONAL COSTS	808.

Total Deductions Related to Portfolio Income	140,609.
	=====

Line 17a - Name of Foreign Country or U.S. Possession

UNITED KINGDOM

Line 17g - Total Foreign Taxes

Country	Type of Income	Line 17g
-----		-----
UNITED KINGDOM	INTEREST	1,373.

Total Foreign Taxes		1,373.
		=====

Partner Footnotes

THE FUNCTIONAL CURRENCY OF THE PARTNERSHIP, AS DEFINED IN IRC SECTION 985, IS THE U.K. POUND. THEREFORE, ALL INCOME AND DEDUCTIONS OF THE PARTNERSHIP HAVE BEEN TRANSLATED INTO U.S. DOLLARS USING THE WEIGHTED AVERAGE EXCHANGE RATE FOR THE TAX PERIOD ENDED DECEMBER 31, 2002 (I.E. ONE U.K. POUND : US \$1.50254930). IN ADDITION, FOR PURPOSES OF PRESENTATION, THE CAPITAL CONTRIBUTIONS MADE DURING THE CURRENT YEAR, DISTRIBUTIONS MADE DURING THE CURRENT YEAR, OTHER INCREASES, AND OTHER DECREASES POSTED TO THE CAPITAL ACCOUNT DURING THE CURRENT YEAR HAVE ALL BEEN TRANSLATED AT THE SPOT RATE IN EFFECT ON THE DATE OF THE TRANSACTION. FINALLY, A TRANSLATION ADJUSTMENT HAS BEEN MADE TO PROPERLY STATE THE ENDING CAPITAL ACCOUNT USING THE CLOSING EXCHANGE RATE AS OF DECEMBER 31, 2002 (I.E. ONE U.K. POUND : US \$1.6099). IN ACCORDANCE WITH IRC SECTION 865(A), ANY CAPITAL GAINS ALLOCATED ON THE SALE OF INVESTMENTS BY THE PARTNERSHIP WILL BE CLASSIFIED AS US SOURCE INCOME TO US INVESTORS AND NON-US SOURCE INCOME TO NON-US INVESTORS.

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

Information furnished for the foreign partnership's tax year (see instructions) beginning , 2002, and ending , 20

Attachment Sequence No **118**

▶ Attach to your tax return. See separate instructions.

Important: All information **must** be in English All amounts **must** be in U.S. dollars unless otherwise indicated.

Name of person filing this return **MIT Endowment** Filer's identifying number **04-2103594**

Filer's address (if you are not filing this form with your tax return) **77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139**
A Category of filer (see Categories of Filers in the instructions and check applicable box(es))
1 2 3 4
B Filer's tax year beginning **7/1** 20 **02** and ending **6/30** 20 **03**

C Filer's share of liabilities Nonrecourse \$ **None** Qualified nonrecourse financing \$ **None** Other \$ **125,875**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent
Name **N/A** EIN
Address

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership **Israel Seed IV, LP Beit Hatayelet - 3rd Floor; 2 Beitar Street Jerusalem, 93386 Israel**
2 EIN (if any) **98-0395044**
3 Country under whose laws organized **Cayman Islands**

4 Date of organization **2/18/2000** 5 Principal place of business **Israel** 6 Principal business activity code number **Venture Investing** 7 Principal business activity **US Dollar** 8a Functional currency **N/A** 8b Exchange rate (see instr)

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States **N/A**
2 Check if the foreign partnership must file Form 1042 Form 8804 Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed. **N/A**
3 Name and address of foreign partnership's agent in country of organization, if any **Maples & Calder PO Box 309 G.T., Ugland House, South Church Street Grand Cayman, Cayman Islands**
4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different **Daphna Pearl, CFO; Israel Seed Partners Beit Hatayelet - 3rd Floor; 2 Beitar Street; Jerusalem**

5 Were any special allocations made by the foreign partnership? Yes No
6 Number of foreign disregarded entities owned by the partnership (attach list) Yes None
7 How is this partnership classified under the law of the country in which it is organized? Exempted Limited Partnership
8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No
9 Does this partnership meet both of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000 } Yes No
If "Yes," do not complete Schedules L, M-1, and M-2

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return 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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member Date
Preparer's signature Date Check if self-employed Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code EIN Phone no ()

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U S taxpayer identifying number (if any) of the person(s) whose interest you constructively own See instructions

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Horsley Bridge Partners			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
N/A				

Schedule B Income Statement—Trade or Business Income **N/A**

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below See the instructions for more information

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b			1c
	2 Cost of goods sold				2
	3 Gross profit. Subtract line 2 from line 1c				3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5
	6 Net gain (loss) from Form 4797, Part II, line 18				6
7 Other income (loss) (attach schedule)				7	
8 Total income (loss). Combine lines 3 through 7				8	
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9
	10 Guaranteed payments to partners				10
	11 Repairs and maintenance				11
	12 Bad debts				12
	13 Rent				13
	14 Taxes and licenses				14
	15 Interest				15
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c
	17 Depletion (Do not deduct oil and gas depletion.)				17
	18 Retirement plans, etc.				18
	19 Employee benefit programs				19
	20 Other deductions (attach schedule)				20
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21
	22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8				22

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2	Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . .				2	
3	Short-term capital gain (loss) from like-kind exchanges from Form 8824 . . .				3	
4	Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts . . .				4	
5	Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7 . . .				5	

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year N/A

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7	Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . .				7	
8	Long-term capital gain (loss) from like-kind exchanges from Form 8824. . .				8	
9	Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts . . .				9	
10	Capital gain distributions . . .				10	
11	Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7 . . .				11	
12	Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7 . . .				12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (<i>attach Form 8825</i>)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (<i>attach schedule</i>)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e (1)	Net long-term capital gain (loss)	4e(1)	
	(2)	28% rate gain (loss) ▶	(3)	Qualified 5-year gain ▶
	f	Other portfolio income (loss) (<i>attach schedule</i>)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (<i>attach Form 4797</i>)	6		
7	Other income (loss) (<i>attach schedule</i>)	7		
Deductions	8	Charitable contributions (<i>attach schedule</i>)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (<i>attach schedule</i>)	11	
Credits	12a	Low-income housing credit		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (<i>attach Form 3468</i>)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (<i>attach schedule</i>)	16e		

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶		
	b	Gross income from all sources	17b	
	c	Gross income sourced at partner level	17c	
	d	Foreign gross income sourced at partnership level		
	(1)	Passive	17d(1)	
	(2)	Listed categories (attach schedule)	17d(2)	
	(3)	General limitation	17d(3)	
	e	Deductions allocated and apportioned at partner level.		
	(1)	Interest expense	17e(1)	
	(2)	Other	17e(2)	
	f	Deductions allocated and apportioned at partnership level to foreign source income.		
	(1)	Passive	17f(1)	
	(2)	Listed categories (attach schedule)	17f(2)	
	(3)	General limitation	17f(3)	
g	Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
h	Reduction in taxes available for credit (attach schedule)	17h		
Other	18	Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	
	23	Distributions of property other than money.	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
	Assets			
1	Cash			
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	U.S. government obligations			
5	Tax-exempt securities			
6	Other current assets (attach schedule)			
7	Mortgage and real estate loans			
8	Other investments (attach schedule)			
9a	Buildings and other depreciable assets			
b	Less accumulated depreciation			
10a	Depletable assets			
b	Less accumulated depletion			
11	Land (net of any amortization)			
12a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
13	Other assets (attach schedule)			
14	Total assets			
	Liabilities and Capital			
15	Accounts payable			
16	Mortgages, notes, bonds payable in less than 1 year			
17	Other current liabilities (attach schedule)			
18	All nonrecourse loans			
19	Mortgages, notes, bonds payable in 1 year or more			
20	Other liabilities (attach schedule)			
21	Partners' capital accounts			
22	Total liabilities and capital			

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize)		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize)			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize).		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes") *N/A*

1 Balance at beginning of year			6 Distributions. a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize)		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year Subtract line 8 from line 5		
4 Other increases (itemize).					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d)

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc)				
3 Compensation received for technical, managerial, engineering, construction, or like services . .				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services . .				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

Department of the Treasury
Internal Revenue Service

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

▶ Attach to Form 8865. See Instructions for Form 8865.

OMB No 1545-1668

2002

Name of transferor MIT Endowment	Filer's identifying number 04-2103594
Name of foreign partnership Israel Seed IV, LP	

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		725,000				3.625%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return. See separate instructions.
Information furnished for the foreign partnership's tax year
(see instructions) beginning **01/01**, 2002, and ending **12/31**, 20 **02**

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return **MIT - Endowment** Filer's identifying number **04-2103594**

Filer's address (if you are not filing this form with your tax return)
**77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139**

A Category of filer (see Categories of Filers in the instructions and check applicable box(es))
1 2 3 4 **10/30**

B Filer's tax year beginning **01/01**, 20 **02**, and ending ~~12/31~~, 20 **03**

C Filer's share of liabilities Nonrecourse \$ **NONE** Qualified nonrecourse financing \$ **NONE** Other \$ **NONE**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent.

Name **N/A** EIN

Address

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership
**KKR 1996 FUND (OVERSEAS), LIMITED PARTNERSHIP
C/O KOHLBERG KRAVIS ROBERTS & CO.
9 WEST 57TH STREET, NEW YORK, NY 10019**

2 EIN (if any)
13-3977525

3 Country under whose laws organized
CANADA

4 Date of organization 12/10/1997	5 Principal place of business 9 WEST 57TH STREET NEW YORK, NY 10019	6 Principal business activity code number 523900	7 Principal business activity INVESTMENTS	8a Functional currency U.S. DOLLAR	8b Exchange rate (see instr.) U.S. DOLLAR
---	---	--	---	--	---

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States **N/A**

2 Check if the foreign partnership must file
 Form 1042 Form 8804 Form 1065 or 1065-B
Service Center where Form 1065 or 1065-B is filed:
OGDEN, UTAH

3 Name and address of foreign partnership's agent in country of organization, if any
N/A

4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different
N/A

- 5 Were any special allocations made by the foreign partnership? Yes No
- 6 Number of foreign disregarded entities owned by the partnership (attach list) **NONE**
- 7 How is this partnership classified under the law of the country in which it is organized? **LIMITED PARTNERSHIP**
- 8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? **N/A** Yes No
- 9 Does this partnership meet both of the following requirements?
 • The partnership's total receipts for the tax year were less than \$250,000 and
 • The value of the partnership's total assets at the end of the tax year was less than \$600,000. } **N/A**
 If "Yes," do not complete Schedules L, M-1, and M-2 Yes No

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member _____ Date _____

Paid Preparer Sign and Complete Only If Form Is Filed Separately	Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN _____
	Firm's name (or yours if self-employed), address, and ZIP code _____	EIN _____	Phone no _____	

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

(a) Distributive share items		(b) Total amount	
Income (Loss)	1 Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2 Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a Gross income from other rental activities	3a	
	b Expenses from other rental activities (attach schedule)	3b	
	c Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4 Portfolio income (loss):		
	a Interest income	4a	
	b Ordinary dividends	4b	
	c Royalty income	4c	
	d Net short-term capital gain (loss)	4d	
	e (1) Net long-term capital gain (loss)	4e(1)	
	(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f Other portfolio income (loss) (attach schedule)	4f	
5 Guaranteed payments to partners	5		
6 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7 Other income (loss) (attach schedule)	7		
Deductions	8 Charitable contributions (attach schedule)	8	
	9 Section 179 expense deduction	9	
	10 Deductions related to portfolio income (itemize)	10	
	11 Other deductions (attach schedule)	11	
Credits	12a Low-income housing credit:		
	(1) From partnerships to which section 42(j)(5) applies	12a(1)	
	(2) Other than on line 12a(1)	12a(2)	
	b Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d Credits related to other rental activities	12d	
13 Other credits	13		
Investment Interest	14a Interest expense on investment debts	14a	
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a Net earnings (loss) from self-employment	15a	
	b Gross farming or fishing income	15b	
	c Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a Depreciation adjustment on property placed in service after 1986	16a	
	b Adjusted gain or loss	16b	
	c Depletion (other than oil and gas)	16c	
	d (1) Gross income from oil, gas, and geothermal properties	16d(1)	
	(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued)

(a) Distributive share items		(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶ _____		
	b Gross income from all sources	17b	
	c Gross income sourced at partner level	17c	
	d Foreign gross income sourced at partnership level:		
	(1) Passive	17d(1)	
	(2) Listed categories (attach schedule)	17d(2)	
	(3) General limitation	17d(3)	
	e Deductions allocated and apportioned at partner level:		
	(1) Interest expense	17e(1)	
	(2) Other	17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:		
	(1) Passive	17f(1)	
	(2) Listed categories (attach schedule)	17f(2)	
	(3) General limitation	17f(3)	
g Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
h Reduction in taxes available for credit (attach schedule)	17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ _____ b Amount ▶ _____	18b	
	19 Tax-exempt interest income	19	
	20 Other tax-exempt income	20	
	21 Nondeductible expenses	21	
	22 Distributions of money (cash and marketable securities)	22	
	23 Distributions of property other than money	23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)		

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.") **N/A**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
	Assets			
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation **N/A**

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets.		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") **N/A**

1 Net income (loss) per books . . .		6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):	
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize): _____		a Tax-exempt interest \$ _____	
3 Guaranteed payments (other than health insurance)		7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):	
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):		a Depreciation \$ _____	
a Depreciation \$ _____			
b Travel and entertainment \$ _____		8 Add lines 6 and 7	
5 Add lines 1 through 4		9 Income (loss). Subtract line 8 from line 5	

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") **N/A**

1 Balance at beginning of year . .		6 Distributions: a Cash	
2 Capital contributed:		b Property	
a Cash		7 Other decreases (itemize): _____	
b Property			
3 Net income (loss) per books . . .			
4 Other increases (itemize): _____		8 Add lines 6 and 7	
5 Add lines 1 through 4		9 Balance at end of year. Subtract line 8 from line 5	

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.) .				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				

SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor: MIT - Endowment Filer's identifying number: 04-2103594

Name of foreign partnership: **KKR 1996 FUND (OVERSEAS), LIMITED PARTNERSHIP**

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	2002		2,200,370				0.344190
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Schedule O (Form 8865) 2002

ATTACHMENT TO FORM 8865
 FOR KKR 1996 FUND (OVERSEAS), LIMITED PARTNERSHIP
 12/31/2002

FORM 8865, SCHEDULE A-1-CERTAIN PARTNERS OF FOREIGN PARTNERSHIP

<u>NAME/ADDRESS</u>	<u>EIN#</u>	<u>CHECK IF FOREIGN PARTNERSHIP</u>
OREGON PUBLIC EMPLOYEES' RETIREMENT FUND 350 WINTER STREET, NE, SALEM, OR 97301-3896	93-6001869	
WASHINGTON STATE INVESTMENT BOARD 2424 HERITAGE COURT S W , OLYMPIA, WA 98504-0916	91-1443137	

FORM 8865, SCHEDULE A-2-AFFILIATED SCHEDULE

<u>NAME</u>	<u>EIN#</u>	<u>TOTAL ORDINARY INCOME OR LOSS</u>	<u>CHECK IF FOREIGN PARTNERSHIP</u>
ALBERTA (1996 FUND), LIMITED PARTNERSHIP	NRA	N/A	X
KKF.net INVESTMENTS (1996 FUND), LIMITED PARTNERSHIP	NRA	N/A	X
PROFIT SHARING (OVERSEAS), LIMITED PARTNERSHIP	NRA	N/A	X
TENOVIS INVESTMENTS (1996 FUND), LIMITED PARTNERSHIP	NRA	N/A	X
WENGEN ALBERTA, LIMITED PARTNERSHIP	NRA	N/A	X
FINANCIERE LIGHT II S.A.R.L.	NRA	N/A	X
SUNRISE INVESTMENTS (1996 FUND), LIMITED PARTNERSHIP	NRA	N/A	X

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year (see instructions) beginning , 2002, and ending , 20

Attachment Sequence No **118**

Important: All information must be in English All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment	Filer's identifying number 04-2103594
---	---

Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139	A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
	B Filer's tax year beginning 7/1 20 02 and ending 6/30 20 03

C Filer's share of liabilities: Nonrecourse \$ **None** Qualified nonrecourse financing \$ **None** Other \$ **None**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:
Name **N/A** EIN _____
Address _____

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership
**Apax France VI
c/o Apax Partners & CIE Venture SA
45 Avenue Kleber; 75784 Paris Cedex 16, France**

2 EIN (if any) **98-0230009**

3 Country under whose laws organized **France**

4 Date of organization 8/23/2000	5 Principal place of business France	6 Principal business activity code number 523900	7 Principal business activity Investing	8a Functional currency Euro	8b Exchange rate (see instr) 0.9457
--	--	--	---	---------------------------------------	---

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States N/A	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed Philadelphia, PA
3 Name and address of foreign partnership's agent in country of organization, if any Apax Partners SA 45 Avenue Kleber 75784 Paris Cedex 16, France	4 Name and address of person(s) with custody of the books and records of the partnership, and the location of such books and records, if different Soclete Generale, 50 Boulevard Haussmann 75431 Paris Cedex 09, France

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) None

7 How is this partnership classified under the law of the country in which it is organized? FCPR

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?
 • The partnership's total receipts for the tax year were less than \$250,000 and
 • The value of the partnership's total assets at the end of the tax year was less than \$600,000
 If "Yes," do not complete Schedules L, M-1, and M-2 } Yes No **N/A**

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member _____ Date _____

Paid Preparer Sign and Complete Only If Form is Filed Separately.	Preparer's signature _____	Date _____	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN _____
	Firm's name (or yours if self-employed), address, and ZIP code _____	EIN _____	Phone no () _____	

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
None - N/A			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
None - N/A				

Schedule B Income Statement—Trade or Business Income *N/A*

Caution: Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b			1c
	2 Cost of goods sold				2
	3 Gross profit. Subtract line 2 from line 1c				3
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5
	6 Net gain (loss) from Form 4797, Part II, line 18				6
	7 Other income (loss) (attach schedule)				7
8 Total income (loss). Combine lines 3 through 7				8	
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9
	10 Guaranteed payments to partners				10
	11 Repairs and maintenance				11
	12 Bad debts				12
	13 Rent				13
	14 Taxes and licenses				14
	15 Interest				15
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c
	17 Depletion (Do not deduct oil and gas depletion)				17
	18 Retirement plans, etc.				18
	19 Employee benefit programs				19
	20 Other deductions (attach schedule)				20
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8				22	

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss).		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit.		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U S possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level:			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
	(2) Listed categories (attach schedule)		17f(2)	
(3) General limitation		17f(3)		
g Total foreign taxes (check one) ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money.		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes.") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss) Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes") *N/A*

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5		
4 Other increases (itemize):					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d) **N/A**

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Apax France VI

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		1,543,452				1.495808%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions).

None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No



Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning _____, 2002, and ending _____, 20

Attachment
Sequence No **118**

Important: All information must be in English All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> B Filer's tax year beginning <u>7/1</u> , 20 <u>02</u> and ending <u>6/30</u> , 20 <u>03</u>
C Filer's share of liabilities. Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None		
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)					
(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Bain Capital Fund VII, LP 111 Huntington Avenue Boston, MA 02199-7615					2 EIN (if any) 04-3518910
					3 Country under whose laws organized Cayman Islands
4 Date of organization 7/6/2000	5 Principal place of business Massachusetts	6 Principal business activity code number 523900	7 Principal business activity Investments	8a Functional currency US Dollar	8b Exchange rate (see instr) N/A

G Provide the following information for the foreign partnership's tax year	
1 Name, address, and identifying number of agent (if any) in the United States N/A	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed Ogden, Utah
3 Name and address of foreign partnership's agent in country of organization, if any C/O Walkers SPV Limited Walker House, Mary Street, PO Box 908 GT George Town, Grand Cayman, Cayman Islands	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Bain Capital Fund VII, LP 111 Huntington Avenue; Boston, MA 02199-7619
5 Were any special allocations made by the foreign partnership? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
6 Number of foreign disregarded entities owned by the partnership (attach list) One	
7 How is this partnership classified under the law of the country in which it is organized? Partnership	
8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
9 Does this partnership meet both of the following requirements? • The partnership's total receipts for the tax year were less than \$250,000 and • The value of the partnership's total assets at the end of the tax year was less than \$600,000 If "Yes," do not complete Schedules L, M-1, and M-2.	

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return	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 general partner or limited liability company member) is based on all information of which preparer has any knowledge	
	Signature of general partner or limited liability company member	Date
Paid Preparer Sign and Complete Only If Form is Filed Separately.	Preparer's signature	Date
	Firm's name (or yours if self-employed), address, and ZIP code	Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN EIN _____ Phone no () _____

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
Bain Capital Integral Investors, LLC	111 Huntington Avenue	04-3516394		
Bai Capital Fund VII, LLC	Boston, MA 02199-7615	22-3850292		<input checked="" type="checkbox"/>

Schedule B Income Statement—Trade or Business Income N/A

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a				
	b Less returns and allowances	1b			1c	
	2 Cost of goods sold				2	
	3 Gross profit. Subtract line 2 from line 1c				3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)				4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))				5	
	6 Net gain (loss) from Form 4797, Part II, line 18				6	
7 Other income (loss) (attach schedule)				7		
8 Total income (loss). Combine lines 3 through 7				8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)				9	
	10 Guaranteed payments to partners				10	
	11 Repairs and maintenance				11	
	12 Bad debts				12	
	13 Rent				13	
	14 Taxes and licenses				14	
	15 Interest				15	
	16a Depreciation (if required, attach Form 4562)	16a				
	b Less depreciation reported on Schedule A and elsewhere on return	16b			16c	
	17 Depletion (Do not deduct oil and gas depletion.)				17	
	18 Retirement plans, etc.				18	
	19 Employee benefit programs				19	
	20 Other deductions (attach schedule)				20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.				21	
	22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8				22	

Schedule D Capital Gains and Losses N/A

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year N/A

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr. below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37					7	
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.					8	
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts					9	
10 Capital gain distributions					10	
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7					11	
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7					12	

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. N/A

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss).		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) (3) Qualified 5-year gain	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f	
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above (2) Investment expenses included on line 10 above.	14b(1) 14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties (2) Deductions allocable to oil, gas, and geothermal properties.	16d(1) 16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued) *N/A*

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶		17b	
	b Gross income from all sources		17c	
	c Gross income sourced at partner level		17d(1)	
	d Foreign gross income sourced at partnership level:		17d(2)	
	(1) Passive		17d(3)	
	(2) Listed categories (<i>attach schedule</i>)		17e(1)	
	(3) General limitation		17e(2)	
	e Deductions allocated and apportioned at partner level:		17f(1)	
	(1) Interest expense		17f(2)	
	(2) Other		17f(3)	
	f Deductions allocated and apportioned at partnership level to foreign source income:		17g	
	(1) Passive		17h	
(2) Listed categories (<i>attach schedule</i>)				
(3) General limitation				
g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>				
h Reduction in taxes available for credit (<i>attach schedule</i>)				
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (<i>attach schedule</i>)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.") *N/A*

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
	Assets			
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (<i>attach schedule</i>)				
7 Mortgage and real estate loans				
8 Other investments (<i>attach schedule</i>)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (<i>attach schedule</i>)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (<i>attach schedule</i>)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (<i>attach schedule</i>)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U S assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (<i>attach schedule</i>)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize)			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions		
2 Capital contributed.			a Cash		
a Cash			b Property		
b Property			7 Other decreases (itemize):		
3 Net income (loss) per books			8 Add lines 6 and 7		
4 Other increases (itemize):			9 Balance at end of year Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

N/A

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



**SCHEDULE O
(Form 8865)**

**Transfer of Property to a Foreign Partnership
(under section 6038B)**

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Bain Capital Fund VII, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		6,375,000				0.975500%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):
None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



MIT – Endowment
77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139

FEIN: 04-2103594

Partnership: Bain Capital Fund VII, LP
EIN: 04-3518910

Foreign Disregarded Entities:

1. Bain Capital Fund VII, LLC
EIN: 22-3850292
United States

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment	Filer's identifying number 04-2103594
---	---

Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139	A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> B Filer's tax year beginning July 1 , 20 02 , and ending June 30 , 20 03
--	--

C Filer's share of liabilities: Nonrecourse \$ **NONE** Qualified nonrecourse financing \$ **NONE** Other \$ **NONE**

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:

Name N/A	EIN
Address	

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Bain Capital Fund VII-E, LP 111 Huntington Avenue Boston, MA 02199-7615	2 EIN (if any) 04-3578237 3 Country under whose laws organized Cayman Islands
---	--

4 Date of organization 10/01/2001	5 Principal place of business Massachusetts	6 Principal business activity code number 523900	7 Principal business activity Investments	8a Functional currency US Dollar	8b Exchange rate (see instr.)
--	--	---	--	---	--------------------------------------

G Provide the following information for the foreign partnership's tax year.

1 Name, address, and identifying number of agent (if any) in the United States	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed Ogden, Utah 84201-0011
3 Name and address of foreign partnership's agent in country of organization, if any PO Box 265 GT, Walker House George Town, Grand Cayman Cayman Islands	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Bain Capital, LLC 111 Huntington Avenue; Boston, MA 02199-7619

5 Were any special allocations made by the foreign partnership? ▶ Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) ▶ **5**

7 How is this partnership classified under the law of the country in which it is organized? . . . ▶ **Partnership**

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? . . . ▶ Yes No

9 Does this partnership meet **both** of the following requirements?
• The partnership's total receipts for the tax year were less than \$250,000 and
• The value of the partnership's total assets at the end of the tax year was less than \$600,000
If "Yes," **do not** complete Schedules L, M-1, and M-2 ▶ Yes No

N/A

Sign Here Only if You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member	Date
Preparer's signature	Date
Firm's name (or yours if self-employed), address, and ZIP code	Preparer's SSN or PTIN
	Check if self-employed <input type="checkbox"/>
	EIN
	Phone no ()

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37						2
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						3
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						4
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						5

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37						7
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						8
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts						9
10 Capital gain distributions						10
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						11
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						12

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶ (3) Qualified 5-year gain ▶	4e(2)	
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a	Name of foreign country or U.S. possession ▶		
	b	Gross income from all sources	17b	
	c	Gross income sourced at partner level	17c	
	d	Foreign gross income sourced at partnership level:		
		(1) Passive	17d(1)	
		(2) Listed categories (attach schedule)	17d(2)	
		(3) General limitation	17d(3)	
	e	Deductions allocated and apportioned at partner level:		
		(1) Interest expense	17e(1)	
		(2) Other	17e(2)	
	f	Deductions allocated and apportioned at partnership level to foreign source income:		
		(1) Passive	17f(1)	
	(2) Listed categories (attach schedule)	17f(2)		
	(3) General limitation	17f(3)		
	g Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
	h Reduction in taxes available for credit (attach schedule)	17h		
Other	18	Section 59(e)(2) expenditures: a Type ▶	b Amount ▶	18b
	19	Tax-exempt interest income		19
	20	Other tax-exempt income		20
	21	Nondeductible expenses		21
	22	Distributions of money (cash and marketable securities)		22
	23	Distributions of property other than money.		23
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.") **N/A**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Passive income category		
b Listed categories (<i>attach schedule</i>)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions. a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property		
3 Net income (loss) per books		
4 Other increases (itemize):			8 Add lines 6 and 7		
.			9 Balance at end of year. Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d)

N/A

N/A

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor

MIT Endowment

Filer's identifying number

04-2103594

Name of foreign partnership

Bain Capital VII-E, LP

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	Various		\$2,800,000				2.00%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions)

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



MIT – Endowment
77 Massachusetts Avenue
NE49-3142
Cambridge, MA 02139

FEIN: 04-2103594

Partnership: Bain Capital Fund VII-E, LP
EIN: 04-3578237

Foreign Disregarded Entities:

1. Bain Capital SPV, Ltd.
EIN: N/A
Cayman Islands

2. Bain Capital Fun VII-E (UK) LP
EIN: N/A
Cayman Islands
Partnership

3. Bain Capital UK GP Limited
EIN: N/A
Cayman Islands

4. Bain Capital UK GP I, LLC
EIN: 04-3578275
United States
Single Member LLC

5. Bain Capital UK GP II, LLC
EIN: 04-3578277
Single Member LLC

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> B Filer's tax year beginning <u>7/1</u> , 20 <u>02</u> , and ending <u>6/30</u> , 20 <u>03</u>
C Filer's share of liabilities Nonrecourse \$ None Qualified nonrecourse financing \$ None Other \$ None		
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Allen McGuire Private Equity Fund III Penthouse, Apex Business Centre, Blackthorn Road Sandyford, Dublin 18, Ireland					2 'EIN (if any) 98-0213066	
					3 Country under whose laws organized Republic of Ireland	
4 Date of organization 6/28/1996	5 Principal place of business Ireland	6 Principal business activity code number	7 Principal business activity	8a Functional currency US Dollar	8b Exchange rate (see instr) N/A	

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States Stephen M. Gaeta, KPMG Three Embarcadero Centre, San Francisco, CA 94111		2 Check if the foreign partnership must file: <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed N/A	
3 Name and address of foreign partnership's agent in country of organization, if any Brian Daly, KPMG 5 Georges Dock, IFSC Dublin 1, Ireland		4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different <i>Am General Partner Limited Penthouse, Apex Business Centre, Blackthorn Road Sandyford, Dublin 18, Ireland</i>	

5 Were any special allocations made by the foreign partnership? Yes **None**

6 Number of foreign disregarded entities owned by the partnership (attach list) **None**

7 How is this partnership classified under the law of the country in which it is organized? Foreign Partnership

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes **No**

9 Does this partnership meet both of the following requirements?
 • The partnership's total receipts for the tax year were less than \$250,000 and
 • The value of the partnership's total assets at the end of the tax year was less than \$600,000
 If "Yes," do not complete Schedules L, M-1, and M-2 } Yes **N/A**

Sign Here Only if You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member		Date	
Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no ()

Schedule A

Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U S taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Juvent Technologies Inc. Master Pension Trust			
Fano & Co's Limited Partnership Interest			
IBM Personal Pension Plan Trust			
First Plaza Group Trust			
MIT			

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2

Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
MCF Capital Partners				

Schedule B Income Statement—Trade or Business Income *N/A*

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a		
	b Less returns and allowances	1b	1c	
	2 Cost of goods sold		2	
	3 Gross profit. Subtract line 2 from line 1c		3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)		4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))		5	
	6 Net gain (loss) from Form 4797, Part II, line 18		6	
7 Other income (loss) (attach schedule)		7		
8 Total income (loss). Combine lines 3 through 7		8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)		9	
	10 Guaranteed payments to partners		10	
	11 Repairs and maintenance		11	
	12 Bad debts		12	
	13 Rent		13	
	14 Taxes and licenses		14	
	15 Interest		15	
	16a Depreciation (if required, attach Form 4562)	16a		
	b Less depreciation reported on Schedule A and elsewhere on return	16b	16c	
	17 Depletion (Do not deduct oil and gas depletion)		17	
	18 Retirement plans, etc		18	
	19 Employee benefit programs		19	
	20 Other deductions (attach schedule)		20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.		21	
	22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8		22	

Schedule D Capital Gains and Losses *N/A*

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . .						2
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824						3
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts						4
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7						5

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . .						7
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						8
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts . . .						9
10 Capital gain distributions						10
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						11
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						12

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc. *N/A*

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (<i>attach Form 8825</i>)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (<i>attach schedule</i>)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e (1)	Net long-term capital gain (loss)	4e(1)	
	(2)	28% rate gain (loss) ▶	(3)	Qualified 5-year gain ▶
	f	Other portfolio income (loss) (<i>attach schedule</i>)	4f	
	5	Guaranteed payments to partners	5	
6	Net section 1231 gain (loss) (other than due to casualty or theft) (<i>attach Form 4797</i>)	6		
7	Other income (loss) (<i>attach schedule</i>)	7		
Deductions	8	Charitable contributions (<i>attach schedule</i>)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (<i>attach schedule</i>)	11	
Credits	12a	Low-income housing credit		
	(1)	From partnerships to which section 42(j)(5) applies	12a(1)	
	(2)	Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (<i>attach Form 3468</i>)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
d	Credits related to other rental activities	12d		
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
	(2)	Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d (1)	Gross income from oil, gas, and geothermal properties	16d(1)	
	(2)	Deductions allocable to oil, gas, and geothermal properties	16d(2)	
e	Other adjustments and tax preference items (<i>attach schedule</i>)	16e		

Schedule K (continued) **N/A**

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶			
	b Gross income from all sources		17b	
	c Gross income sourced at partner level		17c	
	d Foreign gross income sourced at partnership level:			
	(1) Passive		17d(1)	
	(2) Listed categories (attach schedule)		17d(2)	
	(3) General limitation		17d(3)	
	e Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17e(1)	
	(2) Other		17e(2)	
	f Deductions allocated and apportioned at partnership level to foreign source income:			
	(1) Passive		17f(1)	
	(2) Listed categories (attach schedule)		17f(2)	
(3) General limitation		17f(3)		
g Total foreign taxes (check one): Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17g		
h Reduction in taxes available for credit (attach schedule)		17h		
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (attach schedule)			

Schedule L **Balance Sheets per Books** (Not required if Question G9, page 1, is answered "Yes.") **N/A**

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (attach schedule)				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (attach schedule)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (attach schedule)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (attach schedule)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation *N/A*

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets.		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes") *N/A*

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize)		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.") *N/A*

1 Balance at beginning of year			6 Distributions. a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property			8 Add lines 6 and 7		
3 Net income (loss) per books			9 Balance at end of year. Subtract line 8 from line 5		
4 Other increases (itemize):					
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U.S. person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U.S. person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U.S. person filing this return	(d) Any U.S. person with a 10% or more direct interest in the controlled foreign partnership (other than the U.S. person filing this return)
1 Sales of inventory		N/A	N/A	N/A
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received	0			
7 Interest received				
8 Other				
9 Add lines 1 through 8	0			
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

Partner's Share of Income, Credits, Deductions, etc.

▶ See separate instructions.

For calendar year 2002 or tax year beginning 1 July, 2002, and ending 30 June, 2003

OMB No 1545-0089

2002

Partner's identifying number ▶ 04-203594

Partnership's identifying number ▶ 98 : 0213006

Partnership's name, address, and ZIP code

07-JAN-2004 10:54 FROM ALLEN MCGUIRE PRNS

TO 0016172588614

P.08/30

Allen McGuire Private Equity Fund III

MIT

\$

Line 1 Ordinary Income (Loss) from trade or business activities	243,277
Line 4 (a) Interest Income	579,387
Line 4 (e) 1 Net Long Term Capital Loss	(219,607)

Interest Income	579,387
Foreign Exchange Gain	384,419
Total Line 17 d (1)	963,806

Management Fee	133,809
Amortisation of Organisation Costs	6,467
Professional Fee	836
Other	31
Long Term Capital Loss	219,607
Total Line 17 f (1)	360,749

603,056

Return of U.S. Persons With Respect to Certain Foreign Partnerships

2002

Department of the Treasury
Internal Revenue Service

▶ **Attach to your tax return. See separate instructions.**
Information furnished for the foreign partnership's tax year
(see instructions) beginning , 2002, and ending , 20

Attachment
Sequence No **118**

Important: All information must be in English. All amounts must be in U.S. dollars unless otherwise indicated.

Name of person filing this return MIT Endowment		Filer's identifying number 04-2103594
Filer's address (if you are not filing this form with your tax return) 77 Massachusetts Avenue NE49-3142 Cambridge, MA 02139		A Category of filer (see Categories of Filers in the instructions and check applicable box(es)) 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
		B Filer's tax year beginning 7/1 , 20 02 , and ending 6/30 , 20 03
C Filer's share of liabilities. Nonrecourse \$	0 Qualified nonrecourse financing \$	0 Other \$
D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:		
Name N/A		EIN
Address		

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner
N/A					

F1 Name and address of foreign partnership Alchemy Plan (Cambridge) L.P. Trafalgar Court, Les Banques, St Peter Port Guernsey, Channel Islands, GY1 3QL		2 EIN (if any) 98-0203250
		3 Country under whose laws organized Guernsey
4 Date of organization July 17, 1998	5 Principal place of business Guernsey	6 Principal business activity code number 523900
7 Principal business activity Portfolio Investmen		8a Functional currency Sterling
		8b Exchange rate (see instr) 1.6044

G Provide the following information for the foreign partnership's tax year

1 Name, address, and identifying number of agent (if any) in the United States None	2 Check if the foreign partnership must file <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input type="checkbox"/> Form 1065 or 1065-B Service Center where Form 1065 or 1065-B is filed None
3 Name and address of foreign partnership's agent in country of organization, if any Alchemy Partners (Guernsey) Ltd. Trafalgar Court, Les Banques, St. Peter Port Guernsey, Channel Islands, GY1 3QL	4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different Trafalgar Court, Les Banques, St. Peter Port Guernsey, Channel Islands, GY1 3QL

5 Were any special allocations made by the foreign partnership? Yes No

6 Number of foreign disregarded entities owned by the partnership (attach list) None

7 How is this partnership classified under the law of the country in which it is organized? **Limited Partnership**

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3) or (4)? Yes No

9 Does this partnership meet both of the following requirements?

- The partnership's total receipts for the tax year were less than \$250,000 and
- The value of the partnership's total assets at the end of the tax year was less than \$600,000

If "Yes," do not complete Schedules L, M-1, and M-2 Yes No

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge

Signature of general partner or limited liability company member _____ Date _____

Paid Preparer Sign and Complete Only If Form is Filed Separately.

Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____

Firm's name (or yours if self-employed), address, and ZIP code _____ EIN _____ Phone no () _____

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U S taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
Massachusetts Institute of Technology	77 Massachusetts Avenue	04-2103594	

Does the partnership have any other foreign person as a direct partner? Yes No

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
None				

Schedule B Income Statement—Trade or Business Income

Caution: Include *only* trade or business income and expenses on lines 1a through 22 below. See the instructions for more information

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b		1c	
	2 Cost of goods sold			2	
	3 Gross profit. Subtract line 2 from line 1c			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 18			6	
	7 Other income (loss) (attach schedule)			7	
8 Total income (loss). Combine lines 3 through 7			8		
Deductions (see page 8 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	
	17 Depletion (Do not deduct oil and gas depletion)			17	
	18 Retirement plans, etc			18	
	19 Employee benefit programs			19	
	20 Other deductions (attach schedule)			20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21	
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8			22		

Schedule D Capital Gains and Losses

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1 See Attached						
2 Short-term capital gain from installment sales from Form 6252, line 26 or 37 . . .					2	
3 Short-term capital gain (loss) from like-kind exchanges from Form 8824					3	
4 Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts					4	
5 Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7					5	

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

(a) Description of property (e.g., 100 shares of "Z" Co)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr below)
6 See Attached						
7 Long-term capital gain from installment sales from Form 6252, line 26 or 37 . . .						
8 Long-term capital gain (loss) from like-kind exchanges from Form 8824.						
9 Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts . . .						
10 Capital gain distributions						
11 Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(2) or 7						
12 Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(1) or 7						

*28% rate gain or (loss) includes all "collectibles gains and losses" (as defined in the instructions).

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	See Attached
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	(1) Net long-term capital gain (loss)	4e(1)	
		(2) 28% rate gain (loss) ▶		
		(3) Qualified 5-year gain ▶		
	f	Other portfolio income (loss) (attach schedule)	4f	
	5 Guaranteed payments to partners	5		
	6 Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
	7 Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit.		
		(1) From partnerships to which section 42(j)(5) applies	12a(1)	
		(2) Other than on line 12a(1)	12a(2)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	14b(1)	
		(2) Investment expenses included on line 10 above	14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties	16d(1)	
		(2) Deductions allocable to oil, gas, and geothermal properties	16d(2)	
	e Other adjustments and tax preference items (attach schedule)	16e		

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a	Name of foreign country or U S possession ▶		
	b	Gross income from all sources	17b	See Attached
	c	Gross income sourced at partner level	17c	
	d	Foreign gross income sourced at partnership level:		
		(1) Passive	17d(1)	
		(2) Listed categories (attach schedule)	17d(2)	
		(3) General limitation	17d(3)	
	e	Deductions allocated and apportioned at partner level:		
		(1) Interest expense	17e(1)	
		(2) Other	17e(2)	
	f	Deductions allocated and apportioned at partnership level to foreign source income:		
		(1) Passive	17f(1)	
		(2) Listed categories (attach schedule)	17f(2)	
	(3) General limitation	17f(3)		
g	Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>	17g		
h	Reduction in taxes available for credit (attach schedule)	17h		
Other	18	Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	18b	
	19	Tax-exempt interest income	19	
	20	Other tax-exempt income	20	
	21	Nondeductible expenses	21	
	22	Distributions of money (cash and marketable securities)	22	
	23	Distributions of property other than money	23	
	24	Other items and amounts required to be reported separately to partners (attach schedule)		

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes")

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
	Assets			
1	Cash		See Attached	
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	U.S. government obligations			
5	Tax-exempt securities			
6	Other current assets (attach schedule)			
7	Mortgage and real estate loans			
8	Other investments (attach schedule)			
9a	Buildings and other depreciable assets			
b	Less accumulated depreciation			
10a	Depletable assets			
b	Less accumulated depletion			
11	Land (net of any amortization)			
12a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
13	Other assets (attach schedule)			
14	Total assets			
	Liabilities and Capital			
15	Accounts payable			
16	Mortgages, notes, bonds payable in less than 1 year			
17	Other current liabilities (attach schedule)			
18	All nonrecourse loans			
19	Mortgages, notes, bonds payable in 1 year or more			
20	Other liabilities (attach schedule)			
21	Partners' capital accounts			
22	Total liabilities and capital			

Schedule M Balance Sheets for Interest Allocation

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets	See Attached	
2 Total foreign assets:		
a Passive income category		
b Listed categories (attach schedule)		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.")

1 Net income (loss) per books	See Attached		6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b (itemize):			a Depreciation \$		
a Depreciation \$					
b Travel and entertainment \$			8 Add lines 6 and 7		
5 Add lines 1 through 4			9 Income (loss). Subtract line 8 from line 5		

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes")

1 Balance at beginning of year	See Attached		6 Distributions a Cash		
2 Capital contributed:			b Property		
a Cash			7 Other decreases (itemize):		
b Property					
3 Net income (loss) per books			8 Add lines 6 and 7		
4 Other increases (itemize)			9 Balance at end of year. Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U S person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U S person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U S person filing this return	(d) Any U S person with a 10% or more direct interest in the controlled foreign partnership (other than the U S person filing this return)
1 Sales of inventory	See Attached			
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received				
5 Rents, royalties, and license fees received				
6 Distributions received				
7 Interest received				
8 Other				
9 Add lines 1 through 8				
10 Purchases of inventory				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				



SCHEDULE O
(Form 8865)

Transfer of Property to a Foreign Partnership
(under section 6038B)

OMB No 1545-1668

2002

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 8865. See Instructions for Form 8865.

Name of transferor
MIT Endowment

Filer's identifying number
04-2103594

Name of foreign partnership
Alchemy Plan (Cambridge) L.P

Part I Transfers Reportable Under Section 6038B

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash	various		9,928,104				99.01%
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

None

Part II Dispositions Reportable Under Section 6038B

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner
N/A							

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? Yes No

For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Cat No 25909U

Schedule O (Form 8865) 2002



Alchemy Plan (Cambridge) L.P.
Form 8865 Schedule D: Capital Gains and Losses
December 31, 2002

Page 3 Schedule D Information

Part I - Short-term Capital Gains and Losses

Description of Property	Date Acquired	Date Sold	Sales Price	Cost Basis	Gain/ (Loss)
Barid Plc (Discounted Unsecured Loan Notes 2009)	21-Dec-00	31-Dec-02	0	745,624	(745,624)
Silhouette Health & Fitness SA (6% Loan Stock)	Various	29-Apr-02	0	9,946	(9,946)
Troyess plc (Ordinary Shares of £0 10 each)	25-Jan-02	25-Jan-02	45,093	3,318	41,775
CyberTron Telekom AG (Subordinated Warrant-Linked Bond 6% 05/01/2001 - 04/01/2006)	31-Dec-00	31-Dec-02	0	249,142	(249,142)
Datapoint Finance Limited (Fixed Rate Unsecured Series A Loan Notes 2007)	29-Jun-00	31-Dec-02	0	632,674	(632,674)
MTF Holding AG (CHF Loan Stock)	21-Sep-99	31-Dec-02	0	760,800	(760,800)
					<u>(2,356,411)</u>

2) Short-term capital gain from installment sales from Form 6252, line 26 or 37	-
3) Short-term capital gain (loss) from like-kind exchanges from Form 8824	-
4) Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts	-
5) Net short-term capital gain or (loss)	<u>(2,356,411)</u>

Part 2 - Long-Term Capital Gains and Losses (FROM A5)

Description of Property	Date Acquired	Date Sold	Sales Price	Cost Basis	Gain/ (Loss)
Edlaw plc (Discounted A Unsecured Loan Notes 31 July 2011)	Various	25-Jan-02	223,515	212,851	10,664
Troyess plc (Ordinary Shares of £0.10 each)	Various	25-Jan-02	470,151	35,522	434,629
Datapoint Newco 1 Limited (Ordinary Shares of £0 01 each)	29-Jun-00	31-Dec-02	0	18,350	(18,350)
MTF Holding AG (Ordinary Shares of CHF50 each)	21-Sep-99	31-Dec-02	0	208,421	(208,421)
					<u>218,522</u>

7) Long-term capital gain from installment sales from Form 6252, line 26 or 37	-
8) Long-term capital gain (loss) from like-kind exchanges from Form 8824	-
9) Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts	-
10) Capital gain distributions	-
Net long-term capital gain or (loss)	<u>218,522</u>

Alchemy Plan (Cambridge) L.P.

Form 8865 Schedule K: Partner's Shares of Income, Credits, Deductions, etc.

December 31, 2002

Page 4: Schedule K Information		
	Exchange Rate (income)	1.50362
	Exchange Rate (distributions)	1.60440
		USD
Income		
1)	Ordinary income (loss) from trade or business activities	
2)	Net income (loss) from rental real estate activities (attach Form 8825)	
3)	a Gross income from other rental activities	
	b Expenses from other rental activities	
	c Net income (loss) from other rental activities	
4)	Portfolio income (loss)	
	a Interest Income	1,915,807
	b Ordinary dividends	-
	c Royalty income	
	d Net short-term capital gain (loss)	(2,356,411)
	e1 Net long-term capital gain (loss)	218,522
	f Other portfolio income (loss)	-
5)	Guaranteed payments to partners	
6)	Net section 1231 gain (loss) (attach Form 4797)	
7)	Other income (loss) (attach schedule)	
Deductions		
8)	Charitable contributions (attach schedule)	
9)	Section 179 expense deduction	
10)	Deductions related to portfolio income	270,175
11)	Other Deductions (attach schedule)	
Investment Interest		
14)	a Interest expense on investment debts	-
	b1 Investment income included on lines 4a, 4b, 4c, and 4f above	1,915,807
	b2 Investment expenses included on line 10 above	270,175
Adjustments and Tax Preference Items		
16)	a Depreciation adjustment on property placed in service after 1986	
	b Adjusted gain or loss	
	c Depletion	
	d1 Gross income from oil, gas, and geothermal properties	
	d2 Deductions allocable to oil, gas, and geothermal properties	
	e Other adjustments and tax preference items (attach schedule)	
Foreign Taxes		
17)	a Name of foreign country or US possession	VARIOUS
	b Gross income from all sources	(222,082)
	c Gross income sourced at partner level	(2,137,889)
	d Foreign gross income sourced at partnership level	
	d1 Passive	1,915,807
	d2 Listed categories (attach schedule)	
	d3 General limitation	
	e Deductions allocated and apportioned at partner level	
	e1 Interest expense	-
	e2 Other	
	f Deductions allocated and apportioned at partnership level to foreign source income	
	f1 Passive	270,175
	f2 Listed categories (attach schedule)	
	f3 General limitation	
	g Total foreign taxes paid	-
	h Reduction in taxes available for credit and gross income from all sources (attach schedule)	
Other		
18)	Section 59(e)(2) expenditures	
19)	Tax Exempt interest income	
20)	Other tax-exempt income	
21)	Nondeductible expenses	
22)	Distributions of money (cash and marketable securities)	-
23)	Distributions of property other than money	
24)	Other items and amounts required to be reported separately to partners (attach schedule)	

Alchemy Plan (Cambridge) L.P.
Translated Balance Sheet
Year Ended 12/31/2002

Page 5 Schedule L Information

Translated Balance Sheet	Beginning of Year		End of Year	
	STG	USD	STG	USD
<i>Input spot rate at 12/31/2001 & 12/31/2002</i>	XXXXXXX	1.4515	XXXXXXX	1.6044
1) CASH	548,973	796,834	71,901	115,358
2) a TRADE NOTES & A/R		0		0
b LESS ALLOWANCE FOR BAD DEBTS		0		0
3) INVENTORIES		0		0
4) US GOVERNMENT OBLIGATIONS				
5) TAX-EXEMPT SECURITIES				
6) OTHER CURRENT ASSETS (SCHED)				
Due from manager	20,021	29,060	38,859	62,345
Contributions due from partners		0	0	0
Sundry debtors				
7) MORTGAGE AND REAL ESTATE LOANS		0		0
8) OTHER INVESTMENTS (SCHED)		0		0
Investments	12,365,357	17,948,316	17,226,502	27,638,200
9) a BUILDINGS AND OTHER DEP ASSETS		0		0
b LESS ACC DEPR		0		0
10) a DEPLETABLE ASSETS		0		0
b LESS ACCUM DEPL		0		0
11) LAND (NET)		0		0
12) INTANGIBLE ASSETS		0		0
13) OTHER ASSETS (SCHED)				
14) TOTAL ASSETS	<u>12,934,351</u>	<u>18,774,210</u>	<u>17,337,262</u>	<u>27,815,903</u>
15) ACCOUNTS PAYABLE		0		0
16) MORTGAGES, NOTES PAYABLE IN LESS THAN 1 YEAR		0		0
17) OTHER CURRENT LIABILITIES (SCHED)				
Due to broker		0	0	0
Due to manager	9,863	14,316	4,090	6,562
Prepaid contributions		0	0	0
18) ALL NON RECOURSE LOANS		0		0
20) OTHER LIABILITIES (SCHED)				
21) PARTNER'S CAPITAL ACCOUNTS	<u>12,924,488</u>	<u>18,759,894</u>	<u>17,333,172</u>	<u>27,809,341</u>
22) TOTAL LIABILITIES AND CAPITAL	<u>12,934,351</u>	<u>18,774,210</u>	<u>17,337,262</u>	<u>27,815,903</u>

Alchemy Plan (Cambridge) L.P.
Form 8865 Page 6 Information
Year Ended 12/31/2002

Page 6 Schedule M Information:

	Beginning of Year		End of Year	
	STG	USD	STG	USD
Input spot rate at December 31	XXXXXXX	1.45150	XXXXXXX	1.60440
1) Total US assets	3	4	3	5
2) Total foreign assets:				
2a) Passive income category	12,934,348	18,774,206	17,337,259	27,815,898
2b) Listed categories (attach schedule)	-	-	-	-
2c) General limitation income category	-	-	-	-

Page 6 Schedule M-1 Information:

	STG	USD
<i>Input average exchange rate</i>	XXXXXXXXXX	1.50362
1) Net Income (loss) per books		(2,765,548)
2) Income included on schedule K, lines 1 through 4, 6, and 7, not recorded on books this year:		
Interest income		1,858,391
Capital gains		-
Currency gains		-
3) Guaranteed payments		-
4) Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17g, and 18b:		
Unrealized losses on investments		1,901,888
Formation expenses		-
Timing differences on accruals		(8,922)
5) Add lines 1 through 4		985,809
6) Income recorded on books this year not included on Schedule K, lines 1 through 7:		
Unrealized gains on investments		-
7) Deductions included on Schedule K, lines 1 through 11, 14a, 17g, and 18b not charged against book income this year:		
Capital losses		1,478,066
8) Add lines 6 and 7		1,478,066
9) Income (loss) Subtract line 8 from line 5		(492,257)

Page 6 Schedule M-2 Information:

	STG	USD
<i>Input spot exchange rate</i>	XXXXXXXXXX	1.60440
1) Balance at beginning of year	12,924,488 spot	18,759,894
2) Capital contributed during year	6,247,939 spot	10,024,194
3) Net income (loss) per books	(1,839,260) ave	(2,765,548)
4) Other Increases		
Translation adjustment - balance sheet		1,976,154
Prepaid contributions (2002 calls paid in 2001)		-
5) Add lines 1 through 4	17,333,167	27,994,694
6a) Distributions - Cash	- spot	-
6b) Distributions - Property	-	-
7) Other decreases:		
Translation adjustment - earnings		(185,359)
Prepaid contributions (2003 calls paid in 2002)		-
Rounding	5	6
8) Add lines 6 and 7	5	(185,353)
9) Balance at end of year	17,333,172	27,809,341

Alchemy Plan (Cambridge) L.P.
 Schedule N
 Year ending 12/31/2002

Page 7 Schedule N Information

Exchange Rate: Spot
 Exchange Rate: Average

1.60440
1.50362

PARTNER:

Massachusetts Institute of Technology

	Column A		Column D	
	Functional Currency	Dollars	Functional Currency	Dollars
1) Sales of inventory	-	-	-	-
2) Sale of property rights		-		-
3) Compensation received for technical, managerial, engineering, construction, or like services		-		-
4) Commissions received		-		-
5) Rents, royalties, and license fees received		-		-
6) Distributions received	-	-		-
7) Interest received		-		-
8) Other		-		-
9) Add lines 1 through 8	-	-	-	-
10) Purchases of inventory		-		-
11) Purchases of tangible property other than inventory		-		-
12) Purchases of property rights		-		-
13) Compensation received for technical, managerial, engineering, construction, or like services		-		-
14) Commissions paid		-		-
15) Rents, royalties, and license fees received		-		-
16) Distributions paid		-		-
17) Interest paid		-		-
18) Other - Distributions		-		-
Add lines 10 through 18	-	-	-	-
20) Amounts borrowed (enter the maximum loan balance during the year)		-		-
21) Amounts loaned (enter the maximum loan balance during the year)		-		-

SCHEDULE K-1
(Form 1065)

Department of the Treasury
Internal Revenue Service

Partner's Share of Income, Credits, Deductions, etc.

▶ See separate instructions.

OMB No 1545-0099

2002

For calendar year 2002 or tax year beginning , 2002, and ending , 20

Partner's identifying number ▶ -

Partnership's identifying number ▶ 98-0203250

Partner's name, address, and ZIP code

Partnership's name, address, and ZIP code