

**Return of Organization Exempt From Income Tax**  
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

**A** For the 2007 calendar year, or tax year beginning and ending

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Termination  
 Amended return  
 Application pending

**C** Name of organization: **SECOND AMENDMENT FOUNDATION**  
 Number and street (or P O box if mail is not delivered to street address): **12500 N.E. 10TH PLACE**  
 City or town, state or country, and ZIP + 4: **BELLEVUE, WA 98005**

**D** Employer identification number: **91-6184167**

**E** Telephone number: **(425) 454-7012**

**F** Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_

**G** Website: **WWW.SAF.ORG**

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

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

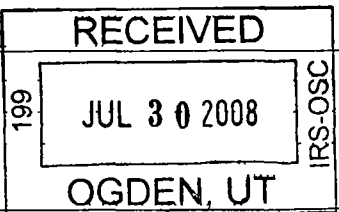
**H and I** are not applicable to section 527 organizations.  
**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** If "Yes," enter number of affiliates: **N/A**  
**H(c)** Are all affiliates included? **N/A**  Yes  No (If "No," attach a list)  
**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No  
**I** Group Exemption Number: **N/A**

**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: **3,895,769.**

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

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

Revenue					
<b>1</b>	Contributions, gifts, grants, and similar amounts received				
<b>a</b>	Contributions to donor advised funds	<b>1a</b>			
<b>b</b>	Direct public support (not included on line 1a)	<b>1b</b>	<b>3,233,467.</b>		
<b>c</b>	Indirect public support (not included on line 1a)	<b>1c</b>			
<b>d</b>	Government contributions (grants) (not included on line 1a)	<b>1d</b>			
<b>e</b>	Total (add lines 1a through 1d) (cash \$ <b>3,233,467.</b> noncash \$ _____)	<b>1e</b>	<b>3,233,467.</b>		
<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>			
<b>3</b>	Membership dues and assessments	<b>3</b>			
<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>	<b>50,434.</b>		
<b>5</b>	Dividends and interest from securities	<b>5</b>	<b>9,564.</b>		
<b>6 a</b>	Gross rents	<b>6a</b>			
<b>b</b>	Less rental expenses	<b>6b</b>			
<b>c</b>	Net rental income or (loss) Subtract line 6b from line 6a	<b>6c</b>			
<b>7</b>	Other investment income (describe _____)	<b>7</b>			
<b>8 a</b>	Gross amount from sales of assets other than inventory	(A) Securities	<b>269,868.</b>	<b>8a</b>	(B) Other <b>6,200.</b>
<b>b</b>	Less cost or other basis and sales expenses	<b>159,719.</b>	<b>8b</b>	<b>5,000.</b>	
<b>c</b>	Gain or (loss) (attach schedule)	<b>110,149.</b>	<b>8c</b>	<b>1,200.</b>	
<b>d</b>	Net gain or (loss) Combine line 8c, columns (A) and (B)	<b>STMT 1 STMT 2</b>		<b>8d</b>	<b>111,349.</b>
<b>9</b>	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>				
<b>a</b>	Gross revenue (not including \$ _____ of contributions reported on line 1b)	<b>9a</b>			
<b>b</b>	Less direct expenses other than fundraising expenses	<b>9b</b>			
<b>c</b>	Net income or (loss) from special events Subtract line 9b from line 9a	<b>9c</b>			
<b>10 a</b>	Gross sales of inventory, less returns and allowances	<b>10a</b>			
<b>b</b>	Less cost of goods sold	<b>10b</b>			
<b>c</b>	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	<b>10c</b>			
<b>11</b>	Other revenue (from Part VII, line 103)	<b>11</b>	<b>326,236.</b>		
<b>12</b>	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	<b>12</b>	<b>3,731,050.</b>		
<b>13</b>	Program services (from line 44, column (B))	<b>13</b>	<b>2,161,141.</b>		
<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>	<b>131,949.</b>		
<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>	<b>1,055,958.</b>		
<b>16</b>	Payments to affiliates (attach schedule)	<b>16</b>			
<b>17</b>	Total expenses. Add lines 16 and 44, column (A)	<b>17</b>	<b>3,349,048.</b>		
<b>18</b>	Excess or (deficit) for the year Subtract line 17 from line 12	<b>18</b>	<b>382,002.</b>		
<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>	<b>3,185,361.</b>		
<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>	<b>89,658.</b>		
<b>21</b>	Net assets or fund balances at end of year Combine lines 18, 19, and 20	<b>21</b>	<b>3,657,021.</b>		



**Part II Statement of Functional Expenses**

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u> ) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u> ) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc listed in Part V-A	59,764.	55,486.	2,205.	2,073.
b Compensation of former officers, directors, key employees, etc listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	262,838.	244,026.	9,697.	9,115.
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27				
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees				
33 Supplies	28,036.	20,110.	1,527.	6,399.
34 Telephone	30,047.	20,049.	1,926.	8,072.
35 Postage and shipping	783,772.	480,515.		303,257.
36 Occupancy	85,150.	57,839.	5,261.	22,050.
37 Equipment rental and maintenance				
38 Printing and publications	597,064.	378,877.		218,187.
39 Travel				
40 Conferences, conventions, and meetings	118,363.	117,050.	1,313.	
41 Interest	14,182.	2,374.	11,808.	
42 Depreciation, depletion, etc (attach schedule)	5,105.		5,105.	
43 Other expenses not covered above (itemize):				
a _____				
b _____				
c _____				
d _____				
e _____				
f _____				
g SEE STATEMENT 4	1,364,727.	784,815.	93,107.	486,805.
44 Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,349,048.	2,161,141.	131,949.	1,055,958.

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

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ 3,025,479., (ii) the amount allocated to Program services \$ 1,861,629.,  
 (iii) the amount allocated to Management and general \$ 119,080., and (iv) the amount allocated to Fundraising \$ 1,044,770.

Part III Statement of Program Service Accomplishments (See the instructions.)

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

What is the organization's primary exempt purpose? <b>EDUCATION IN SUPPORT OF GUN RIGHTS</b>	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
<b>a PUBLIC EDUCATION IN SUPPORT OF GUN RIGHTS, INCLUDING THE EDUCATION OF THE PUBLIC WITH REGARDS TO THE BILL OF RIGHTS, THE CONSTITUTION AND THE INVOLVEMENT OF FIRE ARMS IN CRIME PREVENTION.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	2,126,466.
<b>b LEGAL ACTION IN DEFENSE OF GUN OWNERS, INCLUDING CONSTITUTIONAL CHALLENGE OF LEGISLATION IN THE COURTS. (EXCLUDING LEGAL SERVICE PERFORMED PRO BONO).</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	34,675.
<b>c</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>d</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>e Other program services (attach schedule)</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>f Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>	2,161,141.

Form 990 (2007)

**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	45 Cash - non-interest-bearing	978,076.	45	1,330,951.	
	46 Savings and temporary cash investments	958,153.	46	1,265,808.	
	47 a Accounts receivable	47a 18,347.			
	b Less: allowance for doubtful accounts	47b	31,164.	47c 18,347.	
	48 a Pledges receivable	48a			
	b Less: allowance for doubtful accounts	48b		48c	
	49 Grants receivable			49	
	50 a Receivables from current and former officers, directors, trustees, and key employees			50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)			50b	
	51 a Other notes and loans receivable STMT 5	51a 41,149.			
	b Less allowance for doubtful accounts	51b	41,149.	51c 41,149.	
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges		28,262.	53 36,758.	
	54 a Investments - publicly-traded securities STMT 11 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		406,259.	54a 495,917.	
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b	
55 a Investments - land, buildings, and equipment: basis	55a				
b Less: accumulated depreciation	55b		55c		
56 Investments - other	SEE STATEMENT 6	1,104,784.	56 945,065.		
57 a Land, buildings, and equipment: basis	57a 423,223.				
b Less accumulated depreciation STMT 7	57b 409,397.	11,919.	57c 13,826.		
58 Other assets, including program-related investments (describe <input type="checkbox"/> SEE STATEMENT 8 )		19,583.	58 14,583.		
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58		3,579,349.	59 4,162,404.		
<b>Liabilities</b>	60 Accounts payable and accrued expenses			221,726.	60 365,416.
	61 Grants payable			61	
	62 Deferred revenue			62	
	63 Loans from officers, directors, trustees, and key employees			63	
	64 a Tax-exempt bond liabilities			64a	
	b Mortgages and other notes payable STMT 9		50,000.	64b 25,000.	
	65 Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 10 )		122,262.	65 114,967.	
66 <b>Total liabilities.</b> Add lines 60 through 65		393,988.	66 505,383.		
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/></b> and complete lines 67 through 69 and lines 73 and 74				
	67 Unrestricted			3,185,361.	67 3,657,021.
	68 Temporarily restricted			68	
	69 Permanently restricted			69	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/></b> and complete lines 70 through 74				
	70 Capital stock, trust principal, or current funds			70	
	71 Paid-in or capital surplus, or land, building, and equipment fund			71	
	72 Retained earnings, endowment, accumulated income, or other funds			72	
	73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)		3,185,361.	73 3,657,021.	
	74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73		3,579,349.	74 4,162,404.	

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions)

<b>a</b>	Total revenue, gains, and other support per audited financial statements		<b>a</b>	3,731,050.
<b>b</b>	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify): _____	b4		
	Add lines b1 through b4		<b>b</b>	0.
<b>c</b>	Subtract line b from line a		<b>c</b>	3,731,050.
<b>d</b>	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify): _____	d2		
	Add lines d1 and d2		<b>d</b>	0.
<b>e</b>	<b>Total revenue</b> (Part I, line 12). Add lines c and d		<b>e</b>	3,731,050.

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements		<b>a</b>	3,349,048.
<b>b</b>	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify) _____	b4		
	Add lines b1 through b4		<b>b</b>	0.
<b>c</b>	Subtract line b from line a		<b>c</b>	3,349,048.
<b>d</b>	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify): _____	d2		
	Add lines d1 and d2		<b>d</b>	0.
<b>e</b>	<b>Total expenses</b> (Part I, line 17). Add lines c and d		<b>e</b>	3,349,048.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
JOE TARTARO BUFFALO, NEW YORK	PRESIDENT 37.50	14,763.	0.	0.
ALAN GOTTLIEB BELLEVUE, WA	VICE PRES. 37.50	36,000.	702.	0.
KIRBY WILBUR DUVALL, WA	DIRECTOR 0.00	0.	0.	0.
JOHN M. SNYDER WASHINGTON, D.C.	TREASURER 10.30	9,000.	225.	0.
ROBERT WIEST KNOXVILLE, TN	MEMBR AT LARG 0.00	0.	0.	0.
SAM SLOM HONOLULU, HI	SECRETARY 0.00	0.	0.	0.
MASSAD AYOUB CONCORD, NH	MEMBR AT LARG 0.00	0.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued) Yes No

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 7
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) 75b X
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." 75c X
If "Yes," attach a statement that includes the information described in the instructions.
d Does the organization have a written conflict of interest policy? 75d X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation (if not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances. Row 1: NONE

Part VI Other Information (See the instructions) Yes No

76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change 76 X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes 77 X
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? 78a X
b If "Yes," has it filed a tax return on Form 990-T for this year? 78b X
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement 79 X
80 a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? 80a X
b If "Yes," enter the name of the organization N/A and check whether it is [ ] exempt or [ ] nonexempt
81 a Enter direct and indirect political expenditures (See line 81 instructions.) 81a 0
b Did the organization file Form 1120-POL for this year? 81b X

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)		
82b			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions? N/A		
83b			
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
84b			
85 a	501(c)(4), (5), or (6) Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members		
85c	N/A		
d	Section 162(e) lobbying and political expenditures		
85d	N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85e	N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85f	N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
85g			
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A		
85h			
86	501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12		
86a	N/A		
b	Gross receipts, included on line 12, for public use of club facilities		
86b	N/A		
87	501(c)(12) organizations Enter: a Gross income from members or shareholders		
87a	N/A		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
87b	N/A		
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	X	
88a			
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI		X
88b			
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under section 4911 0., section 4912 0., section 4955 0.		
b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89b			
c	Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d	Enter. Amount of tax on line 89c, above, reimbursed by the organization 0.		
e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
89e			
f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
89f			
g	For supporting organizations and sponsoring organizations maintaining donor advised funds Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
89g			
90 a	List the states with which a copy of this return is filed SEE STATEMENT 12		
b	Number of employees employed in the pay period that includes March 12, 2007	13	
90b			
91 a	The books are in care of MR. ALAN GOTTLIEB Telephone no 425-454-7012		
	Located at 12500 N.E. 10 PLACE, BELLEVUE, WA ZIP + 4 98005		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country N/A		X
91b			
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		

**Part VI Other Information** (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c    
 If "Yes," enter the name of the foreign country ▶ N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ▶   
 and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92 N/A

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

**Note:** Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	50,434.	
96 Dividends and interest from securities			14	9,564.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					111,349.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a LIST RENTAL INCOME	541900	14,364.			
b SUBSCRIPTIONS					217,210.
c ADVERTISING	541800	74,951.			
d ROYALTIES	541900	18,121.			
e OTHER INCOME	541900	1,590.			
104 Subtotal (add columns (B), (D), and (E))		109,026.		59,998.	328,559.
105 Total (add line 104, columns (B), (D), and (E))					497,583.

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

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

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	SEE STATEMENT 14

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
SEE STATEMENT 13	%			
	%			
	%			
	%			

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

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

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

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



**Part XI** Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13) N/A

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	-----					
b	-----					
c	-----					
<b>Totals</b>						

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	Yes	No
a	-----					
b	-----					
c	-----					
<b>Totals</b>						

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

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

Please Sign Here: *Alan M. Gottlieb* Signature of officer | 7/24/08 Date

Type or print name and title: **ALAN M. GOTTLIEB, EXECUTIVE V.P.**

Paid Preparer's Use Only: Preparer's signature: *[Signature]* | Date: 7/24/08 | Check if self-employed:  | Preparer's SSN or PTIN (See Gen. Inst. X):  
 Firm's name (or yours if self-employed), address, and ZIP + 4: **GUNNING, STENSON & PRICE, P.S.  
 10655 N.E. 4TH STREET, SUITE 611  
 BELLEVUE, WA 98004** | EIN: | Phone no: **206-462-1151**

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under Section 501(c)(3)**

OMB No 1545-0047

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

**2007**

Department of the Treasury  
Internal Revenue Service

**Supplementary Information-(See separate instructions.)**

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

Name of the organization: **SECOND AMENDMENT FOUNDATION** Employer identification number: **91 6184167**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions List each one If there are none, enter "None ")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	▶ 0			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
MERRIL ASSOCIATES BELLEVUE, WA	MAIL, MARKETING AND LIST RENTAL	301,665.
Total number of others receiving over \$50,000 for professional services	▶ 0	

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms If there are none, enter "None " See page 2 of the instructions )

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services	▶ 0	

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

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property? SEE STATEMENT 15	X	
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities? SEE STATEMENT 16	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3	a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) SEE STATEMENT 17	X	
b	Did the organization have a section 403(b) annuity plan for its employees?		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement.		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4	a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g.		X
b	Did the organization make any taxable distributions under section 4966? N/A		
c	Did the organization make a distribution to a donor, donor advisor, or related person? N/A		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶		N/A
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		N/A
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0.
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year ▶		0.

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions )

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box )

- 5  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6  A school Section 170(b)(1)(A)(ii) (Also complete Part V )
- 7  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8  A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A )
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A )
- 11b  A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A )
- 12  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A )
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization  
 Type I       Type II       Type III-Functionally Integrated       Type III-Other

**Provide the following information about the supported organizations. (See page 8 of the instructions )**

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b>					

- 14  An organization organized and operated to test for public safety Section 509(a)(4) (See page 8 of the instructions )

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12) **Use cash method of accounting.**  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	2,997,637.	3,106,030.	3,323,249.	3,107,836.	12,534,752.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	63,838.	49,101.	21,194.	22,012.	156,145.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	322,447.	384,848.	SEE STATEMENT 18 497,325.	399,972.	1,604,592.
23 Total of lines 15 through 22	3,383,922.	3,539,979.	3,841,768.	3,529,820.	14,295,489.
24 Line 23 minus line 17	3,383,922.	3,539,979.	3,841,768.	3,529,820.	14,295,489.
25 Enter 1% of line 23	33,839.	35,400.	38,418.	35,298.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 285,910.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 0.
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 14,295,489.
d Add: Amounts from column (e) for lines 18 156,145. 19 _____ 22 1,604,592. 26b _____					26d 1,760,737.
e Public support (line 26c minus line 26d total)					26e 12,534,752.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 87.6833%
27 Organizations described on line 12 a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year N/A	(2006)	(2005)	(2004)	(2003)	
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year N/A	(2006)	(2005)	(2004)	(2003)	
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)			27f N/A		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15

**Part V Private School Questionnaire** (See page 9 of the instructions)

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )		
	_____		
	_____		
	_____		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )	32d	
	_____		
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )	33h	
	_____		
	_____		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions)

(To be completed **ONLY** by an eligible organization that filed Form 5768)

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

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

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

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 13 of the instructions )

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount					0.
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					0.
<b>47</b> Total lobbying expenditures	AN IRS SECTION 501 (h) ELECTION WAS MADE				0.
<b>48</b> Grassroots nontaxable amount	BY THE FOUNDATION. NO LOBBYING				0.
<b>49</b> Grassroots ceiling amount (150% of line 48(e))	EXPENDITURES HAVE BEEN MADE BY THE				0.
<b>50</b> Grassroots lobbying expenditures	CORPORATION.				0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions )

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
<b>a</b> Volunteers			
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.)			
<b>c</b> Media advertisements			
<b>d</b> Mailings to members, legislators, or the public			
<b>e</b> Publications, or published or broadcast statements			
<b>f</b> Grants to other organizations for lobbying purposes			
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body			
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
<b>i</b> Total lobbying expenditures (Add lines c through h )			0.

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

**Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 14 of the instructions.)

**51** Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

- a** Transfers from the reporting organization to a noncharitable exempt organization of
  - (i) Cash
  - (ii) Other assets
- b** Other transactions
  - (i) Sales or exchanges of assets with a noncharitable exempt organization
  - (ii) Purchases of assets from a noncharitable exempt organization
  - (iii) Rental of facilities, equipment, or other assets
  - (iv) Reimbursement arrangements
  - (v) Loans or loan guarantees
  - (vi) Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- d** If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

N/A

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

**52 a** Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

**b** If "Yes," complete the following schedule N/A

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



2007 DEPRECIATION AND AMORTIZATION REPORT  
FORM 990 PAGE 2

990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	PROGRAM SERVICES											
1	UNWEEK ASSETS	VARIABLES	VAR	.000	16	151,300.			151,300.	151,300.		0.
	* 990 PAGE 2 TOTAL											
	PROGRAM SERVICES					151,300.		0.	151,300.	151,300.	0.	0.
	MANAGEMENT AND GENERAL											
2	VARIOUS	VARIABLES	VAR	.000	16	233,805.			233,805.	233,805.		0.
3	COMPUTER EQUIPMENT	051002SL	SL	3.00	16	7,800.			7,800.	7,800.		0.
4	COMPUTER EQUIPMENT	02SL	SL	5.00	16	2,282.			2,282.	1,824.		458.
5	COMPUTER EQUIPMENT	090203SL	SL	5.00	16	1,536.			1,536.	998.		538.
6	COMPUTER EQUIPMENT	04SL	SL	5.00	16	3,824.			3,824.	3,292.		532.
7	NETWORK EQUIPMENT	080104SL	SL	3.00	16	4,401.			4,401.	2,141.		856.
9	COMPUTER SONY VGN	050105SL	SL	5.00	16	2,394.			2,394.	798.		479.
10	5 DESKTOP & 1 LAPTOP	060105SL	SL	5.00	16	4,177.			4,177.	1,322.		835.
11	3 DESKTOP COMPUTERS	060105SL	SL	5.00	16	1,943.			1,943.	616.		389.
12	COMPUTER EQUIPMENT	050106SL	SL	5.00	16	1,083.			1,083.	144.		217.
13	COMPUTER EQUIPMENT	040106SL	SL	5.00	16	1,667.			1,667.	250.		333.
14	LAPTOP COMPUTER	090107SL	SL	5.00	16	7,011.			7,011.			468.
	* 990 PAGE 2 TOTAL											
	MANAGEMENT AND GENERAL					271,923.		0.	271,923.	252,990.	0.	5,105.
	* GRAND TOTAL 990 PAGE											
2	DEPR					423,223.		0.	423,223.	404,290.	0.	5,105.

\* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

(D) - Asset disposed

FORM 990 · GAIN (LOSS) FROM NON-PUBLICLY TRADED SECURITIES STATEMENT 1

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
INVESTMENT IN 1340 AD, LLC	07/01/04	11/01/07	PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
BURKEN BROADCASTING, LLC	269,868.	159,719.	0.	110,149.
TOTAL TO FM 990, PART I, LN 8	269,868.	159,719.	0.	110,149.

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
LAND - KERN CO., CA	12/21/98	10/09/07	DONATED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
DORELL AND LULU HOFFNER	6,200.	5,000.	0.	0.	1,200.
TO FM 990, PART I, LN 8	6,200.	5,000.	0.	0.	1,200.

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FORM 990      OTHER CHANGES IN NET ASSETS OR FUND BALANCES      STATEMENT      3

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DESCRIPTION

AMOUNT

INVESTMENT VALUATION ACCOUNT

89,658.

TOTAL TO FORM 990, PART I, LINE 20

89,658.

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FORM 990	OTHER EXPENSES			STATEMENT 4
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROFESSIONAL FEES	346,592.	199,345.	46,638.	100,609.
PUBLICITY & ADVERTISING	118,551.	118,551.		
RESEARCH	1,182.	1,182.		
TELEPHONE MARKETING	545,715.	273,370.		272,345.
BOOK PROGRAM	43,245.	43,245.		
MISCELLANEOUS	25,203.	1,528.	23,675.	
MAILING LIST RENTAL	226,980.	113,129.		113,851.
LEGAL DEFENSE	33,476.	33,476.		
REPAIRS & MAINTENANCE	21,842.		21,842.	
TAXES	952.		952.	
AWARDS & GRANTS	989.	989.		
<b>TOTAL TO FM 990, LN 43</b>	<b>1,364,727.</b>	<b>784,815.</b>	<b>93,107.</b>	<b>486,805.</b>

FORM 990 OTHER NOTES AND LOANS REPORTED SEPARATELY STATEMENT 5

BORROWER'S NAME TERMS OF REPAYMENT  
 KSBN RADIO, INC. ON DEMAND

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>	<u>FMV OF CONSIDERATION</u>
05/14/02	VARIOUS	10,000.	6.00%	0.

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN  
 OPERATING FUNDS

<u>RELATIONSHIP OF BORROWER</u>	<u>DESCRIPTION OF CONSIDERATION</u>	<u>DOUBTFUL ACCT ALLOWANCE</u>	<u>BALANCE DUE</u>
INVESTEE		0.	25,000.

BORROWER'S NAME TERMS OF REPAYMENT  
 KITZ RADIO, INC. ON DEMAND

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>	<u>FMV OF CONSIDERATION</u>
05/14/02	VARIOUS	13,500.	6.00%	0.

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN  
 OPERATING FUNDS

<u>RELATIONSHIP OF BORROWER</u>	<u>DESCRIPTION OF CONSIDERATION</u>	<u>DOUBTFUL ACCT ALLOWANCE</u>	<u>BALANCE DUE</u>
INVESTEE		0.	16,149.

TOTALS INCLUDED ON FORM 990, PART IV, LINE 51		0.	41,149.
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FORM 990	OTHER INVESTMENTS	STATEMENT 6
DESCRIPTION	VALUATION METHOD	AMOUNT
INVESTMENT IN RADIO AND TV STATIONS	COST	807,250.
INVESTMENT IN INTERNET MEDIA WEB SITE	COST	137,815.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		945,065.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 7

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
GUNWEEK ASSETS	151,300.	151,300.	0.
VARIOUS	233,805.	233,805.	0.
COMPUTER EQUIPMENT	7,800.	7,800.	0.
COMPUTER EQUIPMENT	2,282.	2,282.	0.
COMPUTER EQUIPMENT	1,536.	1,536.	0.
COMPUTER EQUIPMENT	3,824.	3,824.	0.
NETWORK EQUIPMENT	4,401.	2,997.	1,404.
COMPUTER SONY VGN	2,394.	1,277.	1,117.
5 DESKTOP & 1 LAPTOP	4,177.	2,157.	2,020.
3 DESKTOP COMPUTERS	1,943.	1,005.	938.
COMPUTER EQUIPMENT	1,083.	361.	722.
COMPUTER EQUIPMENT	1,667.	583.	1,084.
LAPTOP COMPUTER	7,011.	468.	6,543.
TOTAL TO FORM 990, PART IV, LN 57	423,223.	409,395.	13,828.



FORM 990

OTHER ASSETS

STATEMENT 8

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
INVESTMENT IN CONDOMINIUM AND LAND	9,500.	4,500.
DEPOSITS	4,083.	4,083.
HAWAII LAND	6,000.	6,000.
TOTAL TO FORM 990, PART IV, LINE 58	<u>19,583.</u>	<u>14,583.</u>

FORM 990

OTHER NOTES AND LOANS PAYABLE

STATEMENT 9

<u>LENDER'S NAME</u>		<u>TERMS OF REPAYMENT</u>	
KITZ			
<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
04/ /04		100,000.	.00%
<u>SECURITY PROVIDED BY BORROWER</u>		<u>PURPOSE OF LOAN</u>	
ASSETS, EQUIPMENT		PURCHASE RADIO STATION	
<u>RELATIONSHIP OF LENDER</u>			
INVESTEE			
<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>	
	0.	25,000.	
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B		25,000.	

FORM 990

OTHER LIABILITIES

STATEMENT 10

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
DEFERRED MAGAZINE SUBSCRIPTIONS	122,262.	114,967.
TOTAL TO FORM 990, PART IV, LINE 65	122,262.	114,967.

FORM 990

NON-GOVERNMENT SECURITIES

STATEMENT 11

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
INVESTMENT IN MARKET SEC.	FMV	495,917.			495,917.
TO FORM 990, LINE 54A, COL B		495,917.			495,917.

FORM 990

LIST OF STATES RECEIVING COPY OF RETURN  
PART VI, LINE 90

STATEMENT 12

STATES

WA, OR, PA, MN, OH, WV, UT, IL, FL, WI, MD, ME, SC, KY, NM, NJ, NY, NC

FORM 990 PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES AND DISREGARDED ENTITIES STATEMENT 13

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

KSBN RADIO, INC.

ADDRESS

12500 NE 10TH PL., BELLEVUE, WA 98005-2532

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
91-1669197	50.00%	BROADCAST RADIO STATION	1,930.	290,301.

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

KITZ RADIO, INC.

ADDRESS

12500 NE 10TH PL., BELLEVUE, WA 98005-2532

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
91-2019576	50.00%	BROADCAST RADIO STATION	776.	781,176.

NAME OF CORPORATION, PARTNERSHIP OR DISREGARDED ENTITY

KEEPANDBEARARMS.COM, INC

ADDRESS

12500 NE 10TH PL., BELLEVUE, WA 98005-2532

EMPLOYER ID NUMBER	PERCENT OWNED	NATURE OF ACTIVITIES	TOTAL INCOME	END-OF-YEAR ASSETS
20-1551728	50.00%	INTERNET WEBSITE	<1,524.>	300,000.

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FORM 990            PART VIII - RELATIONSHIP OF ACTIVITIES TO            STATEMENT 14  
                              ACCOMPLISHMENT OF EXEMPT PURPOSES

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LINE            EXPLANATION OF RELATIONSHIP OF ACTIVITIES

100            INVESTMENT IN RADIO STATIONS RELATES DIRECTLY TO THE PUBLIC EDUCATION  
                 OF GUN RIGHTS, THE BILL OF RIGHTS, THE CONSTITUTION AND THE INVOLVE-  
                 MENT OF FIRE ARMS IN CRIME PREVENTION.

103B           MAGAZINE EDUCATES SUBSCRIBERS AND READERS ON ISSUES RELATING TO  
                 CITIZENS RIGHTS TO KEEP AND BEAR ARMS.

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SCHEDULE A	EXPLANATION OF TRANSACTIONS PART III, LINE 2A	STATEMENT 15
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LEASES - THE FOUNDATION HAS ENTERED INTO AN AGREEMENT TO LEASE A PORTION OF AN OFFICE BUILDING LOCATED IN BELLEVUE, WASHINGTON FOR ITS NORMAL BUSINESS OPERATIONS FROM A TRUSTEE. THE FOUNDATION ALONG WITH ANOTHER NONPROFIT ORGANIZATION HAS THE RIGHT TO ACQUIRE THE LAND AND RELATED BUILDINGS AT A FAIR MARKET PRICE SHOULD THE PROPERTY BE OFFERED FOR SALE IN THE FUTURE. THE LEASE AGREEMENT PROVIDES FOR NO INCREASE IN THE RENT DURING THE TERM OF THE LEASE. THE FOUNDATION IS RESPONSIBLE FOR OPERATING COSTS ASSOCIATED WITH THE PROPERTY. RENTAL EXPENSE PAID BY THE FOUNDATION FOR 2007 WAS \$56,400. THE FOUNDATION ALSO HAD A MONTH-TO-MONTH LEASE WITH A TRUSTEE FOR THE OFFICE FACILITIES OF GUNWEEK, A MAGAZINE LOCATED IN BUFFALO, NEW YORK. THE LEASE AGREEMENT REQUIRED MONTHLY PAYMENTS OF \$600, PLUS OTHER OPERATING COSTS. EFFECTIVE SEPTEMBER 1, 2007, THE TRUSTEE SOLD THE BUILDING TO A THIRD PARTY, AND ENTERED INTO A ONE YEAR LEASE FOR THE SAME LOCATION. THE TRUSTEE AND THE FOUNDATION HAVE AN AGREEMENT THAT THE FOUNDATION WILL PAY THE TRUSTEE THE AMOUNT OF THE \$975 MONTHLY RENT PLUS OTHER OPERATING COSTS AS PRESCRIBED UNDER THE TERMS OF THE TRUSTEE'S LEASE WITH THE NEW BUILDING OWNER. THE TRUSTEE'S LEASE EXPIRES ON AUGUST 31, 2008 AND IS A MONTH-TO-MONTH AGREEMENT FROM THAT DATE FORWARD. RENTAL EXPENSE PAID BY THE FOUNDATION FOR 2007 WAS \$8700.



SCHEDULE A	EXPLANATION OF TRANSACTIONS PART III, LINE 2C	STATEMENT 16
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FURNISH GOODS AND SERVICES:

CERTAIN MEMBERS OF MANAGEMENT OF THE FOUNDATION ARE EITHER PRINCIPAL OWNERS OR OFFICERS OF VARIOUS ORGANIZATIONS WHICH HAVE TRANSACTIONS WITH THE SERVICE BUREAU ASSOCIATION, INC. (A NON-PROFIT COOPERATIVE).

THESE ORGANIZATIONS AND THE FOUNDATION CONDUCT THEIR OPERATIONS IN ADJACENT FACILITIES. THESE ORGANIZATIONS AND THE COST OF SERVICES PROVIDED, GOODS RECEIVED OR (REVENUES EARNED) IN 2007 ARE AS FOLLOWS:

DATA PROCESSING, ACCOUNTING AND TELEMARKEITING:	
SERVICE BUREAU ASSOCIATION, INC.	\$640,954
MAIL, MARKETING AND LIST RENTAL:	
MERRIL ASSOCIATIONS	\$301,655
MERRIL PRESS/MMM, INC.	\$10,590

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SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 17  
PART III, LINE 3A

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ALL GRANTS AND LOANS MADE BY THE FOUNDATION ARE EITHER APPROVED BY THE BOARD OF DIRECTORS OR THE EXECUTIVE COMMITTEE. IN APPROVING GRANTS AND LOANS, THE BOARD AND THE EXECUTIVE COMMITTEE DETERMINE THE SIGNIFICANCE AND IMPORTANCE OF THE WORK TO BE PERFORMED. IT IS THE FOUNDATION'S GOAL THAT THE INDIVIDUALS AND ORGANIZATIONS RECEIVING THE GRANTS AND LOANS WILL MAKE A LONG TERM COMMITMENT TO THE SECOND AMENDMENT.

SCHEDULE A	OTHER INCOME			STATEMENT 18
DESCRIPTION	2006 AMOUNT	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT
OTHER INCOME	322,447.	384,571.	497,325.	399,972.
GAIN FROM SALE OF INVESTMENTS	0.	277.	0.	0.
TOTAL TO SCHEDULE A, LINE 22	<u>322,447.</u>	<u>384,848.</u>	<u>497,325.</u>	<u>399,972.</u>

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

▶ File a separate application for each return

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

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

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

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

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

Type or print  File by the due date for filing your return. See instructions	Name of Exempt Organization  <b>SECOND AMENDMENT FOUNDATION</b>	Employer identification number  <b>91-6184167</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>12500 N.E. 10TH PLACE</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>BELLEVUE, WA 98005</b>	

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

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

- The books are in the care of ▶ **MR. ALAN GOTTLIEB**  
Telephone No. ▶ **425-454-7012** FAX No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2008**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year **2007** or  
▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

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

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

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