

Return of Private Foundation Exempt from Income Tax

Under Section 501(c)(3) of the Internal Revenue Code

1979

For the calendar year 1979, or taxable year beginning

, 1979 and ending

, 19

Please type
print or
attach label.
See instruction
G

Name: **KROC FOUNDATION**
Ad: **4425 CASS ST STE A**
City: **SAN DIEGO**
CA 92109

Employer identification number (see instruction G)

36 6125258

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

Fair market value of assets at end of year (see instruction H)

49 210 526

If address changed checked here ☐Foreign organizations, check here ☐The books are in care of **FORD, HICKMAN, GIBBS & MASSINGER, ACCOUNTANTS, INC.**Located at **600 B St. #1200, San Diego CA 92101** Telephone no **714 231-0331**If exemption application is pending, check here ☐

Part I Analysis of Revenue and Expenses (See instructions for Part I)

	(A) Revenue and expenses per books	(B) Computation of net investment income	(C) Computation of adjusted net income	(D) Disbursements for exempt purpose
Revenue				
1 Gross contributions, gifts, grants, etc. (see instructions) ^{SCN 2}	47 957 500			
2 Contributions from split interest trusts (see instructions)				
3 Gross dues and assessments				
4 Interest	10 352	10 352	10 352	
5 Dividends	473 046	473 046	473 046	
6 Gross rents and royalties	358	358	358	
7 Net gain or (loss) from sale of assets not in line 11	< 17 916 >			
8 Capital gain net income (see instructions)		49 719 02		
9 Net short term capital gain (see instructions)				
10 Income modifications (see instructions)				
11 Gross profit from any business activities: (Gross receipts ▶ \$ minus cost of sales ▶ \$ see instructions)				
12 Other income (attach schedule) ^{SCN 2}	204 081	204 081	204 081	
13 Total—add lines 1 through 12	47 833 851	5663 239	691 337	
14 Compensation of officers, etc. (see instructions)	60 770	12 094	12 094	48 376
15 Other salaries and wages	41 631	48 327	48 327	17 304
16 (a) Pension plan contributions (enter number of plans ▶ 1)				
(b) Other employee benefits	6280	1256	1256	5424
17 Investment, legal and other professional services	35 428	41 571	41 571	12 857
18 Interest	34			34
19 Taxes (see instructions) ^{SCN 2}	12 374	2241	2241	11 933
20 Depreciation, amortization, and depletion (see instructions)	9783	-	9793	
21 Rent				
22 Other expenses (attach schedule) ^{SCN 2}	773 096	7641	7641	765 455
23 Contributions, gifts, grants (see instructions) ^{SCN 1}	4814 230			4814 230
24 Total—add lines 14 through 23	6083 696	113230	122963	5960 733
25 Line 13 minus line 24: (a) excess of revenue over expenses	41 750 155			
(b) Net investment income (if negative enter -0-)		555 000 9		
(c) Adjusted net income (see instructions) (if negative enter -0-)			568 374	

Part II Excise Tax On Investment Income

1 Domestic organizations enter 2% of line 25(b); foreign organizations enter 4% of line 25(b)	111 000
2 Credits: (a) Foreign organizations—tax withheld at source	
(b) Tax paid with application for extension of time to file (Form 2758)	
3 Tax Due—line 1 minus line 2. Pay in full with return. Make check or money order payable to Internal Revenue Service (write employer identification number on check or money order)	111 000
4 Overpayment—line 2 minus line 1	
Foreign organization—Enter book value ▶ \$ and fair market value ▶ \$ of investment assets held in U.S.	

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 the preparer has any knowledge.

Sign Here

Signature of officer or trustee

Date

Title

Preparer's signature

FORD, HICKMAN, GIBBS & MASSINGER, Accountants
Inc., 600 B St., Suite 1200, San Diego, CA

Preparer's address (or employer's name and address)

92101

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Part III Balance Sheets

Assets	Beginning of taxable year		End of taxable year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
1 Cash:				
(a) Savings and interest-bearing accounts	157,204		69,142	
(b) Other	80,218	237,422	27,671	96,813
2 Accounts receivable net				
3 Notes receivable net (attach schedule)				
4 Inventories				
5 Government obligations:				
(a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
6 Investments in corporate bonds, etc. (attach schedule)				
7 Investments in corporate stocks (attach schedule) <i>SCN 3</i>		7,325,520		50,177,492
8 Mortgage loans (number of loans <i>SCN 3</i>				19,668,955
9 Other investments (attach schedule)				
10 Depreciable (depletable) assets (attach schedule):				
(a) Held for investment purposes				
(b) Minus accumulated depreciation				
(c) Held for charitable purposes <i>SCN 50</i>	84,062		86,795	
(d) Minus accumulated depreciation	26,586	57,476	36,320	50,475
11 Land:				
(a) Held for investment purposes				
(b) Held for charitable purposes				
12 Other assets (attach schedule) <i>SCN 3</i>		990,592		1,525,589
13 Total assets		10,610,800		52,445,238
Liabilities				
14 Accounts payable		12,243		26,384
15 Contributions, gifts, grants, etc., payable				
16 Mortgages and notes payable (attach schedule)				
17 Other liabilities (attach schedule) <i>SCN 3</i>		39,564		109,826
18 Total liabilities		51,807		136,210
Net Worth (Fund Balances)				
19 Principal Fund <i>▶</i>				
20 Income Fund <i>▶</i>		23,476,845		70,619,359
21 Total Net Worth (Fund Balances)		10,558,993		52,309,028
22 Total liabilities and Net Worth (line 18 plus line 21)		10,610,800		52,445,238

Analysis of Changes in Net Worth

1 Total net worth at beginning of year—line 21, Column B, Part III	10,558,993
2 Enter amount from line 25(a), Part I	417,501.55
3 Other increases not included in line 2 (itemize) <i>▶</i>	
4 Total of lines 1, 2, and 3	52,309,028
5 Decreases not included in line 2 (itemize) <i>▶</i>	
6 Total net worth at end of year (line 4 minus line 5)—line 21, Column D, Part III	52,309,028

Part V Statements with Respect to Certain Activities

File Form 4720 if any of questions 10(b), 11(b) or 14(b) is answered "No," or question 10(c), 12(b), or 13(a) or (b) is answered "Yes."

	Yes	No
1 During the taxable year, have you (a) attempted to influence any national, State, or local legislation or		✓
(b) participated or intervened in any political campaign?		✓
(c) Did you expend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?		✓
If 1(a), (b) or (c) is "Yes," attach a detailed description of such activities and copies of any materials published or distributed by the organization in connection with such activities.		
(d) Did you file Form 1120-POL?		✓
2 Have you engaged in any activities which have not previously been reported to the Internal Revenue Service?		✓
If "Yes," attach a detailed description of such activities.		
3 Have any changes not previously reported to the IRS been made in your governing instrument, articles of incorporation, or bylaws, or other instruments of similar import?	✓	
If "Yes," attach a conformed copy of the changes. ATTACHED BEHIND PAGE 8		
4 (a) Did you have unrelated business gross income of \$1,000 or more during the year?		✓
(b) If "Yes," have you filed a tax return on Form 990-T for this year?		✓
5 Was there a liquidation, termination, dissolution or substantial contraction during the year?		✓
If "Yes," attach a schedule for the disposition(s) for the year showing type(s) of asset(s) disposed of, the date(s) disposed, the cost or other basis, the fair market value on date of disposition and the name(s) and address(es) of the recipient(s) of the asset(s) distributed. (See general instruction T)		
6 (a) Did you have at least \$5,000.00 in assets at any time during the year?	✓	
(b) If "Yes," did you file the annual report required by section 6056 (see Form 990-AR for instructions)?	✓	
7 Are the requirements of section 508(e) (relating to governing instruments) satisfied?	✓	
(See general instruction L)		
If "Yes," have such requirements been satisfied by:		
(a) Language in the governing instrument (original or as amended), or	✓	
(b) Enactment of State legislation that effectively amends the governing instrument with no mandatory directions in the governing instrument that conflict with the State law?		
8 (a) Enter names of States as required by general instruction M ▶ CALIFORNIA AND ILLINOIS		
(b) If you answered 6(a) "Yes," have you furnished a copy of Form 990-AR (or equivalent report) to the Attorney General (or his/her designate) of each State as required by general instruction N?	✓	
If "No," attach explanation.		
9 Are you claiming status as an operating foundation within the meaning of sections 4942(j)(3) or 4942(j)(6) for calendar year 1979 or fiscal year beginning in 1979 (see instructions for Part XII)?		✓
If "Yes," complete Part XII.		
10 Self-dealing (section 4941):		
(a) Have you engaged in any of the following acts during the year either directly or indirectly, with one or more disqualified persons (see definition in instruction B for Part V)—		
(1) Sale, exchange, or leasing of property		✓
(2) Borrowing or lending of money or other extension of credit		✓
(3) Furnishing of goods, services, or facilities		✓
(4) Payment of compensation (or payment or reimbursement of expenses)		✓
(5) Transfer to, or use by or for the benefit of, a disqualified person of any part of your income or assets		✓
(6) Agreement to make any payment of money, or other property, to a government official (as defined in section 4946(c)) other than an agreement to make a grant to or employ such individual for any period after the termination of his or her government service if such individual is terminating his or her government service within a 90-day period?		✓
(b) If any of questions (a)(1) through (a)(6) is answered "Yes," were ALL such acts in which you engaged excepted acts described in instruction C for Part V?		✓
(c) Have you, in a prior year, engaged in any of the acts described in (a) above that were acts of self-dealing in years beginning after December 31, 1969, because they were not excepted acts described in instruction C for Part V, and such act or acts were not corrected before the first day of your taxable year beginning in 1979?		✓
11 Taxes on failure to distribute income (section 4942) (not applicable for years you were an operating foundation as defined in section 4942(j)(3) or 4942(i)(6)):		
(a) Did you at the end of taxable year 1979 have any undistributed income (Lines 6(b) and (c), Part XI) for taxable year(s) beginning before 1979?		✓
If "Yes," insert years ▶		
(b) If "Yes," to (a) above, are you applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) with respect to the undistributed income for ALL such years?		✓
(c) If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in (a) above, list such years here and see instruction A for Part V ▶		
12 Taxes on excess business holdings (section 4943):		
(a) Did you hold more than two percent direct or indirect interest in any business enterprise (see instruction B, for Part V) at any time during the year?		✓
(b) If "Yes," did you have excess business holdings in 1979 as a result of any purchase by you or disqualified persons after May 26, 1969; the lapse of the 5-year period to dispose of holdings acquired by gift or bequest; or the lapse of the 10-year first phase holding period?		✓
Note: You may use Schedule C, Form 4720 to determine if you had excess business holdings in 1979.		

Part V Statement With Respect to Certain Activities (continued)**13 Taxes on investments which jeopardize charitable purpose (section 4944):**

- (a) Did you invest during the year any amount in such a manner as to jeopardize the carrying out of any of your exempt purposes?
- (b) Did you invest, in a prior year (but after December 31, 1969), any amount in such a manner as to jeopardize the carrying out of any of your exempt purposes and such investments were not removed from jeopardy before the first day of your taxable year beginning in 1979?

Yes	No
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>

14 Taxes on taxable expenditures (section 4945):

- (a) During the year did you pay, or incur a liability to pay for any of the following—

- (1) To carry on propaganda, or otherwise attempt to influence legislation by attempting to affect the opinion of the general public or any segment thereof or by communicating with any member or employee of a legislative body, or by communicating with any other government official or employee who may participate in the formulation of legislation.
- (2) To influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive.
- (3) As a grant to an individual for travel, study, or other similar purposes by such individual.
- (4) As a grant to an organization, other than a charitable, etc., organization described in paragraph (1), (2) or (3) of section 509(a).
- (5) For any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

- (b) If any of questions (a)(1) through (a)(5) is answered "Yes," were all such transactions excepted transactions described in instruction F for Part V?

- (c) With respect to part (a)(4) of this question, if you answered "Yes," did you apply the exception in item 12 of instruction F for Part V? If "Yes," attach the statement required for such exception.

Yes	No
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>

Part VI Statement With Respect to Contributors, Compensation, etc.**1 Persons who became substantial contributors in 1979 (if more space is needed, attach schedule):**

Name	Address
RAY A KROC	4425 CASS ST SUITE A SAN DIEGO CA 92109

2 Officers, directors, trustees, foundation managers and their compensation, if any, for 1979:

Name and address	Title, and time devoted to position	Contributions to employee benefit plans	Expense account, other allowances	Compensation
ROBERT L. KROC	PRESIDENT			
1308 547, SANTA YNEZ, CA 92060	DIRECTOR - FULL	12841	11383	45160
RAY A. KROC - JOHN B. KROC (VICE PRES)	CHAIRMAN			
4425 CASS ST SUITE A, SAN DIEGO CA 92109	DIRECTOR - NOMINAL	NONE	NONE	NONE
AGUIARRA F. SMITH JR	SECT. DIRECTOR			
P.O. Box 2000, SAN DIEGO CA 92120	NOMINAL	NONE	NONE	NONE
LARRINE GRON	TREASURER			
17715 GOLF BLVD. 901, ARLINGTON SHORES, FLA 33708	NOMINAL	NONE	NONE	NONE
Total				45160

3 Compensation of five highest paid employees for 1979 (other than included in 2 above—see instructions):

Name and address of employees paid more than \$30,000	Title, and time devoted to position	Contributions to employee benefit plans	Expense account, other allowances	Compensation
M. PETER AMACHER 122 SAN MARCOS TAQU	CONFERENCE BOARD			
CLUB, SANTA BARBARA CA 93105	DIRECTOR - FULL	6825	NONE	35008
WALTER F. GARREY	DIRECTOR - GRANTS			
1580 MONARCH DR. SANTA YNEZ CA 92060	DEPT. - FULL	6614	NONE	34219
JOHN E. KELLER	ADMINISTRATOR			
4440 CAMINITO OCHO, SAN DIEGO CA 92108	FULL	5400	NONE	49067

Total number of other employees paid over \$30,000

NONE

Part VIII Minimum Investment Return for 1979
 (Operating Foundations—See instructions)

1 Fair market value of assets not used (or held for use) directly in carrying out exempt purposes:	
(a) Monthly average of securities at fair market value	26401990
(b) Monthly average of cash balances	237896
(c) Fair market value of all other assets (see instructions)	54408
(d) Total (add lines (a), (b), and (c))	26694294
2 Acquisition indebtedness applicable to line 1 assets	
3 Line 1(d) minus line 2	26694294
4 Cash deemed held for charitable activities—enter 1½% of line 3 (for greater amount, see instructions)	400414
5 Line 3 minus line 4	26293880
6 Enter 5% of line 5	1314694

Part IX Computation of Distributable Amount for 1979
 (See instructions—not applicable to operating foundations)

1 Adjusted net income from line 25(c), Part I	568374
2 Minimum investment return from line 6, Part VIII	1314694
3 Enter the higher of line 1 or line 2	1314694
4 Enter sum of:	
(a) Tax on investment income for 1979 from line 1, Part II	111000
(b) Income tax on unrelated business income for 1979 (Form 990-T)	111000
5 Distributable amount (line 3 minus line 4)	1203694
6 Adjustments to distributable amount (see instructions)	-
7 Distributable amount as adjusted (line 5 plus or minus line 6)—also enter on line 1, Part XI	1203694

Part X Qualifying Distributions in 1979
 (See instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
(a) Expenses, contributions, gifts, etc.—total from line 24, column (D), Part I	5960733
(b) Program related investments (see instructions)	-
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	-
3 Amounts set aside for specific projects which are for charitable, etc., purposes	-
4 Total qualifying distributions made in 1979 (add lines 1, 2, and 3)	5960733

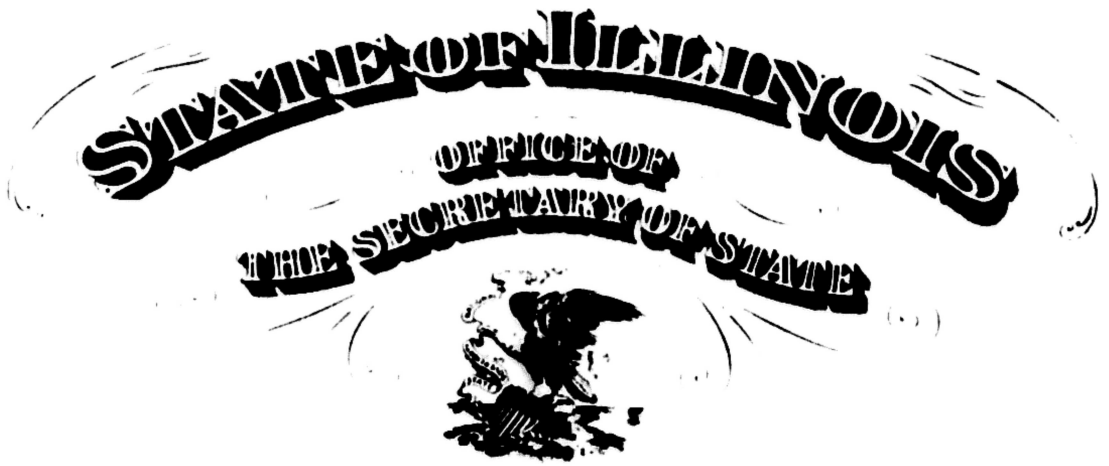
Part XI Computation of Undistributed Income (See instructions)

	(a) Corpus	(b) Years prior to 1978	(c) 1978	(d) 1979
1 Distributable amount for 1979 from Part IX				1203694
2 Undistributed income, if any, as of the end of 1978:				
(a) Enter amount for 1978		-		
(b) Total for prior years:				
3 Excess distributions carryover, if any, to 1979:				
(a) From 1974	366203			
(b) From 1975	890101			
(c) From 1976	1419484			
(d) From 1977	2207523			
(e) From 1978	4703121			
(f) Total of 3(a) through (e)	9586432			
4 Qualifying distributions for 1979 (5960733)				
(a) Applied to 1978 (but not in excess of 2(a))			(-)	
(b) Applied to undistributed income of prior years (Election required)		(-)		
(c) Treated as distributions out of corpus (Election required)				
(d) Applied to 1979 distributable amount				(1203694)
(e) Remaining amount distributed out of corpus	4757039			
5 Excess distributions carryover applied to 1979	(-)			(-)
(If an amount appears in column (d) the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
(a) Corpus. Lines 3(f), 4(c) and 4(e) minus line 5.	14343471			
(b) Prior years undistributed income. Line 2(b) minus line 4(b). This amount is taxable—File Form 4720		-		
(c) Undistributed income for 1978. Line 2(a) minus line 4(a). This amount is taxable—File Form 4720			-	
(d) Undistributed income for 1979. Line 1 minus line 4(d) and 5. Amount must be distributed in 1980				-
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by sections 170(b) (1)(D) or 4942(g)(3) (see instructions)	(-)			
8 Excess distributions carryover from 1974 not ap- plied on line 5 (see instructions)	(366203)			
9 Excess distributions carried forward. (Line 6(a) minus lines 7 and 8)	13977268			
10 Analysis of line 9:				
(a) Excess from 1975	890101			
(b) Excess from 1976	1419484			
(c) Excess from 1977	2207523			
(d) Excess from 1978	4703121			
(e) Excess from 1979	4757039			

Part XII Private Operating Foundations
(See instructions and Question 9, Part V)

- 1 (a)** If the foundation has received a ruling or determination letter that it is an operating foundation, and such ruling is effective for 1979, enter the date of such ruling **▶**
- (b)** Check box to indicate whether you are an operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(6) (see instructions).

	Taxable year	Prior Three Years			(e) Total
	(a) 1979	(b) 1978	(c) 1977	(d) 1976	
2 (a) Adjusted net income (from line 25(c), Part I for 1979. Enter corresponding amount for prior years)					
(b) 85% of line (a)					
(c) Qualifying distributions from line 4, Part X for 1979 (enter corresponding amount for prior years)					
(d) Amounts included in (c) not directly for active conduct of exempt activities					
(e) Qualifying distributions directly for active conduct of exempt purposes (line (c) minus line (d))					
3 Complete the alternative test in (a), (b) or (c) on which the organization relies:					
(a) "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
(b) "Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown on line 6, Part VIII for 1979 (enter $\frac{2}{3}$ of comparable amount for prior years)					
(c) "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments with respect to securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization (see instructions)					
(4) Gross investment income					



To all to whom these Presents Shall Come, Greeting:

I, ALAN J. DIXON, Secretary of State of the State of Illinois,
do hereby certify that the following and hereto attached is a true
copy of the Articles of Amendment to the Articles of
Incorporation of THE KROC FOUNDATION, filed July 16, 1979

the original of which is now on file and a matter of record in this office.

In Testimony Whereof, I hereto set my hand and cause to
be affixed the Great Seal of the State of Illinois
Done at the City of Springfield this 17th
day of July AD 19 79



Alan J. Dixon
SECRETARY OF STATE



To all to whom these Presents Shall Come, Greeting:

Whereas, Articles of Amendment to the Articles of Incorporation duly signed and verified of

THE KROC FOUNDATION

have been filed in the Office of the Secretary of State on the 16th day of July A.D. 19 79, as provided by the "GENERAL NOT FOR PROFIT CORPORATION ACT" of Illinois, approved July 17, 1942 in force January 1, A.D. 1944.

Now Therefore, I, ALAN J. DIXON, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this Certificate of Amendment and attach thereto a copy of the Articles of Amendment to the Articles of Incorporation of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to

be affixed the Great Seal of the State of Illinois

Done at the City of Springfield this 16th

day of July A.D. 19 79, and

of the Independence of the United States

the two hundred and 4th

(SEAL)

Alan J. Dixon

SECRETARY OF STATE

ARTICLES OF AMENDMENT
to the
ARTICLES OF INCORPORATION
under the
GENERAL NOT FOR PROFIT CORPORATION ACT

Filing Fee \$ 10.00

Clerk 2

To ALAN J. DIXON, Secretary of State, Springfield, Illinois:

The undersigned corporation, for the purpose of amending its Articles of Incorporation and pursuant to the provisions of Section 35 of the "General Not For Profit Corporation Act" of the State of Illinois, hereby executes the following Articles of Amendment:

1. The name of the corporation is: THE KROC FOUNDATION

2. There are no members, having voting rights with respect to amendments:
(insert "no" or "some")

(Strike paragraphs (a), (b), or (c) not applicable)

3. (a) ~~At a meeting of members, at which a quorum was present, held on _____, 19____, same receiving at least two-thirds (2/3) of the votes entitled to be cast by the members of the corporation present or represented by proxy at such meeting.~~

~~(b) By a consent in writing signed by all members of the corporation entitled to vote with respect thereto,~~

(c) At a meeting of directors (members having no voting rights with respect to amendments) held on June 29, 19 79, same receiving the votes of a majority of the directors then

in office, the following amendment or amendments were adopted in the manner prescribed by the "General Not For Profit Corporation Act" of the State of Illinois:

Please see attached Exhibit "A".

IN WITNESS WHEREOF, the undersigned corporation has caused these Articles of Amendment to be executed in its name by its _____ President, and its _____ Secretary, this _____ 29th day of _____ June _____, 1979.

Place
(CORPORATE SEAL)
Here

THE KROC FOUNDATION

(Exact Corporate Title)

By

Robert L. Kroc

Robert L. Kroc President
Barbara M. Kroc

Barbara M. Kroc Secretary

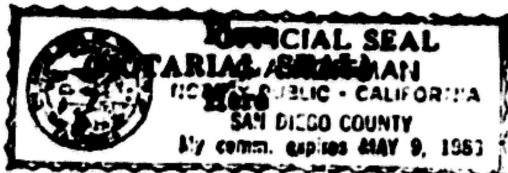
STATE OF _____ California }
COUNTY OF _____ San Diego } ss.

I, _____ G. A. Hoffman _____, a Notary Public, do hereby certify that on the _____ 29th day of _____ June _____, 1979, _____ Robert L. Kroc

(Acknowledgment by other officer is sufficient)

personally appeared before me and, being first duly sworn by me, acknowledged that _____ he signed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.



G. A. Hoffman

Notary Public.

Form WP-5

Box _____ File _____

ARTICLES OF AMENDMENT

to the

ARTICLES OF INCORPORATION

of

THE KROC FOUNDATION

FILED

JUL 16 1979

Robert L. Kroc

SECRETARY OF STATE
CORPORATION DEPARTMENT
TELEPHONE: (217) 782-7880

Filing Fee \$25.00

EXHIBIT "A"

RESOLVED, that Article V of the Articles of Incorporation of this Corporation be and it hereby is amended to read as follows:

"The purpose or purposes for which the Corporation is organized are: To make contributions to: The United States, any State, Territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes; and to corporations, trusts, or community chests, funds, or foundations, organized and operated exclusively for religious, charitable, scientific, literary or educational (meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code) purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office and consistent with the foregoing, to maintain active programs of a charitable, scientific or educational nature, within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, including the presentation of seminars and the conduct of campaigns intended to educate the general public and professionals regarding the nature of selected medical and scientific problems. This corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits or dividends to the members thereof and is organized solely for non-profit purposes. The property, assets, profits and net income of this corporation are irrevocably dedicated to the charitable purposes stated above and no part of the property, profits or net income of this corporation shall ever inure to the benefit of any director, officer, or member thereof or to the benefit of any private shareholder or individual. Upon the dissolution or winding up of this corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this corporation, shall be distributed among such of the following types of organizations as its directors shall determine: To a non-profit fund, foundation or corporation which is organized and operated exclusively for a charitable purpose of the type described above and which has established its tax exempt status under Section 23701d of the California Revenue and Taxation Code and/or Section 501(c)(3) of the Internal Revenue Code. If this corporation holds any assets in trust, such assets shall be disposed of in such manner as may be directed by decree of the Superior Court of the county in which this corporation's principal office is located, upon petition therefor by the Attorney General or by any person concerned in the liquidation. The corporation shall not carry on propaganda or otherwise attempt to influence legislation."

<u>Name and Institution</u>	<u>Title of Project</u>	<u>Amount</u>
Donald M. Marcus, M.D. Albert Einstein College of Medicine Bronx, NY	Glycosphingolipid antigens of human lymphocyte subpopulations	\$ 44,177
Harris Busch, M.D., Ph.D. Baylor College of Medicine Houston, TX	Feedback controls of nucleolar function	\$ 27,720
Lawrence Chan, M.D. Baylor College of Medicine Houston, TX	Biochemical studies on somato- statin biosynthesis	\$ 7,912
W. Page Faulk, M.D. Blond McIndoe Center for Transplantation Biology Sussex, England	Immunological studies of diabetic placenta	\$ 27,187
John I. Loewenstein, M.D. Boston University Medical Center Boston, MA	Ocular blood flow in diabetes mellitus	\$ 2,354
Neil B. Ruderman, M.D., Ph.D. Boston University School of Medicine Boston, MA	Polyamine metabolism in diabetes	\$ 25,635
Jeremy P. Brookes, Ph.D. California Institute of Technology Pasadena, CA	A pituitary growth factor for cultured rat Schwann cells	\$ 16,470
Robert P. Metzger, Ph.D. San Diego State University San Diego, CA	Increased concentrations of glycolate in urine and serum of diabetic subjects	\$ 26,400
Alan G. Goodridge, Ph.D. Case Western Reserve University Cleveland, OH	Hormone action in mutant hepato- cytes	\$ 4,961
Richard W. Hanson, Ph.D. Case Western Reserve University Cleveland, OH	Role of insulin in the regulation of enzyme synthesis	\$ 9,544
Charles J. Malesud, Ph.D. Roland W. Moskowitz, M.D. Victor M. Goldberg, M.D. Case Western Reserve University Cleveland, OH	Studies of human cartilage growth and metabolism in aging and osteoarthritis	\$ 19,475
Howard L. Weiner, M.D. Children's Hospital Medical Boston, MA	Natural killer cell activity in patients with multiple sclerosis and the relationship between human natural killer cells and measles virus	\$ 10,328

John J. Miller, III, M.D., Ph.D. Children's Hospital at Stanford Palo Alto, CA 94304	Role of antigen-antibody complexes in juvenile rheumatoid arthritis	\$ 16,210
Peter C. Dau, M.D. Children's Hospital of San Francisco San Francisco, CA	Plasmapheresis and immunosuppressive drug therapy in multiple sclerosis	\$ 11,105
Jack R. Battisto, Ph.D. Cleveland Clinic Foundation Cleveland, OH	Studies on the altered IgG human rheumatoid arthritis and development of a mouse model for adjuvant arthritis	\$ 28,956
Randall S. Krakauer, M.D. Cleveland Clinic Foundation Cleveland, OH	Investigation in suppressor cells and adaptive immunotherapy in auto- immunity	\$ 30,580
John W. Prineas, M.D. College of Medicine and Dentistry of New Jersey Newark, NJ	Characterization of virus-like particles and demyelination in acute lesion in multiple sclerosis	\$ 25,345
E. L. Pautler, Ph.D. Colorado State University Fort Collins, CO	Glucose and amino acid transport in ocular tissues of dystrophic and diabetic rats	\$ 22,365
Robert W. Phillips, D.V.M., Ph.D. Colorado State University Fort Collins, CO	Yucatan miniature swine as a model for diabetes mellitus	\$ 112,375
Isidore Edelman, M.D. Columbia University College of Physicians and Surgeons New York, NY	Use of glucocorticoid analogs to characterize glucocorticoid receptors	\$ 30,038
Max J. Appel, D.V.M., Ph.D. James A. Baker Institute Cornell University Ithaca, NY	Canine viruses and multiple sclerosis	\$ 19,357
George Lust, Ph.D. James A. Baker Institute Cornell University Ithaca, NY	Canine hip dysplasia: a model for study of early events in osteo- arthritis	\$ 37,623
Edward D. Harris, Jr., M.D. Dartmouth Medical School Hanover, NH	Rheumatoid synovial collagenase; its role as a marker for synovial proliferation	\$ 32,042
G. D. Aurbach, M.D. G. D. Aurbach, M.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Electrical potential of parathyroid cells in response to secretagogues and extracellular calcium	\$ 3,256

C. Ronald Kahn, M.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Study of the metabolism, biochemical and structural characteristics of the insulin receptor in 3T3-L1 fatty fibroblasts	\$ 14,000
James C. Osborne, Jr., Ph.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Analysis of the molecular organization of high density lipoproteins: evalua- tion of the mixed interactions between apolipoproteins A-II and C-I	\$ 5,802
Harvey B. Pollard, M.D., Ph.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Molecular basis of insulin secretion from pancreatic islet B cells	\$ 2,500
Matthew M. Rechler, M.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Structure and biosynthesis of an insulin-like growth factor: multiplication stimulating activity	\$ 13,280
John L. Sever, M.D., Ph.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Antibody and cellular immune responses in MS	\$ 12,629
David W. Hollister, M.D. Harbor General Hospital Torrance, CA	The collagens of normal and and osteoarthritic cartilage	\$ 45,263
David L. Rimon, M.D., Ph.D. Harbor General Hospital Torrance, CA	The genetic heterogeneity of insulin dependent diabetes mellitus	\$ 19,076
Howard L. Weiner, M.D. Harvard Medical School Boston, MA	Natural killer cell activity in patients with multiple sclerosis and the relationship between human natural killer cells and measles virus	\$ 10,326
Shimon Slavin, M.D. Hadassah Medical Organization Jerusalem, Israel	Treatment of experimental diabetes with histoincompatible pancreatic islets using a new regimen for induction of permanent donor-type-specific transplantation tolerance	\$ 11,826
John W. Angers, M.D. Human Immunology Foundation New York, NY	A diagnostic test for MS	\$ 11,000
Alvin H. Sacks, Ph.D. Institute for Medical Research San Jose, CA	Studies of the vascular problems related to diabetes	\$ 29,859
Linda C. Cork, D.V.M., Ph.D. Johns Hopkins Hospital Baltimore, MD	Infectious leukoencephalomyelitis of goats, an animal model of demyelin-	\$ 24,748

Harvey R. Fischman, D.V.M., Ph.D. Richard T. Johnson, M.D. John F. Kurtzke, M.D. Johns Hopkins University Baltimore, MD	A feasibility study of an epidemiologic investigation of multiple sclerosis in Alaska	\$ 4,565
Shirley E. Poduslo, Ph.D. Johns Hopkins University Baltimore, MD	Oligodendroglia: a study of its surface components	\$ 25,158
William L. Chick, M.D. Joslin Diabetes Foundation Boston, MA 02215	Studies of pancreatic beta cells in the pathogenesis and treatment of diabetes	\$ 46,792
Robert A. Greenwald, M.D. Long Island Jewish-Hillside Medical Center New Hyde Park, NY	Effects of superoxide radical on connective tissues	\$ 20,610
Ralph A. Meyer, Jr., Ph.D. Marquette University Milwaukee, WI	X-linked hypophosphatemia (vitamin D-resistant rickets): a mouse model	\$ 26,026
Richard J. Wurtman, M.D. Massachusetts Institute of Technology Cambridge, MA	Effects of experimental diabetes on transport of hexoses and other sub- strates across the blood-brain barrier	\$ 11,106
John E. Gerich, M.D. Mayo Foundation Rochester, MN	Control of somatostatin secretion in vitro	\$ 19,365
Vanda A. Lennon, M.D., Ph.D. Mayo Clinic and Mayo Medical School Rochester, MN	An immunologic approach to brain differentiation and myelinogenesis	\$ 12,485
Neil S. Mandel, Ph.D. Medical College of Wisconsin Milwaukee, WI	Crystal induced membranolysis	\$ 27,390
William L. Duax, Ph.D. Medical Foundation of Buffalo Buffalo, NY	Molecular structure and biological activity of insulin I	\$ 36,400
Christian Schwabe, Ph.D. Medical University of South Carolina Charleston, SC 29403	A novel osteoarthritis model	\$ 13,340
Gabriel Virella, M.D., Ph.D. Medical University of South Carolina Charleston, SC	Detection, isolation and character- ization of circulating immune complexes in diabetic patients	\$ 23,457

Carol Smith, M.D. David Hamerman, M.D. Montefiore Hospital and Medical Center Bronx, NY	Evidence for a viral agent in rheumatoid synovial cells	\$ 18,290
Ira M. Goldstein, M.D. New York University Medical Center New York, NY	Oxygen-derived free radicals and and inflammation	\$ 8,250
Mauro C. Dal Canto, M.D. Northwestern University Chicago, IL	Primary demyelination produced by ts mutants of viruses: morphologic, immunohistochemical, immunological and virological studies	\$ 16,024
Norbert Freinkel, M.D. Northwestern University Chicago, IL	Effects of pregnancy on intermediary metabolism and diabetes	\$ 53,590
Howard L. Lipton, M.D. Northwestern University Chicago, IL	Chronic central nervous system infections in mice produced by human enteroviruses	\$ 28,882
Steven G. Krakowka, D.V.M., Ph.D. Ohio State University Columbus, OH	Canine distemper virus and multiple sclerosis	\$ 16,068
Jerry R. Mendell, M.D. Ohio State University Columbus, OH	Ultrastructural immunocytochemical localization of the P2 protein in peripheral nervous system	\$ 5,913
Charles F. Howard, Ph.D. Medical Research Foundation of Oregon Portland, OR	Diabetes in nonhuman primates	\$ 24,070
Floyd A. Davis, M.D. Rush-Presbyterian-St. Luke's Medical Center Chicago, IL	Effects of plasmapheresis on signs and symptoms in MS	\$ 19,698
Melvin Cohn, Ph.D. The Salk Institute San Diego, CA	A general approach to regulating responsiveness of the immune system: autoimmunity	\$ 36,300
Donald E. McMillan, M.D. Sansum Medical Research Foundation Santa Barbara, CA	Studies of viscosity of diabetic serum	\$ 36,190
Willard P. VanderLaan, M.D. U. J. Lewis, Ph.D. Scripps Clinic and Research Foundation La Jolla, CA	Diabetogenic peptides of the anterior pituitary	\$ 57,560

John H. Vaughan, M.D. Scripps Clinic and Research Foundation La Jolla, CA	Thoracic duct drainage in rheumatoid arthritis	\$ 6,792
William C. Dement, M.D., Ph.D. Stanford University Stanford, CA	Sleep, diabetes mellitus, and the autonomic nervous system	\$ 8,111
Leslie J. Dorfman, M.D. Stanford University Stanford, CA	Clinical neurophysiological studies in multiple sclerosis and related disorders	\$ 25,819
Hugh O. McDevitt, M.D. Stanford University Stanford, CA	Identification of HLA coded cell sur- face molecules associated with suscep- tibility to rheumatoid arthritis, multiple sclerosis and juvenile onset diabetes mellitus	\$ 98,086
Herbert Diamond, M.D. Research Foundation of State University of New York Brooklyn, NY	Renal handling of uric acid	\$ 36,591
Henry P. Godfrey, M.D. Research Foundation of State University of New York Stony Brook, NY	Antigen receptors of delayed hyper- sensitivity	\$ 48,747
Ronald A. Pieringer, Ph.D. Temple University School of Medicine Philadelphia, PA	The association of Galactosyl diacylglycerols with multiple sclerosis	\$ 27,716
William J. Meinke, Ph.D. University of Arizona Tucson, AZ	Detection of measles virus or a	\$ 27,032
Robert I. Mishell, M.D. University of California, Berkeley Berkeley, CA	Induction of resistance to the immunosuppressive effects of glucocorticosteroids by bacterial peptidoglycan	\$ 40,632
M. Eric Gershwin, M.D. University of California, Davis Davis, CA	Characterization of immunogenetic markers in juvenile rheumatoid arthritis	\$ 15,794
Edward R. Arquilla, M.D., Ph.D. University of California, Irvine Orange, CA	Relationship of insulin structure and function to the cause and complications of diabetes mellitus	\$ 48,650
George J. Friou, M.D. University of California, Irvine Irvine, CA	Fetal antigens and antibodies to them in rheumatic diseases	\$ 29,877
David T. Kingsbury, Ph.D. University of California, Irvine Irvine, CA	Molecular probes for the detection of mycoplasma and chlamydia in rheumatoid arthritis	\$ 24,338

Lewis M. Slater, M.D. University of California, Irvine Orange, CA	Immunogenetics of human diabetes	\$ 28,492
Rodney Bluestone, M.B. University of California, Los Angeles Los Angeles, CA	Cellular regulation in hyperuricemic nephropathy	\$ 35,200
Edith M. Carlisle, Ph.D. University of California, Los Angeles Los Angeles, CA	The role of silicon in articular cartilage metabolism	\$ 9,902
Yi-Han Chang, Ph.D. Carl M. Pearson, M.D. University of California, Los Angeles Los Angeles, CA	Effects of colchicine on functions of polymorphonuclear leukocytes in patients with gout	\$ 6,973
Mayer B. Davidson, M.D. University of California, Los Angeles Los Angeles, CA	Insulin-induced insulin antagonism in muscle cells	\$ 4,030
George W. Ellison, M.D. University of California, Los Angeles Los Angeles, CA	Drug studies in multiple sclerosis	\$ 43,983
John H. Fessler, Ph.D. University of California, Los Angeles Los Angeles, CA	Basement membrane synthesis by blood vessel endothelial and other cells	\$ 14,292
Harvey C. Gonick, M.D. University of California, Los Angeles Los Angeles, CA	Role of chromium deficiency as a cause of diabetes	\$ 34,582
Solomon A. Kaplan, M.D. Cynthia T. Barrett, M.D. University of California, Los Angeles Los Angeles, CA	Respiratory distress syndrome in infants of diabetic mothers	\$ 34,795
Seymour R. Levin, M.D. University of California, Los Angeles Los Angeles, CA	Role of adenosinetriphosphatases in the secretion and action of insulin	\$ 5,000
Joshua Levy, M.D. University of California, Los Angeles Los Angeles, CA	Cell mediated deficiencies in MS and RA: immunostimulant drug effects	\$ 48,879

Lawrence W. Myers, M.D. University of California, Los Angeles Los Angeles, CA	Immunological studies in multiple sclerosis	\$ 61,871
Jack G. Stevens, D.V.M., Ph.D. University of California, Los Angeles Los Angeles, CA	Pathogenesis of Marek's Disease: a model for the Landry-Guillain-Barre Syndrome	\$ 32,314
Wallace W. Tourtellotte, M.D., Ph.D. University of California, Los Angeles Los Angeles, CA	Neurofunction lab and multiple sclerosis	\$ 59,954
Stafford L. Warren, M.D. University of California, Los Angeles Los Angeles, CA	Search for an active agent in rheumatoid arthritis	\$ 44,135
David A. Gough, Ph.D. University of California, San Diego La Jolla, CA	Development of an implantable glucose sensor	\$ 5,000
J. Edwin Seegmiller, M.D. University of California, San Diego La Jolla, CA	Ochronotic arthritis and other forms of hereditary degenerative joint diseases	\$ 55,569
Nathan J. Zvaifler, M.D. University of California, San Diego San Diego, CA	Cryoglobulins in the rheumatic diseases	\$ 35,277
Allen I. Arieff, M.D. University of California, San Francisco San Francisco, CA	Lactic acidosis: effects of therapy	\$ 32,641
William F. Ganong, M.D. University of California, San Francisco San Francisco, CA	Relation of brain serotonin to the secretion of pituitary hormones, renin and the regulation of blood pressure in dogs	\$ 28,050
Gerold M. Grodsky, Ph.D. University of California, San Francisco San Francisco, CA	Diabetes research-especially characterization of the hypo-insulin and hyperglucagon secretion from the perfused pancreas of the Chinese hamster	\$ 29,280
Kenneth P. Johnson, M.D. University of California, San Francisco San Francisco, CA	Pathogenesis of multiple sclerosis	\$ 25,682

Kenneth P. Johnson, M.D. Bodvar Vandvik, M.D. University of California, San Francisco San Francisco, CA	Defining the immunologic specificity of antibodies in oligoclonal Ig bands	\$ 4,400
Jackson B. Pickett, M.D. University of California, San Francisco San Francisco, CA	Effect of insulin on neuromuscular transmission	\$ 11,000
Marvin D. Siperstein, M.D., Ph.D. Kenneth R. Feingold, M.D., Ph.D. Millie H. Wiley, Ph.D. University of California, San Francisco San Francisco, CA	Derangement of cholesterol metabolism	\$ 17,804
Norman Talal, M.D. University of California, San Francisco San Francisco, CA	Autoimmune disease in New Zealand black mice	\$ 55,720
Barry G. W. Arnason, M.D. University of Chicago Chicago, IL	Nonsense antibodies in CSF in multiple sclerosis	\$ 25,587
Donald F. Steiner, M.D. University of Chicago Chicago, IL	Comparative studies on proglucagon and proinsulin	\$ 31,639
Jerome H. Herman, M.D. University of Cincinnati Medical Center Cincinnati, OH	Evaluation of mechanisms modulating the activation and release of chondrocyte proteinase activity	\$ 7,114
Jack S. Burks, M.D. University of Colorado Medical Center Denver, CO	Transmission studies in multiple sclerosis	\$ 84,020
Henry N. Claman, M.D. University of Colorado Medical Center Denver, CO	Immunologic responses to insulin	\$ 6,643
Jerrold M. Olefsky, M.D. University of Colorado Medical Center Denver, CO	Mechanism of insulin resistance in obesity	\$ 32,456
David W. Talmage, M.D. University of Colorado Medical Center Denver, CO	The abrogation of immune rejection of endocrine grafts	\$ 31,574

Eng M. Tan, M.D. University of Colorado Medical Center Denver, CO	Antinuclear antibodies in rheumatic diseases	\$ 56,249
Paula Dore-Duffy, Ph.D. University of Connecticut Health Center Farmington, CT	Lymphocyte adherence in multiple sclerosis	\$ 22,722
Kathrin A. Krakauer, Ph.D. University of Connecticut Health Center Farmington, CT	Synovial cell endocytosis and intracellular digestion: a study of the contribution of synovium to the turnover of joint constituents	\$ 11,406
Steven E. Pfeiffer, Ph.D. University of Connecticut Health Center Farmington, CT	Temperature-sensitive lines of myelinating oligodendroglia and Schwann cells	\$ 6,655
Marvin L. Tanzer, M.D. University of Connecticut Health Center Farmington, CT	The synthesis, assembly and secretion of procollagen: a biochemical and genetic approach	\$ 18,065
Jose Cunha-Vaz, M.R. Morton F. Goldberg, M.D. University of Illinois Chicago, IL	Studies in diabetic retinopathy	\$ 6,304
David L. Camenga, M.D. University of Maryland Baltimore, MD	Canine distemper virus induced demyelination: an animal model for multiple sclerosis	\$ 33,282
Arthur A. Like, M.D. University of Massachusetts Worcester, MA	Studies of the spontaneous juvenile diabetic syndrome of the bio breeding laboratory rat	\$ 38,379
David S. Howell, M.D. University of Miami Miami, FL	Role of matrix vesicles in chondrocalcinosis	\$ 14,024
Duane R. Schultz, Ph.D. University of Miami Miami, FL	Immunological and biochemical studies of a polysaccharide in an ant venom (<i>Pseudomyrmex</i> sp.): its use for rheumatoid arthritis	\$ 35,888
Jack L. Kostyo, Ph.D. University of Michigan Ann Arbor, MI	Growth hormone: structure-function relationships	\$ 32,450
Steven D. Douglas, M.D. University of Minnesota Minneapolis, MN	Immunology and function of mono- nuclear phagocytes in rheumatoid arthritis	\$ 38,500
R. Philip Eaton, M.D. University of New Mexico Albuquerque, NM	Glucose homeostasis in normal man, obesity and diabetes	\$ 26,400

R. Philip Eaton, M.D. William J. Spencer, Ph.D. University of New Mexico Albuquerque, NM	Bioengineering and biomedical development of a programmable/ implantable insulin delivery system	\$ 16,413
Ralph C. Williams, Jr., M.D. University of New Mexico Albuquerque, NM	Projects related to immune mechanisms in the connective tissue diseases	\$ 37,950
Kelly West, M.D. University of Oklahoma Health Sciences Center Oklahoma City, OK	Multi-national study of blood glucose and other variables on lesions of diabetes	\$ 4,830
Roy L. Swank, M.D., Ph.D. Michael Daley, Ph.D. University of Oregon Health Science Center Portland, OR	The use of foveal fusion thresholds as a clinical measure	\$ 15,450
H. Ralph Schumacher, Jr., M.D. University of Pennsylvania Philadelphia, PA	Articular chondrocalcinosis: factors in crystal deposition	\$ 18,810
Donald H. Silberberg, M.D. University of Pennsylvania Philadelphia, PA	Role of the macrophage in demyelination of myelinated organotype cultures	\$ 15,553
Leslie P. Weiner, M.D. University of Southern California Los Angeles, CA	Remyelination following viral- induced demyelination	\$ 45,540
Chester W. Fink, M.D. University of Texas Health Science Center Dallas, TX	Effect of rheumatoid arthritis on growth and development	\$ 22,833
Karl Folkers, Ph.D. University of Texas at Austin Austin, TX	Cooperative research on the synthesis of peptides related to the human growth hormone and having diabetogenic activity	\$ 59,957
Grady F. Saunders, Ph.D. University of Texas Cancer Center Houston, TX	Expression of the proinsulin gene	\$ 32,017
Ciro V. Sumaya, M.D. University of Texas Health Science Center San Antonio, TX	Multiple sclerosis and Epstein-Barr virus infections	\$ 9,702
Donald H. Nelson, M.D. University of Utah Salt Lake City, UT	Study of the mechanisms by which corticosteroids produce their harmful effects when used in the treatment of arthritis	\$ 64,900
John R. Ward, M.D. University of Utah Salt Lake City, UT	Etiology of human rheumatoid arthritis	\$ 48,769

Edward S. Horton, M.D. University of Vermont Burlington, VT	Effects of exercise on insulin resistance in muscle	\$ 12,634
William P. Arend, M.D. University of Washington Seattle, WA	Neutral protease secretion in human monocytes and macrophages	\$ 12,538
John W. Ensink, M.D. University of Washington Seattle, WA	Glucose 'control' in diabetic humans using a glucose controlled insulin infusion system (biostator)	\$ 17,959
Wilfred Y. Fujimoto, M.D. University of Washington Seattle, WA	Epidemiology of maturity-onset type diabetes and its morbid consequences	\$ 8,004
Robert H. Williams, M.D. University of Washington Seattle, WA	Investigation pertinent to collagen changes in some common disorders	\$ 23,980
G. Gry Dodson, Ph.D. University of York York, England	Molecular structure and biological activity of insulin II	\$ 26,400
Raymond L. Woosley, M.D., Ph.D. Vanderbilt University Nashville, TN	Drug-induced lupus erythematosus: investigation of the role of reactive metabolites	\$ 15,800
Travis C. McGuire, D.V.M., Ph.D. Washington State University Pullman, WA	Studies on caprine arthritis- encephalitis	\$ 2,500
Harish C. Agrawal, Ph.D. John L. Trotter, M.D. William T. Shearer, M.D., Ph.D. Washington University School of Medicine St. Louis, MO	Neuroimmunology of multiple sclerosis	\$ 39,026
Paul E. Lacy, M.D. Washington University School of Medicine St. Louis, MO	Allografts of isolated islets of Langerhans	\$ 78,151
David W. Scharp, M.D. Washington University School of Medicine St. Louis, MO	Isolation and culture of islets for transplantation	\$ 123,644
John L. Trotter, M.D. Washington University School of Medicine St. Louis, MO	Immunosuppression in multiple sclerosis	\$ 29,971
Margo P. Cohen, M.D. Wayne State University School of Medicine Detroit, MI	Cultured retinal microvessel cells: a model for study of diabetic retinopathy	\$ 15,114

F. Arthur McMorris, Ph.D. The Wistar Institute Philadelphia, PA	Effect of viruses on myelin functions in vitro	\$ 8,350
John Booss, M.D. Yale University New Haven, CT	Immunosuppression of B cell function in multiple sclerosis	\$ 11,032
Philip Felig, M.D. Yale University New Haven, CT	The metabolic response to exercise in normal and diabetic humans	\$ 42,957
Stephen E. Malawista, M.D. Yale University New Haven, CT	Clinical and laboratory studies of arthritis	\$ 50,155
Howard Rasmussen, M.D., Ph.D. Yale University New Haven, CT	New approaches to the treatment of osteogenesis imperfecta	\$ 49,268
Robert K. Yu, Ph.D. Yale University New Haven, CT	Biochemical alterations of MS spinal cord and cord myelin - compared with brain	\$ 45,616
Dartmouth Medical School Hanover, New Hampshire		\$ 486,327
Villa View Hospital San Diego, California		\$ 5,524
Michigan State University East Lansing, Michigan		\$ 137,875
Operation Snowball Illinois Department of Alcohol and Drug Abuse		\$ 7,500
Pathfinders San Diego, California		\$ 1,200
ACT Drug Abuse Program		\$ 2,000
UCSD - Scholarship Fund		\$ 400
Western Society for Pediatric Research		\$ 400
Einstein Memorial Fund		\$ 100
Hanot Foundation		\$ 10
March of Dimes		\$ 100
Aspen Lung Conference		\$ 100
American Association of Neuropathologists		\$ 50

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The Foundation Center	\$ 5,000
National Multiple Sclerosis Research and Development Fund	\$ 1,000
National Multiple Sclerosis Society	\$ 300
Research to Prevent Blindness	\$ 200
Visiting Nurses Association	\$ 100
The Aescupallians	\$ 200
Perspectives in Biology and Medicine	\$ 350
Santa Ynez Health Care Foundation	\$ 100
Regents of University of California for Dile Symposium	\$ 500
Samuels Tribute	\$ 500
Arthritis Foundation of Santa Barbara	\$ 150
Canadian Biochemistry Society	\$ 2,500
American Diabetes Association	\$ 5,871
Second World Congress - Microcirculation	\$ 500
LaRabida Children's Hospital	\$ 500
International Association of Endocrine Surgeons	\$ 500
Field Museum of Natural History	\$ 100
Endocrine Society	\$ 5,000
Solvang Lutheran Home	\$ 500
Solvang Viking Charities	\$ 50
Western Association of Physicians	\$ 1,000
International Society of Endocrinology	\$ 1,000
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TOTAL	<u>\$4,814,950</u>

All grants are for medical/scientific research. Recipients are not related to the Foundation in any way.

NAME THE XERO FOUNDATION

IDENTIFICATION NO. 36-6125258

STATEMENT NO. 2 (990 NF)

YEAR ENDED 12/31/77

GROSS CONTRIBUTIONS - PART 1, LINE 1		Col. 4	Col. 5	Col. 6
RAY H. KROG	3/77 CASH			20,000
YVES CHAS. DE JULIE H.	7/77 300000 IN MC DONALD'S	Card 5mm		25,125,000
SAN DIEGO CA 92107	7/77 300000 IN MC DONALD'S	Card 5mm		25,125,000
				47,250,000
OTHER INCOME - PART 1, LINE 12		Col. 4	Col. 5	Col. 6
FIRM AND BOOK RECEIPTS		132,153	132,153	
GRANT REFUNDS		70,603	70,603	
MISCELLANEOUS		1,315	1,315	
		204,071	204,071	-
TAXES - PART 1, LINE 17				
PAYROLL TAXES		11,209	2,241	9,968
EXCISE TAXES		109,304		109,304
PROPERTY TAXES AND OTHER TAXES		1,061		1,061
		121,574	2,241	119,333
OTHER EXPENSES - PART 1, LINE 22				
AUTO EXPENSE		797		797
DUES AND SUBSCRIPTIONS		1,012		1,012
CONFERENCE EXPENSE		22,026		22,026
OFFICE EXPENSE		7,405	1,821	7,324
PUBLICATION EXPENSE		72,610		72,610
TELEPHONE AND UTILITIES		11,571	1,187	10,414
TRAVEL AND ENTERTAINMENT		23,017	4,603	18,414
LIBRARY EXPENSE		2,018		2,018
MAINTENANCE AND REPAIR		8,175		8,175
MISCELLANEOUS EXPENSE		313		313
INSURANCE EXPENSE		13,384		13,384
OPERATION CORX EXPENSE		535,729		535,729
		773,926	7,641	765,455

STATEMENT NO. 3 (990 MF) Pg 1 of 2YEAR ENDED 12/31/79INVESTMENTS IN CORPORATE STOCKS - Part III, Line 9

	<u>12/31/79</u>		<u>12/31/78</u>	
	<u>\$</u>	<u>SH</u>	<u>\$</u>	<u>SH</u>
BESTON DISKINSON & Co	6,000		221,116	
BRISTOL MYERS	5,000		148,075	
DUNLOP CORP	4,000		407,892	
CITICORP	6,000		129,508	
CONOCO INC (was Continental Oil)	6,000		97,888	
CORNING GLASS WORKS	3,050		433,985	
CONGLASS CO	10,000		10,525	
DUN & BARSTADT CO, INC	5,000		96,448	
EASTMAN KODAK CO	4,000		475,704	
GENERAL ELECTRIC	5,500		61,352	
HEWLETT PACKARD	4,000		68,727	
IAM CORP	1,400		300,701	
LIBERTY NAT'L LIFE INSURANCE CO	8,000		401,875	
MC DONALD'S CORPORATION	115,000		578,750	
MIDNIGHT MINING & MFG	4,000		129,124	
METRODA	4,000		124,525	
PHILLIP MORRIS, INC	2,500		122,287	
TRATONIA	4,500		84,612	
TIMES PAPER CO	2,000		152,707	
WESTERN AIRCORPORATION	7,500		126,100	
STEIN BOE CASH RESERVE	40,847		407,521	
STEINBOE SPECIAL FD (was SAFE INC)	210,982		122,483	
LITTON INDUSTRIES				
JOHNSON & JOHNSON				
SCHUMACHER LTD				
STANDARD OIL OF INDIANA				
			7,125,540	
				50,177,497

OTHER INVESTMENTS - Part III, Line 9

NORTHWESTERN NAT'L BANK - BANK ACCOUNT
UNITED CALIF BANK - CO

- 966,895
- 1,000,000
- 1,966,895

OTHER ASSETS - Part III, Line 13

RECEIVED INTEREST RECEIVABLE
RECEIVED DIVIDENDS RECEIVABLE
PROCEEDS FROM SALES OF SECURITIES RECEIVABLE

1,923 1,923
18,865 2,891
96,525 142,625
99,488 153,558

NAME THE KROC FOUNDATION

IDENTIFICATION NO. 36-6125258

STATEMENT NO. 3 (990 PF) Pg 2 of 2

YEAR ENDED 12/31/79

OTHER LIABILITIES - PART III, LINE 17	12/31/77	12/31/77
FEDERAL EXCISE TAXES PAYABLE	38,400	108,200
ACCRUED PAYROLL TAXES	1,164	1,626
	<u>39,564</u>	<u>109,826</u>

NAME THE KRC EDUCATIONIDENTIFICATION NO. 96-6125289ADDRESS PART VIISCHEDULE NO. 4 (P. 1 OF 2)

SCHEDULE OF CAPITAL GAINS & LOSSES

YEAR ENDED 12/31/79

No. of Shares or Bonds	KIND OF PROPERTY	How Acq	DATE		Net SALES PRICE		COST	EXPENSE		DEPRECI- ATION	GAIN OR LOSS	
			ACQUIRED	SOLD							SHORT TERM	LONG TERM
1000	BECTON DICKINSON	P	71-75	3/6/79	31718		29358					<764>
5000	BECTON DICKINSON	P	71-75	3/8/79	172219		181758					<9559>
2000	BURROUGHS CORP	P	72-74	3/19/79	132166		207892					<75726>
6000	CITICORP	P	3/8/74	7/22/79	147715		129803					18212
3050	CORNING GLASS	P	71-75	6/28/79	174342		238785					<594-3>
2000	DONALDSON CO	P	71-75	7/12/79	42500		21898					2062
5000	EASTMAN KODAK	P	71-76	12/21/79	144070		275704					<131624>
200	IAM CORP	P	68-72	3/6/79	60650		33569					7081
1000	IAM CORP	P	68-72	6/27/79	72138		66874					5264
1000	LIBERTY NATL LIFE	P	64/75	3/23/79	24500		27000					<2500>
7000	LIBERTY NATL LIFE	P	64/75	12/18/79	149625		174873					<24750>
25000	Mc DONALD'S CORPORATION	D	12/6/77	5/21/79	1047865		-0-					1047865
15000	Mc DONALD'S CORPORATION	D	11/8/76	3/19/79	605180		-0-					605180
58000	Mc DONALD'S CORPORATION	D	12/6/77	7/30-1/79	2747598		-0-					2747598
17000	Mc DONALD'S CORPORATION	D	12/6/77	8/8/79	809332		-0-					809332
500	MINN MINING & MFG	P	2/10/75	3/6/79	28659		24806					3853
600	MINN MINING & MFG	P	2/10/75	6/27/79	28164		24806					3358
NET SHORT TERM GAIN OR (LOSS)												
NET LONG TERM GAIN OR (LOSS)												

NET SHORT TERM GAIN OR (LOSS)

NET LONG TERM GAIN OR (LOSS)

IDENTIFICATION NO. 36-6125250

SCHEDULE NO. 4 (2 of 2)

SCHEDULE OF CAPITAL GAINS & LOSSES

YEAR ENDED 12/31/79

[illegible]

Supplemental Depreciation

STATEMENT

SD

Year 12/31/77

Supplement to 990 PC

Page 1 of 1

Name The Kroc Foundation

36-6125251

No.	DESCRIPTION OF PROPERTY	Date Acquired	Cost or Other Basis (Less Land)	ADJUSTMENTS TO BASIS		Depreciable Basis	Prior Depreciation	Remaining Cost	Method	Life in Years	Rate	Depreciation This Year
				Sec. 20% (10 or more life yrs.)	Salvage Only							
1	FURNITURE & FIXTURES	Various	45116			45116	15789	29327	SL	14x		5270
2	FURNITURE & FIXTURES	"	20303			20303	2711	17592	SL	10		2000
3	TRANSPORTATION EQUIPMENT	8/3/75	6890			6890	6049	761	SL	4		761
4	MEDICAL RESEARCH EQUIP	1977	14486			14486	4107	12377	SL	5-10		1492
5												
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16												
17												
18												
19												
20												
TOTALS			16793			16793	26587	60405				9733

METHOD CODE

1. STRAIGHT LINE

2. 200% DECLINING BALANCE

3. 150% DECLINING BALANCE

4. 125% DECLINING BALANCE

5. SUM OF THE YEARS-DIGITS

6. OTHER

TOTAL DEPRECIATION THIS YEAR

9733

→ Add 20% additional depreciation on items purchased THIS year (Not to exceed \$2000 and \$4000 limitation)

MAY 14 1980

1979

Annual Report of Private Foundation

RECEIVED
FISCAL SERVICE CENTER
051980 NO. 260
INTERNAL REVENUE SERVICE
FRESNO, CA

THE KROC FOUNDATION

Name

Under Section 6056 of the Internal Revenue Code

**This Annual Report and
the annual return of the Foundation
filed on Form 990-PF are available for
public inspection. Consult an
Internal Revenue Service office for
further information.**

**Department
of the
Treasury
Internal
Revenue
Service**

Annual report for calendar year 1979, or fiscal year beginning

, 1979, and ending

, 19

Name of organization

THE KROC FOUNDATION

Employer identification number

36-1625258

Address of principal office

4425 CASS STREET, SUITE 11, SAN DIEGO CA 92109

If books and records are not at above address, specify where they are kept

FORD, HICKMAN, GIBBS & MASSINGER, ACCOUNTANTS, INC., 400 15 ST SUITE 1400, SAN DIEGO CA 92101

Name of principal officer of foundation

DR ROBERT L KROC

Public Inspection (See instruction C):

- (a) Enter date the notice of availability of annual report appeared in newspaper MAY 6, 1980
- (b) Enter name of newspaper SANTA BARBARA NEWS-PRESS
- (c) Check here ☒ if you have attached a copy of the newspaper notice as required by instruction C. (If the notice is not attached, the report will be considered incomplete.)

Check box for type of annual return ☒ Form 990-PF ☐ Form 5227Check this box if your private foundation status terminated under section 507(b)(1)(A) ☐

Revenues

1 Amount of gifts, grants, bequests, and contributions received for the year	47 957 500
2 Gross income for the year	123 649
Total	47 833 851

Disbursements and Expenses

3 Disbursements for the year for exempt (charitable) purposes (including administrative expenses)	5 960 793
4 Expenses attributable to gross income (item 2 above) for the year	123 963

Foundation Managers

List all managers of the foundation (see section 4946(b)):

Name and title

Address where manager may be contacted during normal business hours

ROBERT L KROC - PRESIDENT

Box 547, SANTA YNEZ, CA 93460

RAY A KROC - CHAIRMAN OF THE BOARD

4425 CASS ST., SUITE 11

JOHN B KROC - VICE PRESIDENT

SAN DIEGO CA 92109

BALLARD F SMITH, JR - SECRETARY

P.O. Box 2000, SAN DIEGO, CA 92120

LORRAINE GRON - TREASURER

17715 GOLF BLVD, 901

REDINGTON SHORES, FLA 33708

6a List here any managers of the foundation (see section 4946(b)) who have contributed 2 percent of the total contributions received by the foundation before the close of any taxable year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

RAY A KROC

6b List here any managers of the foundation (see section 4946(b)) who own 10 percent or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10 percent or greater interest.

NONE

06-13-80 D14
FILMED

Balance Sheet Per Books at the Beginning of the Year

Assets		Liabilities	
Cash	237,422	Accounts payable	13,363
Accounts and notes receivable	990,382	Contributions, gifts, grants, etc., payable	
Inventories		Bonds and notes payable	
Securities		Mortgages payable	
Government obligations		Other liabilities	39,564
Corporate bonds		Total liabilities	51,927
Corporate stocks	932,540		
Mortgage loans		Net Worth	
Real estate		Principal fund	23,476,845
Less: Depreciation		Income fund	513,917,722
Other assets	84,062		
Less: Depreciation	26,586	Total net worth	10,558,873
Total assets	1,061,080	Total liabilities and net worth	10,610,800

Itemized Statement of Securities and All Other Assets Held at the Close of the Taxable Year

Asset	Book value	Market value
CASH	96,813	96,813
RECEIVABLES	153,558	153,558
FIXED ASSETS, NET	50,475	50,475
MARKETABLE SECURITIES - SCHEDULE 2	50,177,497	46,942,785
OTHER ASSETS - CDs & ARMS RECEIPT.	196,685	196,685
Total	52,445,238	49,210,526

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Concise statement of purpose of grant or contribution	Amount
Paid during year SCHEDULE 1 - ATTACHED	NONE		4,814,950
Total			4,814,950
Approved for future payment			-
Total			4,814,950

A notice has been published that this Annual Report is available for public inspection at the principal offices of the foundation, and copies of this Annual Report have been furnished to the Attorney General (or his/her designate) of each State entitled to receive reports as required by instruction F.

Signature of foundation manager <i>John B. Gross</i> Vice President	Date 5/12/80	Preparer's signature <i>Walter R. Wenzinger</i> FARR, NICHMAN, GROSS & MASSIMONE, ACCOUNTANTS 600 N. State Street Suite 1200 San Diego, CA 92101 Preparer's address 95-4628234
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Instructions

A. Annual Report.—An annual report is required from the foundation managers (as defined in section 4946(b)) of every organization which is a private foundation, including a nonexempt trust described in section 4947(a)(1) which is treated as a private foundation, having at least \$5,000 of assets at any time during a taxable year. A private foundation may use this form for its annual reporting requirements.

If you prefer not to use this form, you may prepare the report in printed, typewritten or any other form you choose, provided it readily and legibly discloses the information required by section 6056 and the regulations thereunder.

The annual report is in addition to and not in lieu of submitting the information required on Form 990-PF under section 6033.

B. Where and When to File.—

(1) **Tax-exempt private foundation.**—File the report at the time and place specified for filing Form 990-PF, Return of Private Foundation Exempt from Income Tax.

(2) **Nonexempt trust described in section 4947(a)(1) and treated as a private foundation.**—File the report at the time and place specified for filing Form 5227, Return of Nonexempt Charitable or Split-Interest Trust Treated as a Private Foundation under section 4947(a) of the Internal Revenue Code.

C. Public Inspection of Private Foundation's Annual Reports.—As a foundation manager, you must make the annual report required by section 6056 available at the principal office of the foundation for inspection during regular business hours or, if you choose, you may furnish a copy free of charge to such persons requesting inspection, provided these persons do so at the time and manner prescribed in section 6104(d) and the regulations thereunder.

The notice must be published not later than the day prescribed for filing the annual report (including any extensions of time for filing), in a newspaper having general circulation in the county in which the principal office of the private foundation is located. The notice must state that the annual report of the private foundation is available at its principal office during regular business hours for inspection by any citizen who so requests within 180 days after the date of the

publication. It must also show the address of the private foundation's principal office and the name of its principal manager. A private foundation may designate in addition to its principal office, or (if the foundation has no principal office or none other than the residence of a substantial contributor or foundation manager) instead of such office, any other location where its annual report is available.

The term "newspaper having general circulation" will include any newspaper or journal which is permitted to publish statements in satisfaction of State statutory requirements relating to transfer of title to real estate or other similar legal notices.

A copy of the notice must be attached to the annual report filed with the Internal Revenue Service. Because IRS also makes the annual report available for public inspection under section 6104(d), the report and any attachments should be of such quality that they can be reproduced photographically.

A private foundation which has terminated its status as such under section 507(b)(1)(A), by distributing all its net assets to one or more public charities without retaining any right, title or interest in such assets, does not have to publish notice of availability of its annual report or furnish such report to the public for the taxable year in which it so terminates (Reg. 1.507-2(a)(6)). Be sure to check the box on page 2.

D. Signature and Verification.—The report must be signed by the foundation manager.

E. List of States.—A private foundation is required to attach to its Form 990-PF a list of all States:

(1) to which the organization reports in any fashion concerning its organization, assets, or activities, and

(2) with which the organization has registered (or which it has otherwise notified in any manner) that it intends to be, or is a charitable organization or that it is, or intends to be, a holder of property devoted to a charitable purpose.

F. Furnishing of Copies to State Officers; Listing of States.—If the organization has at least \$5,000 in assets at any time during the year the foundation managers must furnish a copy of this annual report to the Attorney General (or his/her designate) of (1) each State listed for

Form 990-PF (2) the State in which the principal office of the foundation is located, and (3) the State in which the foundation was incorporated or organized. The report must be furnished at the same time it is sent to IRS. In addition, the foundation managers must provide upon request a copy of the annual report to the Attorney General or other appropriate State officer of any other State. The foundation manager must also attach to the report a copy of the Form 990-PF (or Form 5227 for a 4947(a)(1) trust) and a copy of the Form 4720 (if any) filed by the foundation with IRS for the year.

G. Penalty for Failure to File Report and Notice on Time.—If a private foundation fails to file the annual report on or before the due date, or to comply with the requirements under instruction C, there will be imposed on the person (anyone under a duty to perform the act) a \$10 penalty for each day during which the failure continues, not to exceed \$5,000. (See section 6652(d)(3).)

The penalty of \$10.00 a day for failure to file may also be charged if a report is submitted with information omitted. Therefore, please be sure to make an entry in each part of the form even the ones that do not apply to you. If a part or line item does not apply, enter "N/A" (not applicable). (See Rev. Rul. 77-162, 1977-1 C.B. 400, for details.) If more than one person is liable, all such persons will be jointly and severally liable with respect to such failure.

Organizations that have given notice under section 508(b) as to their foundation status and have not received a letter from IRS containing a determination as to such status—refer to Rev. Proc. 79-8, 1979-1 C.B. 487, or later revisions for rules relating to relief from the penalty provision of section 6652. If the failure to file the annual report or comply with instruction C is willful, there will be imposed, in addition to the amount mentioned above, a penalty of \$1,000 for each such report or notice. (See section 6685.)

H. Foreign Organizations.—A foreign organization which has received substantially all of its support (other than gross investment income) from sources outside the United States will not be subject to the requirements of instructions C and F above.

In the Superior Court of the State of California In and for the County of Santa Barbara

In the Matter of KROC FOUNDATION

PUBLIC NOTICE

PROOF OF PUBLICATION (MILLS C.C.P.)

STATE OF CALIFORNIA }
County of Santa Barbara } ss.

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Santa Barbara News-Press, a newspaper of general circulation, printed and published daily in the City of Santa Barbara, County of Santa Barbara, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Santa Barbara, State of California, under date of June 8, 1964, Case Number 47171; that the notice herein mentioned was set in type not smaller than newspaper and was preceded by words printed in black-face type not smaller than newspaper, describing in general terms the purport and character of the notice intended to be given; that the notice, of which the enclosed is a printed copy, has been published in each regular issue of said Santa Barbara News-Press on the following dates, to-wit:

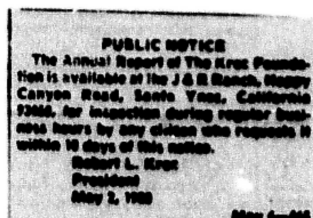
May 6,

all in the year 1980.

I hereby certify (or declare) under penalty of perjury that the foregoing is true and correct.

Executed this 6th day of May, 1980, at Santa Barbara, California.

[Signature]
Signature



THE PUBLIC NOTICE ATTACHED IS IN ERROR AND WILL BE REPUBLISHED ON MAY 10, 1980 BY THE SANTA BARBARA NEWS PRESS SUBSTITUTING "180 DAYS" FOR "10 DAYS."

TIME DOES NOT ALLOW INCLUSION OF THE CERTIFIED COPY OF THE CORRECTED NOTICE IN THIS REPORT. A CERTIFIED COPY OF THE CORRECTED NOTICE WILL BE FORWARDED AS SOON AS IT IS RECEIVED.

[Signature]
JIMAN B. KROC, VICE PRESIDENT

<u>Name and Institution</u>	<u>Title of Project</u>	<u>Amount</u>
Donald M. Marcus, M.D. Albert Einstein College of Medicine Bronx, NY	Glycosphingolipid antigens of human lymphocyte subpopulations	\$ 44,177
Harris Busch, M.D., Ph.D. Baylor College of Medicine Houston, TX	Feedback controls of nucleolar function	\$ 27,720
Lawrence Chan, M.D. Baylor College of Medicine Houston, TX	Biochemical studies on somato- statin biosynthesis	\$ 7,912
W. Page Faulk, M.D. Blond McIndoe Center for Transplantation Biology Sussex, England	Immunological studies of diabetic placenta	\$ 27,187
John I. Loewenstein, M.D. Boston University Medical Center Boston, MA	Ocular blood flow in diabetes mellitus	\$ 2,354
Neil B. Ruderman, M.D., Ph.D. Boston University School of Medicine Boston, MA	Polyamine metabolism in diabetes	\$ 25,635
Jeremy P. Brookes, Ph.D. California Institute of Technology Pasadena, CA	A pituitary growth factor for cultured rat Schwann cells	\$ 16,470
Robert P. Metzger, Ph.D. San Diego State University San Diego, CA	Increased concentrations of glycolate in urine and serum of diabetic subjects	\$ 26,400
Alan G. Goodridge, Ph.D. Case Western Reserve University Cleveland, OH	Hormone action in mutant hepato- cytes	\$ 4,961
Richard W. Hanson, Ph.D. Case Western Reserve University Cleveland, OH	Role of insulin in the regulation of enzyme synthesis	\$ 9,544
Charles J. Malemud, Ph.D. Roland W. Moskowitz, M.D. Victor M. Goldberg, M.D. Case Western Reserve University Cleveland, OH	Studies of human cartilage growth and metabolism in aging and osteoarthritis	\$ 19,475
Howard L. Weiner, M.D. Children's Hospital Medical Boston, MA	Natural killer cell activity in patients with multiple sclerosis and the relationship between human natural killer cells and measles virus	\$ 10,328

John J. Miller, III, M.D., Ph.D. Children's Hospital at Stanford Palo Alto, CA 94304	Role of antigen-antibody complexes in juvenile rheumatoid arthritis	\$ 16,210
Peter C. Dau, M.D. Children's Hospital of San Francisco San Francisco, CA	Plasmapheresis and immunosuppressive drug therapy in multiple sclerosis	\$ 11,105
Jack R. Battisto, Ph.D. Cleveland Clinic Foundation Cleveland, OH	Studies on the altered IgG human rheumatoid arthritis and development of a mouse model for adjuvant arthritis	\$ 28,956
Randall S. Krakauer, M.D. Cleveland Clinic Foundation Cleveland, OH	Investigation in suppressor cells and adaptive immunotherapy in auto- immunity	\$ 30,580
John W. Prineas, M.D. College of Medicine and Dentistry of New Jersey Newark, NJ	Characterization of virus-like particles and demyelination in acute lesion in multiple sclerosis	\$ 25,345
E. L. Pautler, Ph.D. Colorado State University Fort Collins, CO	Glucose and amino acid transport in ocular tissues of dystrophic and diabetic rats	\$ 22,365
Robert W. Phillips, D.V.M., Ph.D. Colorado State University Fort Collins, CO	Yucatan miniature swine as a model for diabetes mellitus	\$ 112,375
Isidore Edelman, M.D. Columbia University College of Physicians and Surgeons New York, NY	Use of glucocorticoid analogs to characterize glucocorticoid receptors	\$ 30,038
Max J. Appel, D.V.M., Ph.D. James A. Baker Institute Cornell University Ithaca, NY	Canine viruses and multiple sclerosis	\$ 19,357
George Lust, Ph.D. James A. Baker Institute Cornell University Ithaca, NY	Canine hip dysplasia: a model for study of early events in osteo- arthritis	\$ 37,623
Edward D. Harris, Jr., M.D. Dartmouth Medical School Hanover, NH	Rheumatoid synovial collagenase; its role as a marker for synovial proliferation	\$ 32,042
G. D. Aurbach, M.D. G. D. Aurbach, M.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Electrical potential of parathyroid cells in response to secretagogues and extracellular calcium	\$ 3,256

C. Ronald Kahn, M.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Study of the metabolism, biochemical and structural characteristics of the insulin receptor in 3T3-L1 fatty fibroblasts	\$ 14,000
James C. Osborne, Jr., Ph.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Analysis of the molecular organization of high density lipoproteins: evalua- tion of the mixed interactions between apolipoproteins A-II and C-I	\$ 5,802
Harvey B. Pollard, M.D., Ph.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Molecular basis of insulin secretion from pancreatic islet B cells	\$ 2,500
Matthew M. Rechler, M.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Structure and biosynthesis of an insulin-like growth factor: multiplication stimulating activity	\$ 13,280
John L. Sever, M.D., Ph.D. Foundation for Advanced Education in the Sciences Bethesda, MD	Antibody and cellular immune responses in MS	\$ 12,629
David W. Hollister, M.D. Harbor General Hospital Torrance, CA	The collagens of normal and and osteoarthritic cartilage	\$ 45,263
David L. Rimon, M.D., Ph.D. Harbor General Hospital Torrance, CA	The genetic heterogeneity of insulin dependent diabetes mellitus	\$ 19,076
Howard L. Weiner, M.D. Harvard Medical School Boston, MA	Natural killer cell activity in patients with multiple sclerosis and the relationship between human natural killer cells and measles virus	\$ 10,326
Shimon Slavin, M.D. Hadassah Medical Organization Jerusalem, Israel	Treatment of experimental diabetes with histoincompatible pancreatic islets using a new regimen for induction of permanent donor-type-specific transplantation tolerance	\$ 11,826
John W. Angers, M.D. Human Immunology Foundation New York, NY	A diagnostic test for MS	\$ 11,000
Alvin H. Sacks, Ph.D. Institute for Medical Research San Jose, CA	Studies of the vascular problems related to diabetes	\$ 29,859
Linda C. Cork, D.V.M., Ph.D. Johns Hopkins Hospital Baltimore, MD	Infectious leukoencephalomyelitis of goats, an animal model of demyelin-	\$ 24,748

Harvey R. Fischman, D.V.M., Ph.D. Richard T. Johnson, M.D. John F. Kurtzke, M.D. Johns Hopkins University Baltimore, MD	A feasibility study of an epidemiologic investigation of multiple sclerosis in Alaska	\$ 4,565
Shirley E. Poduslo, Ph.D. Johns Hopkins University Baltimore, MD	Oligodendroglia: a study of its surface components	\$ 25,158
William L. Chick, M.D. Joslin Diabetes Foundation Boston, MA 02215	Studies of pancreatic beta cells in the pathogenesis and treatment of diabetes	\$ 46,792
Robert A. Greenwald, M.D. Long Island Jewish-Hillside Medical Center New Hyde Park, NY	Effects of superoxide radical on connective tissues	\$ 20,610
Ralph A. Meyer, Jr., Ph.D. Marquette University Milwaukee, WI	X-linked hypophosphatemia (vitamin D-resistant rickets): a mouse model	\$ 26,026
Richard J. Wurtman, M.D. Massachusetts Institute of Technology Cambridge, MA	Effects of experimental diabetes on transport of hexoses and other sub- strates across the blood-brain barrier	\$ 11,106
John E. Gerich, M.D. Mayo Foundation Rochester, MN	Control of somatostatin secretion in vitro	\$ 19,365
Vanda A. Lennon, M.D., Ph.D. Mayo Clinic and Mayo Medical School Rochester, MN	An immunologic approach to brain differentiation and myelinogenesis	\$ 12,485
Neil S. Mandel, Ph.D. Medical College of Wisconsin Milwaukee, WI	Crystal induced membranolysis	\$ 27,390
William L. Duax, Ph.D. Medical Foundation of Buffalo Buffalo, NY	Molecular structure and biological activity of insulin I	\$ 36,400
Christian Schwabe, Ph.D. Medical University of South Carolina Charleston, SC 29403	A novel osteoarthritis model	\$ 13,340
Gabriel Virella, M.D., Ph.D. Medical University of South Carolina Charleston, SC	Detection, isolation and character- ization of circulating immune complexes in diabetic patients	\$ 23,457

Carol Smith, M.D. David Hamerman, M.D. Montefiore Hospital and Medical Center Bronx, NY	Evidence for a viral agent in rheumatoid synovial cells	\$ 18,290
Ira M. Goldstein, M.D. New York University Medical Center New York, NY	Oxygen-derived free radicals and and inflammation	\$ 8,250
Mauro C. Dal Canto, M.D. Northwestern University Chicago, IL	Primary demyelination produced by ts mutants of viruses: morphologic, immunohistochemical, immunological and virological studies	\$ 16,024
Norbert Freinkel, M.D. Northwestern University Chicago, IL	Effects of pregnancy on intermediary metabolism and diabetes	\$ 53,590
Howard L. Lipton, M.D. Northwestern University Chicago, IL	Chronic central nervous system infections in mice produced by human enteroviruses	\$ 28,882
Steven G. Krakowka, D.V.M., Ph.D. Ohio State University Columbus, OH	Canine distemper virus and multiple sclerosis	\$ 16,068
Jerry R. Mandell, M.D. Ohio State University Columbus, OH	Ultrastructural immunocytochemical localization of the P2 protein in peripheral nervous system	\$ 5,913
Charles F. Howard, Ph.D. Medical Research Foundation of Oregon Portland, OR	Diabetes in nonhuman primates	\$ 24,070
Floyd A. Davis, M.D. Rush-Presbyterian-St. Luke's Medical Center Chicago, IL	Effects of plasmapheresis on signs and symptoms in MS	\$ 19,698
Melvin Cohn, Ph.D. The Salk Institute San Diego, CA	A general approach to regulating responsiveness of the immune system: autoimmunity	\$ 36,300
Donald E. McMillan, M.D. Sansum Medical Research Foundation Santa Barbara, CA	Studies of viscosity of diabetic serum	\$ 36,190
Willard P. VanderLaan, M.D. U. J. Lewis, Ph.D. Scripps Clinic and Research Foundation La Jolla, CA	Diabetogenic peptides of the anterior pituitary	\$ 57,560

John H. Vaughan, M.D. Scripps Clinic and Research Foundation La Jolla, CA	Thoracic duct drainage in rheumatoid arthritis	\$ 6,792
William C. Dement, M.D., Ph.D. Stanford University Stanford, CA	Sleep, diabetes mellitus, and the autonomic nervous system	\$ 8,111
Leslie J. Dorfman, M.D. Stanford University Stanford, CA	Clinical neurophysiological studies in multiple sclerosis and related disorders	\$ 25,819
Hugh O. McDevitt, M.D. Stanford University Stanford, CA	Identification of HLA coded cell sur- face molecules associated with suscep- tibility to rheumatoid arthritis, multiple sclerosis and juvenile onset diabetes mellitus	\$ 98,086
Herbert Diamond, M.D. Research Foundation of State University of New York Brooklyn, NY	Renal handling of uric acid	\$ 36,591
Henry P. Godfrey, M.D. Research Foundation of State University of New York Stony Brook, NY	Antigen receptors of delayed hyper- sensitivity	\$ 48,747
Ronald A. Pieringer, Ph.D. Temple University School of Medicine Philadelphia, PA	The association of Galactosyl diacylglycerols with multiple sclerosis	\$ 27,716
William J. Meinke, Ph.D. University of Arizona Tucson, AZ	Detection of measles virus or a	\$ 27,032
Robert I. Mishell, M.D. University of California, Berkeley Berkeley, CA	Induction of resistance to the immunosuppressive effects of glucocorticosteroids by bacterial peptidoglycan	\$ 40,632
M. Eric Gershwin, M.D. University of California, Davis Davis, CA	Characterization of immunogenetic markers in juvenile rheumatoid arthritis	\$ 15,794
Edward R. Arquilla, M.D., Ph.D. University of California, Irvine Orange, CA	Relationship of insulin structure and function to the cause and complications of diabetes mellitus	\$ 48,650
George J. Friou, M.D. University of California, Irvine Irvine, CA	Fetal antigens and antibodies to them in rheumatic diseases	\$ 29,877
David T. Kingsbury, Ph.D. University of California, Irvine Irvine, CA	Molecular probes for the detection of mycoplasma and chlamydia in rheumatoid arthritis	\$ 24,338

Lewis M. Slater, M.D. University of California, Irvine Orange, CA	Immunogenetics of human diabetes	\$ 28,492
Rodney Bluestone, M.B. University of California, Los Angeles Los Angeles, CA	Cellular regulation in hyperuricemic nephropathy	\$ 35,200
Edith M. Carlisle, Ph.D. University of California, Los Angeles Los Angeles, CA	The role of silicon in articular cartilage metabolism	\$ 9,902
Yi-Han Chang, Ph.D. Carl M. Pearson, M.D. University of California, Los Angeles Los Angeles, CA	Effects of colchicine on functions of polymorphonuclear leukocytes in patients with gout	\$ 6,973
Mayer B. Davidson, M.D. University of California, Los Angeles Los Angeles, CA	Insulin-induced insulin antagonism in muscle cells	\$ 4,030
George W. Ellison, M.D. University of California, Los Angeles Los Angeles, CA	Drug studies in multiple sclerosis	\$ 43,983
John H. Fessler, Ph.D. University of California, Los Angeles Los Angeles, CA	Basement membrane synthesis by blood vessel endothelial and other cells	\$ 14,292
Harvey C. Gonick, M.D. University of California, Los Angeles Los Angeles, CA	Role of chromium deficiency as a cause of diabetes	\$ 34,582
Solomon A. Kaplan, M.D. Cynthia T. Barrett, M.D. University of California, Los Angeles Los Angeles, CA	Respiratory distress syndrome in infants of diabetic mothers	\$ 34,795
Seymour R. Levin, M.D. University of California, Los Angeles Los Angeles, CA	Role of adenosinetriphosphatases in the secretion and action of insulin	\$ 5,000
Joshua Levy, M.D. University of California, Los Angeles Los Angeles, CA	Cell mediated deficiencies in MS and RA: immunostimulant drug effects	\$ 48,879

Lawrence W. Myers, M.D. University of California, Los Angeles Los Angeles, CA	Immunological studies in multiple sclerosis	\$ 61,871
Jack G. Stevens, D.V.M., Ph.D. University of California, Los Angeles Los Angeles, CA	Pathogenesis of Marek's Disease: a model for the Landry-Guillain-Barre Syndrome	\$ 32,314
Wallace W. Tourtellotte, M.D., Ph.D. University of California, Los Angeles Los Angeles, CA	Neurofunction lab and multiple sclerosis	\$ 59,954
Stafford L. Warren, M.D. University of California, Los Angeles Los Angeles, CA	Search for an active agent in rheumatoid arthritis	\$ 44,135
David A. Gough, Ph.D. University of California, San Diego La Jolla, CA	Development of an implantable glucose sensor	\$ 5,000
J. Edwin Seegmiller, M.D. University of California, San Diego La Jolla, CA	Ochronotic arthritis and other forms of hereditary degenerative joint diseases	\$ 55,569
Nathan J. Zvaifler, M.D. University of California, San Diego San Diego, CA	Cryoglobulins in the rheumatic diseases	\$ 35,277
Allen I. Arieff, M.D. University of California, San Francisco San Francisco, CA	Lactic acidosis: effects of therapy	\$ 32,641
William F. Ganong, M.D. University of California, San Francisco San Francisco, CA	Relation of brain serotonin to the secretion of pituitary hormones, renin and the regulation of blood pressure in dogs	\$ 28,050
Gerold M. Grodsky, Ph.D. University of California, San Francisco San Francisco, CA	Diabetes research-especially characterization of the hypo-insulin and hyperglucagon secretion from the perfused pancreas of the Chinese hamster	\$ 29,280
Kenneth P. Johnson, M.D. University of California, San Francisco San Francisco, CA	Pathogenesis of multiple sclerosis	\$ 25,682

Kenneth P. Johnson, M.D. Bodvar Vandvik, M.D. University of California, San Francisco San Francisco, CA	Defining the immunologic specificity of antibodies in oligoclonal IgG bands	\$ 4,400
Jackson B. Pickett, M.D. University of California, San Francisco San Francisco, CA	Effect of insulin on neuromuscular transmission	\$ 11,000
Marvin D. Siperstein, M.D., Ph.D. Kenneth R. Feingold, M.D., Ph.D. Millie H. Wiley, Ph.D. University of California, San Francisco San Francisco, CA	Derangement of cholesterol metabolism	\$ 17,804
Norman Talal, M.D. University of California, San Francisco San Francisco, CA	Autoimmune disease in New Zealand black mice	\$ 55,720
Barry G. W. Arnason, M.D. University of Chicago Chicago, IL	Nonsense antibodies in CSF in multiple sclerosis	\$ 25,587
Donald F. Steiner, M.D. University of Chicago Chicago, IL	Comparative studies on proglucagon and proinsulin	\$ 31,639
Jerome H. Herman, M.D. University of Cincinnati Medical Center Cincinnati, OH	Evaluation of mechanisms modulating the activation and release of chondrocyte proteinase activity	\$ 7,114
Jack S. Burks, M.D. University of Colorado Medical Center Denver, CO	Transmission studies in multiple sclerosis	\$ 84,020
Henry N. Claman, M.D. University of Colorado Medical Center Denver, CO	Immunologic responses to insulin	\$ 6,643
Jerrold M. Olefsky, M.D. University of Colorado Medical Center Denver, CO	Mechanism of insulin resistance in obesity	\$ 32,456
David W. Talmage, M.D. University of Colorado Medical Center Denver, CO	The abrogation of immune rejection of endocrine grafts	\$ 31,574

Eng M. Tan, M.D. University of Colorado Medical Center Denver, CO	Antinuclear antibodies in rheumatic diseases	\$ 56,249
Paula Dore-Duffy, Ph.D. University of Connecticut Health Center Farmington, CT	Lymphocyte adherence in multiple sclerosis	\$ 22,722
Kathrin A. Krakauer, Ph.D. University of Connecticut Health Center Farmington, CT	Synovial cell endocytosis and intracellular digestion: a study of the contribution of synovium to the turnover of joint constituents	\$ 11,406
Steven E. Pfeiffer, Ph.D. University of Connecticut Health Center Farmington, CT	Temperature-sensitive lines of myelinating oligodendroglia and Schwann cells	\$ 6,655
Marvin L. Tanzer, M.D. University of Connecticut Health Center Farmington, CT	The synthesis, assembly and secretion of procollagen: a biochemical and genetic approach	\$ 18,065
Jose Cunha-Vaz, M.R. Morton F. Goldberg, M.D. University of Illinois Chicago, IL	Studies in diabetic retinopathy	\$ 6,304
David L. Camenga, M.D. University of Maryland Baltimore, MD	Canine distemper virus induced demyelination: an animal model for multiple sclerosis	\$ 33,282
Arthur A. Like, M.D. University of Massachusetts Worcester, MA	Studies of the spontaneous juvenile diabetic syndrome of the bio breeding laboratory rat	\$ 38,379
David S. Howell, M.D. University of Miami Miami, FL	Role of matrix vesicles in chondrocalcinosis	\$ 14,024
Duane R. Schultz, Ph.D. University of Miami Miami, FL	Immunological and biochemical studies of a polysaccharide in an ant venom (<u>Pseudomyrmex</u> sp.): its use for rheumatoid arthritis	\$ 35,888
Jack L. Kostyo, Ph.D. University of Michigan Ann Arbor, MI	Growth hormone: structure-function relationships	\$ 32,450
Steven D. Douglas, M.D. University of Minnesota Minneapolis, MN	Immunology and function of mono- nuclear phagocytes in rheumatoid arthritis	\$ 38,500
R. Philip Eaton, M.D. University of New Mexico Albuquerque, NM	Glucose homeostasis in normal man, obesity and diabetes	\$ 26,400

R. Philip Eaton, M.D. William J. Spencer, Ph.D. University of New Mexico Albuquerque, NM	Bioengineering and biomedical development of a programmable/ implantable insulin delivery system	\$ 16,413
Ralph C. Williams, Jr., M.D. University of New Mexico Albuquerque, NM	Projects related to immune mechanisms in the connective tissue diseases	\$ 37,950
Kelly West, M.D. University of Oklahoma Health Sciences Center Oklahoma City, OK	Multi-national study of blood glucose and other variables on lesions of diabetes	\$ 4,830
Roy L. Swank, M.D., Ph.D. Michael Daley, Ph.D. University of Oregon Health Science Center Portland, OR	The use of foveal fusion thresholds as a clinical measure	\$ 15,450
H. Ralph Schumacher, Jr., M.D. University of Pennsylvania Philadelphia, PA	Articular chondrocalcinosis: factors in crystal deposition	\$ 18,810
Donald H. Silberberg, M.D. University of Pennsylvania Philadelphia, PA	Role of the macrophage in demyelination of myelinated organotype cultures	\$ 15,553
Leslie P. Weiner, M.D. University of Southern California Los Angeles, CA	Remyelination following viral- induced demyelination	\$ 45,540
Chester W. Fink, M.D. University of Texas Health Science Center Dallas, TX	Effect of rheumatoid arthritis on growth and development	\$ 22,833
Karl Folkers, Ph.D. University of Texas at Austin Austin, TX	Cooperative research on the synthesis of peptides related to the human growth hormone and having diabetogenic activity	\$ 59,957
Grady F. Saunders, Ph.D. University of Texas Cancer Center Houston, TX	Expression of the proinsulin gene	\$ 32,017
Ciro V. Sumaya, M.D. University of Texas Health Science Center San Antonio, TX	Multiple sclerosis and Epstein-Barr virus infections	\$ 9,702
Donald H. Nelson, M.D. University of Utah Salt Lake City, UT	Study of the mechanisms by which corticosteroids produce their harmful effects when used in the treatment of arthritis	\$ 64,900
John R. Ward, M.D. University of Utah Salt Lake City, UT	Etiology of human rheumatoid arthritis	\$ 48,769

Edward S. Horton, M.D. University of Vermont Burlington, VT	Effects of exercise on insulin resistance in muscle	\$ 12,634
William P. Arend, M.D. University of Washington Seattle, WA	Neutral protease secretion in human monocytes and macrophages	\$ 12,538
John W. Ensink, M.D. University of Washington Seattle, WA	Glucose 'control' in diabetic humans using a glucose controlled insulin infusion system (biostator)	\$ 17,959
Wilfred Y. Fujimoto, M.D. University of Washington Seattle, WA	Epidemiology of maturity-onset type diabetes and its morbid consequences	\$ 8,004
Robert H. Williams, M.D. University of Washington Seattle, WA	Investigation pertinent to collagen changes in some common disorders	\$ 23,980
G. Guy Dodson, Ph.D. University of York York, England	Molecular structure and biological activity of insulin II	\$ 26,400
Raymond L. Woosley, M.D., Ph.D. Vanderbilt University Nashville, TN	Drug-induced lupus erythematosus: investigation of the role of reactive metabolites	\$ 15,800
Travis C. McGuire, D.V.M., Ph.D. Washington State University Pullman, WA	Studies on caprine arthritis- encephalitis	\$ 2,500
Harish C. Agrawal, Ph.D. John L. Trotter, M.D. William T. Shearer, M.D., Ph.D. Washington University School of Medicine St. Louis, MO	Neuroimmunology of multiple sclerosis	\$ 39,026
Paul E. Lacy, M.D. Washington University School of Medicine St. Louis, MO	Allografts of isolated islets of langerhans	\$ 78,151
David W. Scharp, M.D. Washington University School of Medicine St. Louis, MO	Isolation and culture of islets for transplantation	\$ 123,644
John L. Trotter, M.D. Washington University School of Medicine St. Louis, MO	Immunosuppression in multiple sclerosis	\$ 29,971
Margo P. Cohen, M.D. Wayne State University School of Medicine Detroit, MI	Cultured retinal microvessel cells: a model for study of diabetic retinopathy	\$ 15,114

F. Arthur McMorris, Ph.D. The Wistar Institute Philadelphia, PA	Effect of viruses on myelin functions in vitro	\$ 8,350
John Booss, M.D. Yale University New Haven, CT	Immunosuppression of B cell function in multiple sclerosis	\$ 11,032
Philip Felig, M.D. Yale University New Haven, CT	The metabolic response to exercise in normal and diabetic humans	\$ 42,957
Stephen E. Malawista, M.D. Yale University New Haven, CT	Clinical and laboratory studies of arthritis	\$ 50,155
Howard Rasmussen, M.D., Ph.D. Yale University New Haven, CT	New approaches to the treatment of osteogenesis imperfecta	\$ 49,268
Robert K. Yu, Ph.D. Yale University New Haven, CT	Biochemical alterations of MS spinal cord and cord myelin - compared with brain	\$ 45,616
Dartmouth Medical School Hanover, New Hampshire		\$ 486,327
Villa View Hospital San Diego, California		\$ 5,524
Michigan State University East Lansing, Michigan		\$ 137,875
Operation Snowball Illinois Department of Alcohol and Drug Abuse		\$ 7,500
Pathfinders San Diego, California		\$ 1,200
ACT Drug Abuse Program		\$ 2,000
UCSD - Scholarship Fund		\$ 400
Western Society for Pediatric Research		\$ 400
Einstein Memorial Fund		\$ 100
Hanot Foundation		\$ 10
March of Dimes		\$ 100
Aepfen Lung Conference		\$ 100
American Association of Neuropathologists		\$ 50

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The Foundation Center	\$ 5,000
National Multiple Sclerosis Research and Development Fund	\$ 1,000
National Multiple Sclerosis Society	\$ 300
Research to Prevent Blindness	\$ 200
Visiting Nurses Association	\$ 100
The Aescupalians	\$ 200
Perspectives in Biology and Medicine	\$ 350
Santa Ynez Health Care Foundation	\$ 100
Regents of University of California for Dile Symposium	\$ 500
Samuels Tribute	\$ 500
Arthritis Foundation of Santa Barbara	\$ 150
Canadian Biochemistry Society	\$ 2,500
American Diabetes Association	\$ 5,871
Second World Congress - Microcirculation	\$ 500
LaRabida Children's Hospital	\$ 500
International Association of Endocrine Surgeons	\$ 500
Field Museum of Natural History	\$ 100
Endocrine Society	\$ 5,000
Solvang Lutheran Home	\$ 500
Solvang Viking Charities	\$ 50
Western Association of Physicians	\$ 1,000
International Society of Endocrinology	\$ 1,000
	<hr/>
TOTAL	<u>\$4,814,950</u>

All grants are for medical/scientific research. Recipients are not related to the Foundation in any way.

STATEMENT NO. 2 (990 AR)YEAR ENDED 12/31/79

SCHEDULE OF MARKETABLE SECURITIES	# OF SH	COST	MARKET VALUE	
BRISIDE MYERS CO	5000	148 705	185 000	
CONOCO, INC	6000	97 338	223 500	
DONALDSON CO, INC	5000	58 947	152 000	
DUN & BRADSTREET CO, INC	5000	96 448	219 375	
GENERAL ELECTRIC	2500	61 252	177 188	
HEWLETT PACKARD	4000	68 727	226 500	
IBM CORP	3000	180 259	193 126	
LITTON INDUSTRIES	4000	166 480	169 000	
JOHNSON & JOHNSON	2500	181 850	198 145	
MCDONALD'S CORPORATION	1,000,000	47 937 500	43 375 000	
PHILLIP MORRIS INC	5000	123 287	180 000	
SCHLUMBERGER LTD	2000	146 600	187 300	
STANDARD OIL OF INDIANA	2500	159 088	197 188	
TEKRONIX	3500	64 891	209 564	
TIMES MIRROR	6000	125 790	219 000	
WESTERN GUN CORPORATION	6000	95 500	188 250	
STEINROE SPECIAL FUND	21 098.82	128 483	228 078	
STEIN ROE CASH RESERVE, INC	337 392	337 392	337 392	
		<u>50 172 492</u>	<u>46 542 785</u>	

Return of Private Foundation Exempt from Income Tax

Under Section 501(c)(3) of the Internal Revenue Code

1979

For the calendar year 1979, or taxable year beginning

1979 and ending

19

Please type print or attach label. See instruction G	Name of organization THE KRAC FOUNDATION	Employer identification number (see instruction G) 36 6125258
	Address (number and street) 8939 VILLA LA JOLLA DR % G A HOFFMAN SUITE 203	If the foundation is in a 60-month termination under section 507(b)(1)(B) check here <input type="checkbox"/>
	City or town, State and ZIP code LA JOLLA CA 92037	Fair market value of assets at end of year (see instruction H) 49,210,526

If address changed checked here ☐ Foreign organizations, check here ☐

The books are in care of **MR. NICHMAN, GROSS & MASSINGER, ACCOUNTANTS, INC.**
Located at **600 B ST #1200 SAN DIEGO CA 92101** Telephone no. **(619) 431-0581**

If exemption application is pending, check here ☐

Part I Analysis of Revenue and Expenses (See instructions for Part I)		(A) Revenue and expenses per books	(B) Computation of net investment income	(C) Computation of adjusted net income	(D) Disbursements for exempt purpose
Revenue	1 Gross contributions, gifts, grants, etc. (see instructions)	47,957,500			
	2 Contributions from split-interest trusts (see instructions)				
	3 Gross dues and assessments FSC				
	4 Interest	10,352	10,352	10,352	
	5 Dividends MAY 3 1 1983	473,046	473,046	473,046	
	6 Gross rents and royalties	3,851	3,851	3,851	
	7 Net gain or (loss) from sale of assets not in line 11	(1,498,647)			
	8 Capital gain net income (see instructions)		4,971,902		
	9 Net short-term capital gain (see instructions)				
	10 Income modifications (see instructions)				
	11 Gross profit from any business activities				
	(Gross receipts \times \$..... minus cost of sales \times \$..... see instructions)				
	12 Other income (attach schedule) STMT. 1	2,4081	7,928	2,4081	
	13 Total—add lines 1 through 12	47,133,851	553,1086	69,1337	
Expenses	14 Compensation of officers, etc. (see instructions)	60,470	12094	12094	48,276
	15 Other salaries and wages	241,631	48327	48327	173,304
	16 (a) Pension plan contributions (enter number of beneficiaries) RECEIVED				
	(b) Other employee benefits FRESNO SERVICE CENTER	6,780	1,356	1,356	5,424
	17 Investment, legal and other professional services	554,238	4,1571	4,1571	1,39,37
	18 Interest 08-16-83 NO. 374	34			34
	19 Taxes (see instructions)	121,374	2241	2241	100,29
	20 Depreciation, amortization and depletion (see instructions)	7,783	-	7,783	
	21 Rent FRESNO, CA				
	22 Other expenses (attach schedule)	773,096	7641	7641	763,453
	23 Contributions, gifts, grants (see instructions)	481,730			481,730
	24 Total—add lines 14 through 23	6,033,496	11,2230	12,2963	585,429
25 Line 13 minus line 24: (a) excess of revenue over expenses		41,750,155			
(b) Net investment income (if negative enter -0-)			541,7856		
(c) Adjusted net income (see instructions) (if negative enter -0-)				56,4374	

Part II Excise Tax On Investment Income		
1 Domestic organizations enter 2% of line 25(b); foreign organizations enter 4% of line 25(b)		108,357
2 Credits: (a) Foreign organizations—tax withheld at source		
(b) Tax paid with application for extension of time to file (Form 2758) RETURN	111,000	111,000
3 Tax Due—line 1 minus line 2. Pay in full with return. Make check or money order payable to Internal Revenue Service (write employer identification number on check or money order)		-
4 Overpayment—line 2 minus line 1		26,43
Foreign organization—Enter book value \times \$	and fair market value \times \$	of investment assets held in U.S.

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 the preparer has any knowledge.

Signature of officer or trustee **5/11/83** Date **Herbert Massinger** Preparer's signature
600 B ST #1200 SAN DIEGO CA 92101 Preparer's address (or employer's name and address) **95.2672814**

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Part III Balance Sheets

Assets	Beginning of taxable year		End of taxable year	
	(A) Amount	(B) Total	(C) Amount	(D) Total
1 Cash:				
(a) Savings and interest-bearing accounts	157,154		67,143	
(b) Other	80,218	237,422	276,711	26,812
2 Accounts receivable net				
3 Notes receivable net (attach schedule)				
4 Inventories				
5 Government obligations:				
(a) U.S. and instrumentalities				
(b) State, subdivisions thereof, etc.				
6 Investments in corporate bonds, etc. (attach schedule)				
7 Investments in corporate stocks (attach schedule) <i>Sec 3</i>		2,322,520		501,777
8 Mortgage loans (number of loans <i>Sec 3</i>)				
9 Other investments (attach schedule)				196,693
10 Depreciable (depletable) assets (attach schedule):				
(a) Held for investment purposes				
(b) Minus accumulated depreciation				
(c) Held for charitable purposes <i>Sec 5p</i>	12,062		16,793	
(d) Minus accumulated depreciation	26,596	57,426	36,320	50,473
11 Land:				
(a) Held for investment purposes				
(b) Held for charitable purposes				
12 Other assets (attach schedule) <i>Sec 3</i>		790,592		123,559
13 Total assets		10,610,808		52,445,238
Liabilities				
14 Accounts payable		12,363		26,354
15 Contributions, gifts, grants, etc., payable				
16 Mortgages and notes payable (attach schedule)				
17 Other liabilities (attach schedule) <i>Sec 3</i>		39,564		107,826
18 Total liabilities		51,927		134,210
Net Worth (Fund Balances)				
19 Principal Fund ▶		23,476,845		706,193
20 Income Fund ▶				
		113,917,972		518,310,331
21 Total Net Worth (Fund Balances)		10,558,873		51,309,029
22 Total liabilities and Net Worth (line 18 plus line 21)		10,610,808		52,445,238

Part IV Analysis of Changes in Net Worth

1 Total net worth at beginning of year—line 21, Column B, Part III	10,558,873
2 Enter amount from line 25(a), Part I	41,730,135
3 Other increases not included in line 2 (itemize) ▶	
4 Total of lines 1, 2, and 3	52,309,029
5 Decreases not included in line 2 (itemize) ▶	
6 Total net worth at end of year (line 4 minus line 5)—line 21, Column D, Part III	52,309,029

Part V Statements with Respect to Certain Activities

File Form 4720 if any of questions 10(a), 11(a) or 14(a) is answered "No," or question 10(c), 12(b), or 13(a) or (b) is answered "Yes."

	Yes	No
1 During the taxable year, have you (a) attempted to influence any national, State, or local legislation or (b) participated or intervened in any political campaign?		✓
(c) Did you expend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?		✓
If 1(a), (b) or (c) is "Yes," attach a detailed description of such activities and copies of any materials published or distributed by the organization in connection with such activities.		
(d) Did you file Form 1120-POL?		✓
2 Have you engaged in any activities which have not previously been reported to the Internal Revenue Service?		✓
If "Yes," attach a detailed description of such activities.		
3 Have any changes not previously reported to the IRS been made in your governing instrument, articles of incorporation, or bylaws, or other instruments of similar import?	✓	
If "Yes," attach a conformed copy of the changes. <i>ATTACHED BEHIND PAGE 8</i>		
4 (a) Did you have unrelated business gross income of \$1,000 or more during the year?		✓
(b) If "Yes," have you filed a tax return on Form 990-T for this year?		✓
5 Was there a liquidation, termination, dissolution or substantial contraction during the year?		✓
If "Yes," attach a schedule for the disposition(s) for the year showing type(s) of asset(s) disposed of, the date(s) disposed, the cost or other basis, the fair market value on date of disposition and the name(s) and address(es) of the recipient(s) of the asset(s) distributed. (See general instruction T)		
6 (a) Did you have at least \$5,000.00 in assets at any time during the year?	✓	
(b) If "Yes," did you file the annual report required by section 6056 (see Form 990-AR for instructions)?	✓	
7 Are the requirements of section 508(c) (relating to governing instruments) satisfied?	✓	
(See general instruction L)		
If "Yes," have such requirements been satisfied by:		
(a) Language in the governing instrument (original or as amended), or	✓	
(b) Enactment of State legislation that effectively amends the governing instrument with no mandatory directions in the governing instrument that conflict with the State law?		
8 (a) Enter names of States as required by general instruction M: <i>CALIFORNIA AND ILLINOIS</i>		
(b) If you answered 6(a) "Yes," have you furnished a copy of Form 990-AR (or equivalent report) to the Attorney General (or his/her designate) of each State as required by general instruction N?	✓	
If "No," attach explanation.		
9 Are you claiming status as an operating foundation within the meaning of sections 4942(j)(3) or 4942(j)(6) for calendar year 1979 or fiscal year beginning in 1979 (see instructions for Part XII)?		✓
If "Yes," complete Part XII.		
10 Self-dealing (section 4941):		
(a) Have you engaged in any of the following acts during the year either directly or indirectly, with one or more disqualified persons (see definition in instruction B for Part V)—		
(1) Sale, exchange, or leasing of property		✓
(2) Borrowing or lending of money or other extension of credit		✓
(3) Furnishing of goods, services, or facilities		✓
(4) Payment of compensation (or payment or reimbursement of expenses)		✓
(5) Transfer to, or use by or for the benefit of, a disqualified person of any part of your income or assets		✓
(6) Agreement to make any payment of money, or other property, to a government official (as defined in section 4946(c)) other than an agreement to make a grant to or employ such individual for any period after the termination of his or her government service if such individual is terminating his or her government service within a 90-day period?		✓
(b) If any of questions (a)(1) through (a)(6) is answered "Yes," were ALL such acts in which you engaged excepted acts described in instruction C for Part V?		✓
(c) Have you, in a prior year, engaged in any of the acts described in (a) above that were acts of self-dealing in years beginning after December 31, 1969, because they were not excepted acts described in instruction C for Part V, and such act or acts were not corrected before the first day of your taxable year beginning in 1979?		✓
11 Taxes on failure to distribute income (section 4942) (not applicable for years you were an operating foundation as defined in section 4942(j)(3) or 4942(j)(6)):		
(a) Did you at the end of taxable year 1979 have any undistributed income (Lines 9(b) and (c), Part XI) for taxable year(s) beginning before 1979?		✓
If "Yes," insert years:		
(b) If "Yes," to (a) above, are you applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) with respect to the undistributed income for ALL such years?		✓
(c) If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in (a) above, list such years here and see instruction A for Part V:		
12 Taxes on excess business holdings (section 4943):		
(a) Did you hold more than two percent direct or indirect interest in any business enterprise (see instruction B, for Part V) at any time during the year?		✓
(b) If "Yes," did you have excess business holdings in 1979 as a result of any purchase by you or disqualified persons after May 26, 1969; the lapse of the 5-year period to dispose of holdings acquired by gift or bequest; or the lapse of the 10-year first phase holding period?		✓
Note: You may use Schedule C, Form 4720 to determine if you had excess business holdings in 1979.		

Part VI Statement With Respect to Contributors, Compensation, etc. (continued)

4 Five highest paid persons for professional services for 1979 (see Instructions):

Name and address of persons paid more than \$30,000	Type of service	Compensation

Total number of others receiving over \$30,000 for professional services ▶

Part -VII Capital Gains and Losses for Tax on Investment Income

[illegible][illegible]

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

[illegible]

2 Capital gain net income/(net capital loss) . { If gain, also enter on line 8, Part I }
 { If (loss) enter -0- on line 8, Part I } . . .

4971902

3 Net short-term capital gain (loss) as defined in section 1222(5) and (6)

Part VIII Minimum Investment Return for 1979
 (Operating Foundations—See instructions)

1 Fair market value of assets not used (or held for use) directly in carrying out exempt purposes:	
(a) Monthly average of securities at fair market value	26401990
(b) Monthly average of cash balances	237896
(c) Fair market value of all other assets (see instructions)	54408
(d) Total (add lines (a), (b), and (c))	26694294
2 Acquisition indebtedness applicable to line 1 assets	
3 Line 1(d) minus line 2	26694294
4 Cash deemed held for charitable activities—enter 1½% of line 3 (for greater amount, see instructions)	400414
5 Line 3 minus line 4	26293880
6 Enter 5% of line 5	1314694

Part IX Computation of Distributable Amount for 1979
 (See instructions—not applicable to operating foundations)

1 Adjusted net income from line 25(c), Part I		568374
2 Minimum investment return from line 6, Part VIII		1314694
3 Enter the higher of line 1 or line 2		1314694
4 Enter sum of:		
(a) Tax on investment income for 1979 from line 1, Part II	108357	
(b) Income tax on unrelated business income for 1979 (Form 990-T)		108357
5 Distributable amount (line 3 minus line 4)		1206337
6 Adjustments to distributable amount (see instructions)		
7 Distributable amount as adjusted (line 5 plus or minus line 6)—also enter on line 1, Part XI		1206337

Part X Qualifying Distributions in 1979
 (See instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
(a) Expenses, contributions, gifts, etc.—total from line 24, column (D), Part I	5151429
(b) Program related investments (see instructions)	-
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	-
3 Amounts set aside for specific projects which are for charitable, etc., purposes	-
4 Total qualifying distributions made in 1979 (add lines 1, 2, and 3)	5151429

Part XI Computation of Undistributed Income (See instructions)

	(a) Corpus	(b) Years prior to 1978	(c) 1978	(d) 1979
1 Distributable amount for 1979 from Part IX				1206337
2 Undistributed income, if any, as of the end of 1978:				
(a) Enter amount for 1978				
(b) Total for prior years:				
3 Excess distributions carryover, if any, to 1979:				
(a) From 1974				366203
(b) From 1975				190101
(c) From 1976				1419484
(d) From 1977				2307523
(e) From 1978				4703121
(f) Total of 3(a) through (e)				7516432
4 Qualifying distributions for 1979 (3951429)				
(a) Applied to 1978 (but not in excess of 2(a))			(-)	
(b) Applied to undistributed income of prior years (Election required)		(-)		
(c) Treated as distributions out of corpus (Election required)	-			
(d) Applied to 1979 distributable amount				(1206337)
(e) Remaining amount distributed out of corpus	4645092			
5 Excess distributions carryover applied to 1979	(-)			(-)
(If an amount appears in column (d) the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:	14231524			
(a) Corpus. Lines 3(f), 4(c) and 4(e) minus line 5.				
(b) Prior years undistributed income. Line 2(b) minus line 4(b). This amount is taxable—File Form 4720				
(c) Undistributed income for 1978. Line 2(a) minus line 4(a). This amount is taxable—File Form 4720				
(d) Undistributed income for 1979. Line 1 minus line 4(d) and 5. Amount must be distributed in 1980				-
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by sections 170(b) (1)(D) or 4942(g)(3) (see instructions)	(-)			
8 Excess distributions carryover from 1974 not ap- plied on line 5 (see instructions)	(366203)			
9 Excess distributions carried forward. (Line 6(a) minus lines 7 and 8)	13865321			
10 Analysis of line 9:				
(a) Excess from 1975				190101
(b) Excess from 1976				1419484
(c) Excess from 1977				2307523
(d) Excess from 1978				4703121
(e) Excess from 1979				4645092

Part XII Private Operating Foundations
 (See instructions and Question 9, Part V)

N/A

- 1 (a) If the foundation has received a ruling or determination letter that it is an operating foundation, and such ruling is effective for 1979, enter the date of such ruling ▶
- (b) Check box to indicate whether you are an operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(6) (see instructions).

	Taxable year		Prior Three Years		(e) Total
	(a) 1979	(b) 1978	(c) 1977	(d) 1976	
2 (a) Adjusted net income (from line 25(c), Part I for 1979. Enter corresponding amount for prior years)					
(b) 85% of line (a)					
(c) Qualifying distributions from line 4, Part X for 1979 (enter corresponding amount for prior years)					
(d) Amounts included in (c) not directly for active conduct of exempt activities					
(e) Qualifying distributions directly for active conduct of exempt purposes (line (c) minus line (d))					
3 Complete the alternative test in (a), (b) or (c) on which the organization relies:					
(a) "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
(b) "Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown on line 6, Part VIII for 1979 (enter $\frac{2}{3}$ of comparable amount for prior years)					
(c) "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments with respect to securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization (see instructions)					
(4) Gross investment income					

NAME THE KROC FOUNDATIONIDENTIFICATION NO. 36-6125258STATEMENT NO. 1YEAR ENDED 1977

STATEMENT REGARDING AMENDED RETURN:

THIS RETURN IS BEING AMENDED TO DELETE NOW-
INTERSTATE TYPE INCOME FROM PAGE 1, LINE 12,
COL B. TAX HAD PREVIOUSLY BEEN COMPUTED AND PAID
ON THIS AMOUNT. THERE ARE NO OTHER CHANGES
TO THE RETURN.

REVENUE FROM FILMS & BOOKS

< 132,153 >

DELETED FROM

Pg 1 LINE 12 COL B

CHANGE IN TAX - Pg 1 PART II LINE 1

REDUCE TAX BY 2% x 132,153 < 2,643 >

ACCOUNT NO [REDACTED] 05-28-83
NAME CONT- KROC CYCLE-8321

TAX PERIOD 44 7912

LOC9505 CRINV - COPYS LIEN FR0100000000000001000000000000 ECN PIA
95491-143-99002-0 CAF FZ -
HISTORICAL DO-95

MF STAT-10 MF MOD BAL-

0.00

150 071480 111,000.00

8027

95491-143-99002-0

SRC- RCC-

NET TAX INC- 5,550,009.00

610 051980 111,000.00-

8027

446 020981 0.00

8104

95491-143-99002-0

157 051980 0.00

8036

95455-236-00111-0

MF STAT-10 071480

0.00 8027

ACCOUNT NO [REDACTED]
NAME CONT- KR0C05-28-83
CYCLE-8321KROC FOUNDATION
PO BOX 547
SANTA YNEZ

CA 93460

LOC-9505

EO-STAT-01-

RUL-6510

CLASS-1000

PRIOR NAME CONTROL-KR0C

FZ-

EMP-N FTD- ESTAB-0668

FYM-12 CRINV- 130-

AFF-3 INC-8 FOUN-04 GEN NO-

ORG-3 ASSET-8 SUB-03 FFN-360006891

FR- 941-01 990PF-1

REQD FOR-89633669 BY-89633669 ON-052483

TYPE-S-44-7912

REQUESTED TAX MODULE FOUND ON MF

MODULES REMOVED TO RETENTION REQ-----

01	6909	00-95	YEAR-74
01	6912	00-95	YEAR-73
01	7003	00-95	YEAR-74
01	7006	00-95	YEAR-74
01	7009	00-95	YEAR-74
01	7012	00-95	YEAR-74
01	7103	00-95	YEAR-75
01	7106	00-95	YEAR-75
01	7109	00-95	YEAR-75
01	7112	00-95	YEAR-75
01	7203	00-95	YEAR-76
01	7206	00-95	YEAR-76
01	7209	00-95	YEAR-76
01	7212	00-95	YEAR-76
01	7303	00-95	YEAR-77
01	7306	00-95	YEAR-77
01	7309	00-95	YEAR-77
01	7312	00-95	YEAR-77
01	7403	00-95	YEAR-80
01	7406	00-95	YEAR-80
01	7409	00-95	YEAR-80
01	7412	00-95	YEAR-80
01	7503	00-95	YEAR-81
01	7506	00-95	YEAR-81
01	7509	00-95	YEAR-81
01	7512	00-95	YEAR-81
01	7603	00-95	YEAR-82
01	7606	00-95	YEAR-82
01	7609	00-95	YEAR-82
01	7612	00-95	YEAR-82
01	7703	00-95	YEAR-83
01	7706	00-95	YEAR-83
01	7709	00-95	YEAR-83
01	7712	00-95	YEAR-83
10	7212	00-95	YEAR-76
10	7312	00-95	YEAR-77
10	7412	00-95	YEAR-82
10	7512	00-95	YEAR-82

*****CONTINUED ON NEXT PAGE*****

ACCOUNT NO

05-28-83

NAME CONT- KROC

CYCLE-8321

10	7612	DO-95	YEAR-82
44	7012	DO-51	YEAR-81
44	7112	DO-51	YEAR-81
44	7212	DO-51	YEAR-81
44	7312	DO-51	YEAR-77
44	7412	DO-51	YEAR-80
44	7512	DO-51	YEAR-82
44	7612	DO-51	YEAR-82

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