

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

2011

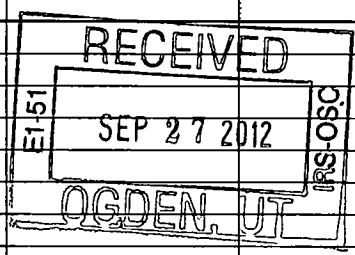
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2011 or tax year beginning

, and ending

Name of foundation PAULSON FAMILY FOUNDATION C/O PAULSON & CO., INC.		A Employer identification number 26-3922995
Number and street (or P O box number if mail is not delivered to street address) 1251 AVENUE OF THE AMERICAS, 50TH FLOOR	Room/suite	B Telephone number 2129562221
City or town, state, and ZIP code NEW YORK, NY 10020		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 552,709,986.	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))				
1 Contributions, gifts, grants, etc., received	145800000.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities				
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	1,253,471.			
b Gross sales price for all assets on line 6a	3,500,000.			
7 Capital gain net income (from Part IV, line 2)		1,253,471.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total. Add lines 1 through 11	147053471.	1,253,471.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees				
c Other professional fees				
17 Interest				
18 Taxes STMT 1	40,000.	40,000.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 2	1,602.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	41,602.	40,000.		0.
25 Contributions, gifts, grants paid	16,912,294.			16,912,294.
26 Total expenses and disbursements. Add lines 24 and 25	16,953,896.	40,000.		16,912,294.
27 Subtract line 26 from line 12	130099575.			
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)		1,213,471.		
c Adjusted net income (if negative, enter -0-)			N/A	



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PAULSON FAMILY FOUNDATION

C/O PAULSON & CO., INC.

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	91,437,016.	133,783,222.	133,783,222.
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U S and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 4	270,833,084.	358,586,555.	418,926,764.	
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶ _____)				
16 Total assets (to be completed by all filers)	362,270,100.	492,369,777.	552,709,986.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
22 Other liabilities (describe ▶ STATEMENT 5)	0.	102.		
23 Total liabilities (add lines 17 through 22)	0.	102.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	362,270,100.	492,369,675.	STATEMENT 3	
30 Total net assets or fund balances	362,270,100.	492,369,675.		
31 Total liabilities and net assets/fund balances	362,270,100.	492,369,777.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	362,270,100.
2 Enter amount from Part I, line 27a	2	130,099,575.
3 Other increases not included in line 2 (itemize) ▶ _____	3	0.
4 Add lines 1, 2, and 3	4	492,369,675.
5 Decreases not included in line 2 (itemize) ▶ _____	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	492,369,675.

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a PAULSON ADVANTAGE PLUS LTD	P	12/31/08	11/30/11
b			
c			
d			
e			

(a) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 3,500,000.		2,246,529.	1,253,471.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			1,253,471.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	1,253,471.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	40,775.	364,062,316.	.000112
2009	42,634.	126,375,794.	.000337
2008	0.	809,589.	.000000
2007			
2006			

2 Total of line 1, column (d)	2	.000449
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.000150
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	533,458,420.
5 Multiply line 4 by line 3	5	80,019.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	12,135.
7 Add lines 5 and 6	7	92,154.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions	8	16,912,294.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	12,135.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0.
3	Add lines 1 and 2	3	12,135.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	12,135.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	13,669.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	13,669.
8	Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	1,534.
11	Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> 1,534. Refunded <input checked="" type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
d		
e		
2		X
3		X
4a		X
4b		
5		X
6		X
7	X	
8a		
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A
14 The books are in care of PAULSON FAMILY FOUNDATION Telephone no 212-956-2221 Located at 1251 AVENUE OF AMERICAS, 50TH FLOOR, NEW YORK, NY ZIP+4 10020
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year 15 N/A
16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country

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

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

1a During the year did the foundation (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?

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

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

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

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

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

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

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No N/A

	5b	X
	6b	X
	7b	

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JOHN PAULSON 1251 AVENUE OF THE AMERICAS, 50TH F NEW YORK, NY 10020	DIRECTOR, PRESIDENT & TREAS 5.00	0.	0.	0.

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

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

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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

	Expenses
1 N/A	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 NONE	
	0.
2	
All other program-related investments See instructions	
3 NONE	
	0.
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	529,738,436.
b	Average of monthly cash balances	1b	11,843,716.
c	Fair market value of all other assets	1c	0.
d	Total (add lines 1a, b, and c)	1d	541,582,152.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	541,582,152.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	8,123,732.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	533,458,420.
6	Minimum investment return. Enter 5% of line 5	6	26,672,921.

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

1	Minimum investment return from Part X, line 6	1	26,672,921.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	12,135.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	12,135.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	26,660,786.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	26,660,786.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	26,660,786.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	16,912,294.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part-XIII, line 4	4	16,912,294.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	12,135.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	16,900,159.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				26,660,786.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			16,858,941.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 16,912,294.				
a Applied to 2010, but not more than line 2a			16,858,941.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				53,353.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				26,607,433.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

Table with 5 columns: (a) 2011, (b) 2010, (c) 2009, (d) 2008, (e) Total. Rows include 2a-e (Qualifying distributions) and 3a-c (Alternative tests).

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

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

JOHN PAULSON

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here [] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

JOHN PAULSON, 212-350-5151
1251 AVENUE OF THE AMERICAS, 50TH FL, NEW YORK, NY 10020

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

N/A

c Any submission deadlines

N/A

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

DECIDED ON A CASE BY CASE BASIS

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Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a Paid during the year</p> <p>92ND STREET Y 1395 LEXINGTON AVE NEW YORK, NY 10128</p>	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
<p>ACE VIVA LAS VEGAS 598 BROADWAY 7TH FL NEW YORK, NY 10012</p>	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
<p>AMERICAN JEWISH COMMITTEE JACOB BLAUSTEIN BLDG 165 EAST 56TH ST NEW YORK, NY 10022</p>	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	25,000.
<p>AMERICAN MUSEUM OF NATURAL HISTORY CENTRAL PARK WEST @79TH ST ATT CAROLINE CONESE, DEVELOPMENT OFFICE NEW YORK, NY 10024</p>	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	25,000.
<p>BENEFACTORS OF ECUADOR INC - NEW MATERNITY 675 THIRD AVENUE NEW YORK, NY 10017</p>	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	2,019,350.
<p>Total SEE CONTINUATION SHEET(S) ▶ 3a</p>				16,912,294.
<p>b Approved for future payment</p> <p>NONE</p>				
<p>Total ▶ 3b</p>				0.

Form 990-PF (2011)

Part XVI-A Analysis of Income-Producing Activities

Table with columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include: 1 Program service revenue, 2 Membership dues and assessments, 3 Interest on savings and temporary cash investments, 4 Dividends and interest from securities, 5 Net rental income or (loss) from real estate, 6 Net rental income or (loss) from personal property, 7 Other investment income, 8 Gain or (loss) from sales of assets other than inventory (18, 1,253,471), 9 Net income or (loss) from special events, 10 Gross profit or (loss) from sales of inventory, 11 Other revenue, 12 Subtotal (0, 1,253,471), 13 Total (13, 1,253,471).

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No., Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). Rows are empty.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

Table with 3 columns: Question, Yes, No. Rows include questions about engagement with other organizations, transfers of assets, and sharing of facilities.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

2a Is the foundation 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 [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

Sign Here [Signature] Signature of officer or trustee

Paid Preparer Use Only THOMAS SCALABRINI Preparer's name ROTHSTEIN KASS Firm's name 4 BECKER FARM ROAD ROSELAND, NJ 07068 Firm's address

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011**Name of the organization**PAULSON FAMILY FOUNDATION
C/O PAULSON & CO., INC.**Employer identification number**

26-3922995

Organization type (check one):**Filers of:****Section:**

Form 990 or 990-EZ

 501(c)() (enter number) organization 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation 527 political organization

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

-
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)**

Name of organization PAULSON FAMILY FOUNDATION C/O PAULSON & CO., INC.	Employer identification number 26-3922995
--	--

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JOHN PAULSON 1251 AVENUE OF THE AMERICAS, 50TH FLOOR NEW YORK, NY 10020	\$ 145800000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization PAULSON FAMILY FOUNDATION C/O PAULSON & CO., INC.	Employer identification number 26-3922995
--	---

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization PAULSON FAMILY FOUNDATION C/O PAULSON & CO., INC.	Employer identification number 26-3922995
--	--

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this information once) ▶ \$

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

PAULSON FAMILY FOUNDATION
1251 Avenue of the Americas – 50th Fl
New York, New York 10020

November 1, 2010

The Reverend Bogdanel Vaceanu
Strada 1 Decembrie 1918, #4, B1: S7C
Apartment 68, SC:3
Localitatea Galati, Judetul Galati
Romania
Cod: 6200

Dear Reverend Vaceanu:

The Paulson Family Foundation (the "**Foundation**") is pleased to award the Romanian Orthodox Church of Galati, Romania ("**Recipient**") a grant of up to Seven Hundred Thousand (\$700,000) Dollars US (the "**Grant**"). The purpose of the Grant is to pay the construction costs to build a new church to be known as THE HOLY TRINITY, to be located at Strada Principala, Localitatea Chiraftei, Comuna Mastacani, Judetul Galati, Codul 807191, Romania, on land contributed by Vasile Patriche, Marcellus Tofan and Savu Tofan (the "**Project**"). The Project shall be managed under the auspices of The Reverend Bogdanel Vaceanu (the "**Manager**"). This letter (the "**Grant Agreement**") contains the terms and conditions under which the Foundation has awarded the Grant to Recipient.

Conditions. To accomplish the purpose described above, the Foundation authorizes Recipient to expend the Grant funds for the construction of the Project, provided that Recipient takes reasonable steps to satisfy and continues during construction of the Project (and thereafter as may be applicable) to satisfy, the following conditions under which the Foundation has awarded the Grant:

- Construction of the Project shall be substantially in accordance with the attached .. drawings and budget.
- -- All funds transferred to Recipient shall be held until needed for payment of construction expenses in a special bank account that Recipient will establish in such bank as is agreed upon by the Foundation and Recipient.
- Funds held in the bank account described above shall be disbursed to the Manager for the Project only to pay for the expenses of construction of the Project. The new church shall in perpetuity be known as THE HOLY TRINITY. A plaque with the names of the donors, including the Foundation, shall be prominently displayed inside near each entry door.

- Recipient acknowledges and agrees that if additional funds are needed to complete the Project, that funds to complete the Project shall be provided from other pledges and not from the Foundation.

Tax-Exempt Status. Recipient has confirmed that, under the United States Internal Revenue Code of 1986, and any corresponding subsequent provisions of United States tax law (the Code), it is not an organization described in the current Code Section 501(c)(3). As a condition to receiving this Grant, therefore, Recipient agrees to comply with the terms and conditions of this Grant Agreement.

Use of Grant Funds. The Grant, and any income or interest earned on the Grant, may not be spent (a) for any purpose other than that for which the Grant is made; (b) to carry on propaganda or otherwise attempt to influence legislation within the meaning of Code Section 4945(d)(1); (c) to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive within the meaning of Code Section 4945(d)(2); (d) to make a Grant which does not comply with the requirements of Code Section 4945(d)(3) or (4); (e) to undertake any activity for any purpose other than one specified in Code Section 170(c)(2)(B); or (f) without the Foundation's prior written approval, to make a grant to any other organization. Interest earned on the Grant shall be in addition to the Foundation's Grant, but may only be used under the same terms described in this Grant Agreement.

Segregation of Grant Funds. The Grant shall be kept in a separate bank account dedicated to the Project. Any interest or other income generated by the Grant or other monies, including currency conversion gains, must, likewise, be kept in the separate bank account and applied to the Project, as described above.

Return of Unused Funds. The Grant and any income earned on such monies not spent for the purposes of the Project, must be promptly returned to the Foundation when the Project is completed or abandoned, whichever is earlier.

Anti-Terrorism, etc. Recipient acknowledges that it is aware of the U.S. Executive Orders and laws that prohibit the provision of resources and support to individuals and organizations associated with terrorism and the terrorist related lists published by the U.S. Government. Recipient agrees to use its reasonable efforts to ensure that it does not support or promote violence, terrorist activity or related training, or money laundering, and will provide a Certification in the form attached as Exhibit A hereto. This provision will be included in any agreement made with organizations to which Recipient distributes funds that were or will be received from the Foundation.

None of the funds transferred by the Foundation to the Recipient will be used in any way that promotes or supports terrorism, prostitution, or illegal drug trafficking, nor will any funds be used to bribe government officials in violation of the US Foreign Corrupt Practices Act.

Recipient must make such reasonable efforts as are necessary to ensure that no funds or other support under this agreement are diverted in support of drugs trafficking,

prostitution, or related activities which are inherently harmful and dehumanizing and contribute to the phenomenon of trafficking in persons. Each Director of the Recipient must provide an individual certification in the form attached as Exhibit B hereto. This provision must be included in any agreement made with organizations to which the Recipient distributes funds that were or will be received from the Foundation.

Payment of Grant Funds. Promptly after execution of this Grant Agreement, the Foundation will disburse One Hundred Thousand (\$100,000) Dollars US to Recipient by wire transfer. Thereafter, advances shall be made quarterly based on estimates submitted by Recipient to the Foundation by the 15th of the last month of each quarter, which estimates shall take into account prior funds advanced but not yet expended. Estimates shall be signed by an authorized officer of Recipient.

Reporting Requirements.

General. In addition to the requirements and provisions set forth above, Recipient must prepare and submit to the Foundation a report, signed by The Reverend Bogdanel Vaceanu or another person affiliated with Recipient who is authorized to execute documents in connection with financial or other matters similar to this Grant, six (6) months from the date on which a portion of the Grant is first disbursed to Recipient, and shall continue to do so every six (6) months thereafter until the Project has been completed. The report must include: (1) a breakdown of how the Grant was expended during the relevant period; (2) a narrative description of the progress in completing the Project during the reporting period; (3) copies of the statements of the bank account referred to above that have not previously been provided; and (4) a statement that the terms of this Grant Agreement have been fully complied with (or any derivation and the reason why).

All reports should be submitted to Jenny Paulson at 1251 Avenue of the Americas, 50th Floor, New York, New York 10020, to Chris Bodak, at 1251 Avenue of the Americas, 50th Floor, New York, New York 10020, and electronically to James R. Ledley at jledley@kkwc.com.

Additional Reports. The Foundation reserves the right to request, and Recipient agrees to provide, additional reports as needed to monitor the progress of the Project.

Completion of Project. Upon completion of the Project, Recipient will provide the Foundation with a complete detailed report of the expenditures of the entire construction of the Project.

Record Maintenance and Inspection. Recipient agrees to maintain adequate records for the Project to enable the Foundation to determine easily how the Grant has been expended and to confirm that the Grant was expended solely for the Project. Recipient also agrees to make its books and records available for inspection by the Foundation or its duly appointed designee at reasonable times (during normal business hours) and permit the Foundation to monitor and conduct an evaluation of operations under the Grant, which may include a visit by Foundation personnel or duly appointed designee to observe

the Project, a discussion of the Project with the relevant staff, and a review of financial and other records connected with this Grant and the Project.

Record Retention. Recipient agrees to retain its accounting records related to the Project, as well as copies of the reports submitted to the Foundation, for at least three (3) years after completion of the Project..

Compliance. If: (a) the Foundation, acting reasonably, is not satisfied with the progress on the Project or the content of any written report from Recipient regarding the Project, or (b) Recipient fails to comply with any material term or condition of this Grant Agreement, the Foundation has the right at its discretion to terminate this Grant Agreement. Upon termination, Recipient agrees to return promptly to the Foundation (1) any unspent portion of the Grant, (2) any improperly used portion of the Grant, and (3) any uncommitted (as at the date of termination) portion of the Grant, and the Foundation shall no longer be obligated to fund the Grant.

Entire Agreement: Amendment. This Grant Agreement, including the exhibits, constitutes the entire agreement between the Foundation and Recipient and supersedes any prior oral or written agreement or communication between the parties regarding its subject matter. The provisions of this Grant Agreement are severable so that if any term or provision is found for any reason to be invalid, illegal, or unenforceable, such finding shall not affect the validity, construction, or enforceability of any remaining term or provision, provided purposes of the grant under this Grant Agreement as a whole can still be reasonably accomplished. This Grant Agreement may be amended or modified only by a mutual written agreement of the parties.

This Grant Agreement and any dispute or matter arising out of or connection with it (any **Proceedings**) shall be governed by and construed in accordance with the laws of the State of New York, save for any references to the Code, which shall be construed in accordance with the relevant federal law of the United States of America. The Foundation and Recipient hereby irrevocably submit to the exclusive jurisdiction of the courts of the State of New York in respect of this Grant Agreement and any Proceedings.

* * * * *

If this Grant Agreement correctly describes Recipient's understanding of the terms of this Grant, please sign two copies of this letter and return one to James R. Ledley, Kleinberg, Kaplan, Wolff & Cohen, P.C., 551 Fifth Avenue, New York, New York 10176. Please keep the other copy for your records. If you have questions, please contact James R. Ledley at 212-880-9896.

Sincerely

Paulson Family Foundation

By: 

John Paulson, President and Founder

Recipient agrees to the terms and conditions of this Grant Agreement.

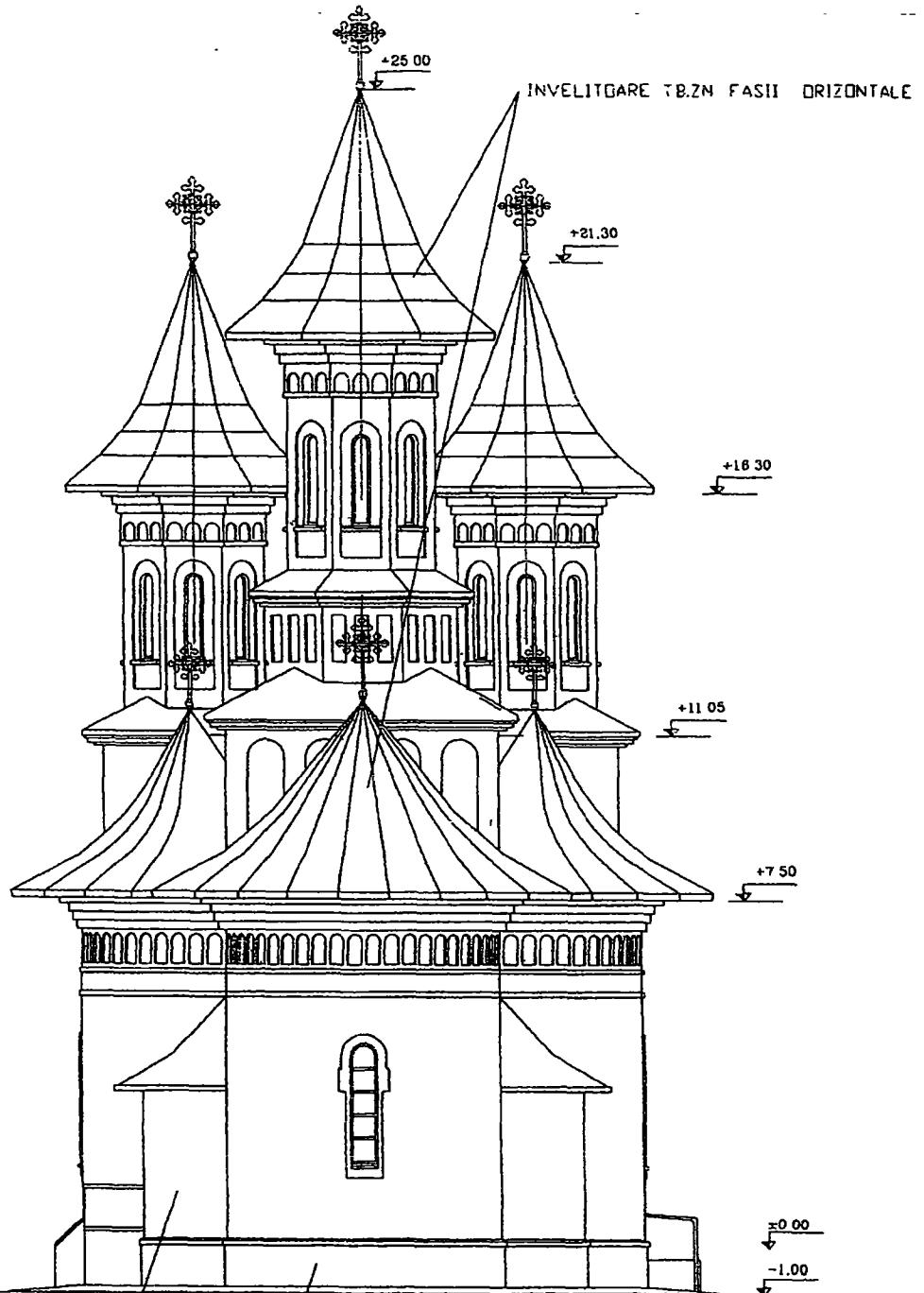
Romanian Orthodox Church

By: 

The Reverend Bogdanel Vaceanu

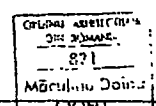
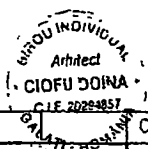


November , 2010 14



TENUIALA SPECIALA, IN CAMP
SI PE ANCDRAMENTE RELIEF, CU NISIP SI VAR,
PROTEJATA CU HIDROFUGANT

PLACAJ PIATRA



Verificat		Cerinta CIOFU	Ref.nr.
BIROU IND. DE ARHITECTURA TNA 821 arh. D.M.CIOFU		Beneficiar: PAROHIA CHIRAFTEI II Proiect: BISERICA SF TREIME com CHIRAFTEI, jud. GALATI	Fazo D.T.A.C
Proiectat	arh. D.CIOFU	scara 1/100	Pr nr. 40/08
Desenat	arh. D.CIOFU	FATADA EST	
Sef proiect	arh. D.CIOFU	08/2010	

Budget

- 1: The structural foundation of the church = \$ 117,000.00
- 2: Construction Building = \$193,000.00
- 3: Exterior painting and interior art hand painting = \$90,000.00
- 4: Roof = \$52,000.00
- 5: Electrical = \$11,500.00
- 6: Heating system = \$14,000.00
- 7: Wood work, windows and doors: = \$19,500.00
- 8: Sculpture altar, benches = \$70,064.00
- 9: Church floor = \$50,000.00
- 10: Church outdoor details made of stainless steel = \$20,129.00
- 11: Church anti lightning system = \$8,064.00
- 12: Outdoor garden = \$4,193.00

Estimated Total: \$649,450.00

Exhibit A

Certification

By signing and submitting this agreement, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten (10) years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.
2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:
 - a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity (i) does not appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website: www.treas.gov, and (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided to the Recipient.
 - b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security Council (UNSC) Sanctions Committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the Consolidated List available online at the Committee's website: www.un.org/sc/committees/1267/index.shtml.
 - c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.
 - d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.
3. For purposes of this Certification:
 - a. "Material support and resources" means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment,

facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.”

b. “Terrorist act” means

i. an act prohibited pursuant to any one of the United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site: www.untreaty.un.org/english/terrorism.asp; or

ii. an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or

iii. any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.

c. “Entity” means a partnership, association, corporation, or other organization, group or subgroup.

d. The Recipient’s obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for immediate unilateral termination of the agreement by Humanity In Unity, Inc. and all the consequences resulting therefrom.



Romanian Orthodox Church

By: Bogdan Vaceanu
The Reverend Bogdanel Vaceanu

Exhibit B

Key Individual Certification
Narcotics Offenses and Drug Trafficking

I hereby certify that within the last ten (10) years:

I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.

I am not and have not been an illicit trafficker in any such drug or controlled substance.

I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: P. Vaceanu
Name: The Reverend Bogdanel Vaceanu

Date: November 14, 2010

Title/Position: Priest

Organization: Romanian Orthodox Church

Address: Strada 1 Decembrie 1918, #4, B1: S7C, Apartment 68, SC:3,
Localitatea Galati, Judetul Galati, Romania, Cod: 6200

Date of Birth:

04-06-1973



NOTICE:

You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain key individuals of organizations must sign this Certification.

If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

FORM 990-PF	TAXES			STATEMENT	1
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
EXCISE TAXES	40,000.	40,000.			0.
TO FORM 990-PF, PG 1, LN 18	40,000.	40,000.			0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FILING FEES	1,602.	0.			0.
TO FORM 990-PF, PG 1, LN 23	1,602.	0.			0.

FORM 990-PF	OTHER FUNDS		STATEMENT	3
DESCRIPTION	(A) BEGINNING OF YEAR	(B) END OF YEAR		
RE OR ACCUMULATED INCOME	362,270,100.	492,369,675.		
TOTAL TO FORM 990-PF, PART II, LINE 29	362,270,100.	492,369,675.		

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	4
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
PAPLTD	COST	168,586,555.	199,295,130.	
PCOLTD	COST	75,000,000.	108,054,996.	
PGFLTD	COST	70,000,000.	74,254,182.	
PRFLTD	COST	45,000,000.	37,322,456.	
TOTAL TO FORM 990-PF, PART II, LINE 13		358,586,555.	418,926,764.	

FORM 990-PF	OTHER LIABILITIES	STATEMENT	5
DESCRIPTION	BOY AMOUNT	EOY AMOUNT	
DUE TO RELATED PARTY	0.	102.	
TOTAL TO FORM 990-PF, PART II, LINE 22	0.	102.	

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
BOYS' TOWNS OF ITALY 250 EAST 63RD ST SUITE 204 NEW YORK, NY 10065	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	4,000.
CHABAD ON WHEELS 669 LINCOLN LANE N MIAMI, FL 33139	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	250,000.
CHABAD HOUSE ON WHEELS 669 LINCOLN LANE N MIAMI, FL 33139	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	6,000.
FOOD ALLERGY INTIATIVE 515 MADISON AVE SUITE 1912 NEW YORK, NY 10022	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	10,000.
FRIENDS OF THE ISRAEL DEFENSE FORCES 350 FIFTH AVE SUITE 2011 NEW YORK, NY 10118	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
GEORGE WASHINGTON INSTITUTE FOR RELIGIOUS FREEDOM 50 BROAD STREET NEW YORK, NY 10004	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
GROUP FOR THE EAST END PO BOX 569 BRIDGEHAMPTON, NY 11932	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	10,000.
GREATER NY COUNCILS BSA 350 FIFTH AVE SUITE 430 NEW YORK, NY 10118	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	100,000.
HBSHCNY 162 WEST 56TH ST SUITE 405 NEW YORK, NY 10019	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
HARLEM CHILDREN'S ZONE BENEFIT OFFICE 162 W 56TH STREET SUITE 405 NEW YORK, NY 10019	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
Total from continuation sheets				14,742,944.

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
HUDSON INSTITUTE EYEONTHEUN.ORG PROJECT 1015 15TH ST NW 6TH FL WASHINGTON , DC 20005	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	1,000.
JEWISH ASSOCIATION FOR SERVICES FOR THE AGED 132 WEST 31ST ST NEW YORK, NY 10001	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	15,000.
JDRF 26 BROAWAY 14TH FL NEW YORK, NY 10004	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	16,074.
LSE CENTENNIAL FUND 424 WEST 33RD STREET NEW YORK, NY 10001	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	75,000.
NEW YORK BALLET DAVID KOCH THEATER 20 LINCOLN CENTER NEW YORK, NY 10023	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
NEW HAMPSHIRE VETERANS HOME 139 WINTER ST TILTON, NH 03276	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	5,000.
NEW YORKERS FOR CHILDREN 450 SEVENTH AVE SUITE 403 NEW YORK, NY 10123	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
NEW YORK UNIVERSITY 726 BROADWAY NEW YORK, NY 10003	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	2,000,000.
PARK AVENUE SYNAGOGUE 50 EAST 87TH ST NEW YORK, NY 10128	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	25,000.
PAROHIA SFANTA TREIME - CHRAPTEI 2 STRADA 1 DECEMBERIE 1918, #4, B1, S7C	NONE		CHURCH	100,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)				
Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
PALAZZO STROZZI FOUNDATION USA 10 EAST 53RD ST 30TH FL NEW YORK, NY 10022	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	133,845.
ROBIN HOOD FOUNDATION 826 BROADWAY NEW YORK, NY 10003	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	10,000.
SBT CHARITABLE FUND PO DRAWER 1208 SOUTHAMPTON, NY 11969	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	10,275.
SCHOOL OF AMERICAN BALLET 70 LINCOLN CENTER PLAZA NEW YORK, NY 10023	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	10,000.
SOUTHAMPTON HOSPITAL FOUNDATION 240 MEETING HOUSE LANE SOUTHAMPTON, NY 11968	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	96,750.
THE SPENCE SCHOOL 22 EAST 91ST STREET NEW YORK, NY 10128	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	11,000,000.
TEMPLE AHAVAT ACHIM 86 MIDDLE STREET GLOUCESTER, MA 01930	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	500,000.
THE BOWERY MISSION 227 BOWERY NEW YORK, NY 10002	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	5,000.
THE HARLEM SCHOOL OF ARTS 645 SAINT NICHOLAS AVE NEW YORK, NY 10030	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	10,000.
THE LEGAL AID SOCIETY 199 WATER ST 6TH FL NEW YORK, NY 10038	NONE	501(C)(3)	UNRESTRICTED CHARITABLE USE BY DONEE	50,000.
Total from continuation sheets				

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions PAULSON FAMILY FOUNDATION C/O PAULSON & CO., INC.	Employer identification number (EIN) or <input checked="" type="checkbox"/> 26-3922995
	Number, street, and room or suite no. If a P.O. box, see instructions. 1251 AVENUE OF THE AMERICAS, 50TH FLOOR	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code For a foreign address, see instructions. NEW YORK, NY 10020	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 4

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

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

PAULSON FAMILY FOUNDATION

• The books are in the care of **1251 AVENUE OF AMERICAS, 50TH FLOOR - NEW YORK, NY 10020**
Telephone No. **212-956-2221** 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 is for.

- I request an additional 3-month extension of time until **NOVEMBER 15, 2012.**
- For calendar year **2011**, or other tax year beginning _____, and ending _____.
- If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period
- State in detail why you need the extension
ADDITIONAL THIRD PARTY INFORMATION IS NEEDED FOR A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	13,669.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	13,669.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Title Date