

Return of Organization Exempt From Income Tax

Department of the Treasury Internal Revenue Service

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

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

A For the 1999 calendar year, OR tax year period beginning 1999, and ending

B Check if: Change of address Initial return Final return Amended return (required also for state reporting) C Name of organization NELLIE MAE FOUNDATION, INC. D Employer identification number 04-2755323 E Telephone number (781) 348-4200 F Check if exemption application is pending

G Type of organization - [X] Exempt under section 501(c) ( 3 ) (insert number) OR [ ] section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? [ ] Yes [X] No I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) J Accounting method: [ ] Cash [X] Accrual [ ] Other (specify)

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

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 15.)

Table with 21 rows and 2 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 10a Gross sales of inventory, less returns and allowances; 10b Less: cost of goods sold; 10c Gross profit or (loss); 11 Other revenue (from Part VII, line 103); 12 Total Revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

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**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. (See Specific Instructions on page 19.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (6b) \$106,144, noncash \$ SIMT SA	22 6,106,144.	6,106,144.		
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc.	25 495,481.	235,106.	260,375.	
26 Other salaries and wages	26 294,813.	217,302.	77,511.	
27 Pension plan contributions	27 58,385.	27,704.	30,681.	
28 Other employee benefits	28 76,342.	36,224.	40,118.	
29 Payroll taxes	29 25,474.	12,087.	13,387.	
30 Professional fundraising fees	30			
31 Accounting fees	31 121,545.	57,673.	63,872.	
32 Legal fees	32 66,629.	31,615.	35,014.	
33 Supplies	33 32,625.	15,481.	17,144.	
34 Telephone	34 6,766.	3,210.	3,556.	
35 Postage and shipping	35 4,120.	1,955.	2,165.	
36 Occupancy	36 94,685.	44,928.	49,757.	
37 Equipment rental and maintenance	37 87,195.	41,374.	45,821.	
38 Printing and publications	38 146,156.	146,156.		
39 Travel	39 65,345.	31,006.	34,339.	
40 Conferences, conventions, and meetings	40 8,165.	3,874.	4,291.	
41 Interest	41 12,519,784.	12,519,784.		
42 Depreciation, depletion, etc. (attach schedule)	42 21,922.	10,402.	11,520.	
43 Other expenses (itemize): a STMT 3	43a 3,812,064.	3,484,691.	327,373.	
b	43b			
c	43c			
d	43d			
e	43e			
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44 24,043,640.	23,026,716.	1,016,924.	NONE

**Reporting of Joint Costs.** - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments (See Specific Instructions on page 22.)**

What is the organization's primary exempt purpose? <b>SEE STATEMENT 4</b>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a <b>SEE STATEMENT 5 + 5A</b>	
(Grants and allocations \$ 6,106,144.)	23,026,716.
b (Grants and allocations \$ )	
c (Grants and allocations \$ )	
d (Grants and allocations \$ )	
e Other program services (attach schedule) (Grants and allocations \$ )	
f <b>Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>	<b>23,026,716.</b>

**Part IV Balance Sheets** (See Specific Instructions on page 22.)

				(A)		(B)	
				Beginning of year		End of year	
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.							
<b>Assets</b>	45	Cash - non-interest-bearing		13,926,671.	45	11,331,469.	
	46	Savings and temporary cash investments			46		
	47a	Accounts receivable	47a 4,099,899.				
	b	Less: allowance for doubtful accounts	47b	5,935,642.	47c	4,099,899.	
	48a	Pledges receivable	48a				
	b	Less: allowance for doubtful accounts	48b		48c		
	49	Grants receivable			49		
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50		
	51a	Other notes and loans receivable (attach schedule) <b>SEE STATEMENT 6.</b>	51a 250,559,097.				
	b	Less: allowance for doubtful accounts	51b	296,780,250.	51c	250,559,097.	
	52	Inventories for sale or use			52		
	53	Prepaid expenses and deferred charges			53		
	54	Investments - securities (attach schedule) <b>SEE STATEMENT 7.</b>			54	330,650,675.	
	<b>Liabilities</b>	55a	Investments - land, buildings, and equipment: basis	55a			
b		Less: accumulated depreciation (attach schedule)	55b		55c		
56		Investments - other (attach schedule)			56		
57a		Land, buildings, and equipment: basis	57a 257,376.				
b		Less: accumulated depreciation (attach schedule) <i>Stmnt. 7A</i>	57b 21,922.		57c	235,454.	
58		Other assets (describe <b>SEE STATEMENT 8</b> )		242,216,236.	58	1,833,975.	
59		<b>Total assets</b> (add lines 45 through 58) (must equal line 74)		558,858,799.	59	598,710,569.	
60		Accounts payable and accrued expenses		3,601,389.	60	788,001.	
61		Grants payable		190,900.	61	3,447,705.	
62		Deferred revenue			62		
<b>Net Assets or Fund Balances</b>	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax-exempt bond liabilities (attach schedule)			64a		
	b	Mortgages and other notes payable (attach schedule) <i>Stmnt. 8A</i>	64b	253,877,000.	64b	190,862,000.	
	65	Other liabilities (describe <b>SEE STATEMENT 8</b> )		702,255.	65	610,664.	
	66	<b>Total liabilities</b> (add lines 60 through 65)		258,371,544.	66	195,708,370.	
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.							
<b>Net Assets or Fund Balances</b>	67	Unrestricted		243,272,522.	67	403,002,199.	
	68	Temporarily restricted		57,214,733.	68		
	69	Permanently restricted			69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.						
	70	Capital stock, trust principal, or current funds			70		
	71	Paid-in or capital surplus, or land, building, and equipment fund			71		
	72	Retained earnings, endowment, accumulated income, or other funds			72		
73	<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)		300,487,255.	73	403,002,199.		
74	<b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73)		558,858,799.	74	598,710,569.		

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

Part VI Other Information (See Specific Instructions on page 25.)

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity 2A
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement Stmt 2A
80a 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?
80b If "Yes," enter the name of the organization
81a Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81 81a NONE
81b Did the organization file Form 1120-POL for this year? 81b X
82a 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? 82a X
82b 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 for reporting in Part III.) 82b N/A
83a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a X
83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b X
84a Did the organization solicit any contributions or gifts that were not tax deductible? 84a X
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 84b N/A
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? 85a N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 85b 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 in 85f? 85g N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h N/A
86 501(c)(7) orgs. 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) orgs. 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 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 88 X
89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 NONE ; section 4912 NONE ; section 4955 NONE
b 501(c)(3) and 501(c)(4) orgs. 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 89b X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 NONE
d Enter: Amount of tax on line 89c, above, reimbursed by the organization NONE
90a List the states with which a copy of this return is filed MASSACHUSETTS
b Number of employees employed in the pay period that includes March 12, 1999 (See inst.) 90b 2
91 The books are in care of MICHAEL Flaherty Telephone no. 781-348-4200
Located at 50 BRAINTREE HILL PK BRAINTREE, MA ZIP + 4 02184
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 Specific Instructions on page 29.)

Table with 5 columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include 93 Program service revenue (STUDENT LOAN INC.), 94 Membership dues, 95 Interest on savings, 96 Dividends, 97 Net rental income, 98 Net rental income from personal property, 99 Other investment income, 100 Gain or loss from sales, 101 Net income from special events, 102 Gross profit from sales, 103 Other revenue, 104 Subtotal, 105 Total.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 30.)

Table with 2 columns: 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. Row 93A: STUDENT LOAN PORTFOLIO INCOME, 103 d See Stmt. 2A.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 30.)

Table with 5 columns: (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. Row 1: N/A.

Signature and information block. Includes 'Please Sign Here' with signature of Mar W. P... and date 11/14/00. 'Paid Preparer's Use Only' section with signature of Kaye Senter, date 11/10/00, firm name BRIDGEWATERHOUSE COOPERS LLP, address ONE POST OFFICE SQUARE BOSTON, MA, EIN 13-4008324, ZIP 02109.

**SCHEDULE A  
(Form 990)**

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

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

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

OMB No. 1545-0047

**1999**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

**NELLIE MAE FOUNDATION, INC.**

Employer identification number

**04-2755323**

**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
SYLVIA SALAS C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, Braintree MA	SR. PROGRAM OFFICER 40	79,208.	19,595.	NONE
MICHAEL FLANNERY C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, Braintree MA	CONTROLLER 40	50,280.	29,034.	NONE
Total number of other employees paid over \$50,000	0			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 1 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
ROPES & GRAY ONE INTERNATIONAL PLACE, BOSTON MA 02111	LEGAL SERVICES	287,137.
PRICEWATERHOUSECOOPERS LLP ONE INTERNATIONAL PLACE, BOSTON MA 02111	AUDIT/TAX CONSULTING	149,895.
EDUCATIONAL MANAGMENT NETWORK 2015 SPRING ROAD, OAK BRICK IL, 60523	HUMAN RESOURCE SERV.	94,937.
THE CASTLE GROUP [REDACTED]	PUBLIC REL. CONSULTING	75,605.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 24.)**

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

<p><b>a</b> Total revenue, gains, and other support per audited financial statements . . . ▶</p> <p><b>b</b> Amounts included on line a but not on line 12, Form 990:</p> <p>(1) Net unrealized gains on investments . . . \$ 853,927.</p> <p>(2) Donated services and use of facilities \$</p> <p>(3) Recoveries of prior year grants . . . . \$</p> <p>(4) Other (specify):</p> <p>\$</p> <p>Add amounts on lines (1) through (4) ▶</p> <p><b>c</b> Line a minus line b . . . . . ▶</p> <p><b>d</b> Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 . . . . \$</p> <p>(2) Other (specify):</p> <p>STMT 9 \$ 79,719,422.</p> <p>Add amounts on lines (1) and (2) ▶</p> <p><b>e</b> Total revenue per line 12, Form 990 (line c plus line d) . . . . . ▶</p>	<p><b>a</b> 38,421,779.</p> <p><b>b</b> 853,927.</p> <p><b>c</b> 37,567,852.</p> <p><b>d</b> 79,719,422.</p> <p><b>e</b> 117,287,274.</p>	<p><b>a</b> Total expenses and losses per audited financial statements . . . . . ▶</p> <p><b>b</b> Amounts included on line a but not on line 17, Form 990:</p> <p>(1) Donated services and use of facilities \$</p> <p>(2) Prior year adjustments reported on line 20, Form 990 . . . . . \$</p> <p>(3) Losses reported on line 20, Form 990 \$</p> <p>(4) Other (specify):</p> <p>\$</p> <p>Add amounts on lines (1) through (4) . . ▶</p> <p><b>c</b> Line a minus line b . . . . . ▶</p> <p><b>d</b> Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 . . . . \$</p> <p>(2) Other (specify):</p> <p>\$</p> <p>Add amounts on lines (1) and (2) . . ▶</p> <p><b>e</b> Total expenses per line 17, Form 990 (line c plus line d) . . . . . ▶</p>	<p><b>a</b> 26,745,000.</p> <p><b>b</b></p> <p><b>c</b> 26,745,000.</p> <p><b>d</b></p> <p><b>e</b> 26,745,000.</p>
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**Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 24.)**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
STATEMENT 10		495,481.	38,850.	None

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  Yes  No

If "Yes," attach schedule - see Specific Instructions on page 25.

STATEMENT 10A

**Part III Statements About Activities**

	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? . . . . .		X
If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u>		
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.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
a Sale, exchange, or leasing of property? . . . . .		X
b Lending of money or other extension of credit? . . . . .		X
c Furnishing of goods, services, or facilities? . . . . . <u>See Stmt. 11</u>	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <u>See Form 990 Part V</u>	X	
e Transfer of any part of its income or assets? . . . . .		X
If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? . . . . .		X
4a Do you have a section 403(b) annuity plan for your employees? . . . . .		X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See page 2 of the instructions.)		

**Part IV Reason for Non-Private Foundation Status (See pages 2 through 4 of the instructions.)**

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

- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 4.)
- 7  A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8  A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9  A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b  A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 4 of the instructions.)

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

14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 4 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.

Table with columns for calendar year (1998, 1997, 1996, 1995) and Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions; 18 Gross income from interest, dividends; 19 Net income from unrelated business activities; 20 Tax revenues levied; 21 Value of services or facilities furnished; 22 Other income; 23 Total of lines 15 through 22; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described in lines 10 or 11; 27 Organizations described on line 12.

**Part V** Private School Questionnaire (See page 4 of the instructions.)

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

NOT APPLICABLE

	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? . . . . .	29	
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? . . . . .	30	
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.)	31	
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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? . . . . .	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
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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? . . . . .	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
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-----		
34a 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 6 of the instructions.)

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

**NOT APPLICABLE**

Check here  **a** if the organization belongs to an affiliated group.

Check here  **b** if you checked "a" above and "limited control" provisions apply.

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
<b>36</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) . . .	<b>36</b>	NONE	NONE
<b>37</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . .	<b>37</b>		
<b>38</b> Total lobbying expenditures (add lines 36 and 37) . . . . .	<b>38</b>	NONE	NONE
<b>39</b> Other exempt purpose expenditures . . . . .	<b>39</b>		
<b>40</b> Total exempt purpose expenditures (add lines 38 and 39) . . . . .	<b>40</b>	NONE	NONE
<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	<b>41</b>	NONE	NONE
Over \$1,000,000 but not over \$1,500,000 . . \$175,000 plus 10% of the excess over \$1,000,000			
Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000			
Over \$17,000,000 . . . . . \$1,000,000 . . . . .			
<b>42</b> Grassroots nontaxable amount (enter 25% of line 41) . . . . .	<b>42</b>	NONE	NONE
<b>43</b> Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	<b>43</b>	NONE	NONE
<b>44</b> Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	<b>44</b>	NONE	NONE

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 7 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
<b>45</b> Lobbying nontaxable amount . . . . .	NONE	1,000,000.	1,000,000.	1,000,000.	3,000,000.
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) . . . . .					4,500,000.
<b>47</b> Total lobbying expenditures	NONE	126,492.	38,342.	199,637.	364,471.
<b>48</b> Grassroots nontaxable amount . . . . .	NONE	250,000.	250,000.	250,000.	750,000.
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) . . . . .					1,125,000.
<b>50</b> Grassroots lobbying expenditures . . . . .	NONE		NONE	NONE	NONE

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

(For reporting only by organizations that did not complete Part VI-A) (See page 8 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
<b>a</b> Volunteers . . . . .	N/A		
<b>b</b> Paid staff or management (include compensation in expenses reported on lines c through h) . . . . .	N/A		
<b>c</b> Media advertisements . . . . .	N/A		
<b>d</b> Mailings to members, legislators, or the public . . . . .	N/A		
<b>e</b> Publications, or published or broadcast statements . . . . .	N/A		
<b>f</b> Grants to other organizations for lobbying purposes . . . . .	N/A		
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .	N/A		
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .	N/A		
<b>i</b> Total lobbying expenditures (add lines c through h) . . . . .			

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 8 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?

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

**d** If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

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

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

**b** If "Yes," complete the following schedule:

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

FORM 990, PART I - PAYMENTS TO AFFILIATES  
=====

DESCRIPTION -----	AMOUNT -----
PAYMENTS TO AFFILIATES	2,701,360. -----
TOTAL	2,701,360. =====

NELLIE MAE FOUNDATION, INC  
EIN: 04-2755323  
FORM 990, PART I, LINE 16

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**Pursuant to an administrative service contract, NMC provides certain management and financial services to the Foundation. These services principally consist of student loan portfolio accounting and reconciliation, serving as loan service company relationship manager, and related debt management services.**

**FORM 990, PART I - OTHER INCREASES IN FUND BALANCES**

**DESCRIPTION**

**AMOUNT**

OMMISSION FROM OPENING BALANCE SHEET:  
THE 1998 RETURN DID NOT REFLECT THE FOLLOWING TWO ITEMS IN NET ASSETS.

THE RETAINED EARNINGS OF A SUBSIDIARY, NELLIE MAE CORPORATION IN THE AMOUNT OF:	11,118,743
UNREALIZED GAINS ON INVESTMENTS:	<u>853,927</u>
TOTAL	11,972,670

**NELLIE MAE FOUNDATION, INC**  
**EIN: 04-2755323**

**Gain on Sale of Subsidiary**  
**990 Part I, Line 8**

**Discontinued Operation**

On March 12, 1999 NMC retired a portion of its Senior Preferred Stock held by the Foundation in exchange for \$15,524,000. On July 12, 1999, the Foundation sold its remaining shares of NMC Senior Preferred Stock to Sallie Mae in exchange for cash of \$314,478,000. The proceeds of these transactions of \$327,961,000, after transaction fees of \$2,041,000, resulted in a gain of \$68,758,000. The results of operations of NMC for the period January 1, 1999 through July 11, 1999 and year ended December 31, 1998 are presented below (in thousands):

	<b>July 11, 1999</b>	<b>December 31, 1998</b>
Income before income taxes	\$ 17,738	\$ 32,671
Income tax provision	<u>(6,777)</u>	<u>(7,140)</u>
Income from discontinued operation	<u>\$ 10,961</u>	<u>\$ 25,531</u>



FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL
LOAN SERVICING FEES	1,266,847.	1,266,847.	
ADVERTISING & PROMOTIONAL	10,548.	10,548.	
AMORT OF COSTS OF ISSUANCE	518,569.	518,569.	
MISC. OFFICE	66,357.	31,486.	34,871.
MISC. OTHER	88,704.	42,090.	46,614.
LOAN COLLECTION EXPENSE	81,357.	81,357.	
PROVISION FOR LOAN LOSSES	1,311,769.	1,311,769.	
DIRECTORS & OTHER PROF FEES	467,913.	222,025.	245,888.
TOTALS	3,812,064.	3,484,691.	327,373.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE  
=====

NELLIE MAE FOUNDATION (THE "FOUNDATION") IS A MASSACHUSETTS, NONPROFIT CORPORATION. THE MISSION OF THE FOUNDATION IS TO PROMOTE THE ACCESSIBILITY, QUALITY AND EFFECTIVENESS OF EDUCATION, ESPECIALLY FOR UNDERSERVED POPULATIONS.

FORM 990, PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
-------------	------------------------	----------

THROUGH GRANT MAKING PROGRAMS, RESEARCH AND POLICY INITIATIVES, NELLIE MAE FOUNDATION WORKS WITH EDUCATIONAL INSTITUTIONS, COMMUNITY ORGANIZATIONS, FOUNDATIONS, GOVERNMENT AGENCIES AND OTHERS TO ENCOURAGE, ESTABLISH, AND MAINTAIN PROGRAMS AND SERVICES THAT PROMOTE EDUCATION.	6,106,144.	23,026,716.
---	------------	-------------

TOTAL	6,106,144.	23,026,716.
-------	------------	-------------

**Nellie Mae Foundation  
1999 Grants Awarded  
Statement 5A**

<b>Grantee</b>	<b>Location</b>	<b>Amount of Grant</b>
Alliance for Education	Worcester, MA	\$70,000
Alternative Education Alliance	Boston, MA	33,200
Appalachian Mountain Teen Project	Wolfeboro, NH	10,000
Archdiocese of Boston	Boston, MA	10,000
ASPIRA of Connecticut	Bridgeport, CT	43,000
Associated Grant Makers	Boston, MA	132,685
Auburn School Department	Auburn, ME	20,000
The B.E.L.L. Foundation, Inc.	Dorchester, MA	100,000
Bell School Reform Network	Connecticut	100,000
Boston Higher Education Partnership	Boston, MA	50,000
Boston Plan for Excellence in the Public Schools	Boston, MA	400,000
Boston Schoolyard Funders Collaborative	Boston, MA	32,000
Boston University/Chelsea Partnership	Boston, MA	50,500
Boston Urban Youth Foundation	Roxbury, MA	50,000
The Bottom Line	Roxbury, MA	30,000
Brandeis University	Waltham, MA	25,145
Bridge Over Troubled Waters, Inc.	Boston, MA	15,000
Bridgeport Public Education Fund, Inc.	Bridgeport, CT	30,000
Cambridge Community Services	Cambridge, MA	30,000
Capital Community Technical College	Middletown, CT	15,000
Center for Health and Human Services, Inc.	New Bedford, MA	67,000
City on a Hill Charter School	Boston, MA	75,000
Clark University	Worcester, MA	85,500
Colonel Daniel Marr Boys and Girls Club	Dorchester, MA	33,000
Community Adolescent Resource and Education Center	Holyoke, MA	175,000
Community Educ. Ctr of the North End & East Boston, Inc.	East Boston, MA	20,000
Comprehensive School-Age Parenting Program	Jamaica Plain, MA	25,000
Concerned Black Men of Massachusetts, Inc.	Roxbury, MA	24,850
Concilio Hispano, Inc.	Cambridge, MA	25,000
Cranberry School-to-Career Partnership, Inc.	South Weymouth, MA	48,000
Dorcas Place Parent Literacy Center, Inc.	Providence, RI	147,000
Dorchester House Multi-Service Center	Dorchester, MA	25,000
Dover Adult Learning Center	Dover, NH	25,000
Drop-in Learning Center	New London, CT	15,000
Ecumenical Social Action Committee, Inc.	Roxbury, MA	75,000
Elms College	Chicopee, MA	20,000
Elmwood Community Center	Providence, RI	20,000
Emmanuel Gospel Center	Boston, MA	200,000
Federated Dorchester Neighborhood Houses, Inc.	Dorchester, MA	20,000
Foundation for Excellent Schools	Cornwall, VT	45,000
Good Will-Hinckley Homes for Boys & Girls	Hinckley, ME	36,195
Greater Manchester Family YMCA	Manchester, NH	25,000
Hartford Consortium for Higher Education	Hartford, CT	25,000
Home for Little Wanderers	Jamaica Plain, MA	20,000
Hyde Square Task Force, Inc.	Jamaica, MA	60,000
The Immigrant Learning Center, Inc.	Malden, MA	20,000

**Nellie Mae Foundation  
1999 Grants Awarded  
Statement 5A**

<b>Grantee</b>	<b>Location</b>	<b>Amount of Grant</b>
Keene State College	Keene, NH	\$42,500
Latino Parents Association	Jamaica Plain, MA	15,000
Leadership, Education and Athletics in Partnership (LEAP)	New Haven, CT	100,000
Libraries for the Future	Hartford, CT	44,000
Linking Learning to Life	Burlington, VT	60,000
Maine Development Foundation	Augusta, ME	44,000
Maine Humanities Council	Portland, ME	40,000
Mary McLeod Bethune Institute for Young Women	Groton, MA	20,000
Massachusetts Advocacy Center	Boston, MA	45,000
MissionSAFE: A New Beginning, Inc.	Roxbury, MA	175,000
Mount Ida College	Newton Centre, MA	36,000
My Turn, Inc.	Brockton, MA	52,500
New England Association of Schools & Colleges	Bedford, MA	50,000
New England Literacy Resource Center; World Education	New England	198,500
New Haven Ecology Project, Inc.	New Haven, CT	30,000
Project RISE	Braintree, MA	10,000
Providence Public Library	Providence, RI	50,000
Rhode Island Children's Crusade	Providence, RI	43,000
ROCA	Chelsea, MA	50,000
Roger Williams University	Bristol, RI	41,000
SquashBusters, Inc.	Somerville, MA	15,000
The State of New Hampshire	New Hampshire	250,000
Steppingstone Foundation	Boston, MA	20,000
Summerbridge Cambridge	Cambridge, MA	15,000
University of Connecticut	Storrs, CT	50,000
University of Maine, Farmington	Farmington, ME	50,000
University of Maine Upward Bound	Orono, ME	15,000
University of Massachusetts, Boston	Boston, MA	50,000
University of Massachusetts, Boston	Boston, MA	32,000
University of Massachusetts, Dartmouth	North Dartmouth, MA	66,000
University of Massachusetts, Lowell	Lowell, MA	50,000
University of Massachusetts, Lowell	Lowell, MA	28,000
University of Massachusetts President's Office	Massachusetts	185,000
University of Vermont	Burlington, VT	6,500
Vermont Center for the Book	Chester, VT	30,000
Vermont Technical College	Randolph Center, VT	40,000
Vietnamese American Civic Association	Boston, MA	20,000
Washington Central Friends of Education	N. Middlesex, VT	20,000
Westfield State College	Westfield, MA	47,800
The Women's Inst. for Housing & Economic Development	Boston, MA	10,000
YMCA Black Achievers Branch	Boston, MA	45,000
Youth Opportunities Upheld, Inc.	Worcester, MA	30,000
<b>TOTAL GRANTS</b>		<b>\$4,824,875</b>

**Nellie Mae Foundation  
1999 Grants Awarded  
Statement 5A**

<b>Grantee</b>	<b>Location</b>	<b>Amount of Grant</b>
<b>1999 Discretionary Grants Awarded</b>		
American Association for Higher Education	Washington, DC	\$2,000
American Council on Education	Washington, DC	25,000
American Youth Policy Forum	Washington, DC	12,000
Associated Grantmakers of Massachusetts	Boston, MA	20,000
Biomedical Sciences Career Project	Boston, MA	5,000
Boston Adult Literacy Fund	Boston, MA	5,000
Boston Plan for Excellence in the Public Schools	Boston, MA	10,000
Boston Women's Fund	Boston, MA	5,000
Boston Women's Fund	Boston, MA	10,000
Catholic Schools Foundation	Boston, MA	25,000
Center for Technical Education/Quincy High School	Quincy, MA	500
Concerned Black Men of Massachusetts	Roxbury, MA	1,000
Emmanuel Gospel Center	Boston, MA	15,000
Family Service Association of Greater Boston	Boston, MA	300
Fight for Children	McLean, VA	3,750
Higher Education Information Center	Boston, MA	1,000
Inner-City Scholarship Fund	Boston, MA	10,000
Jobs for America's Graduates	New England	10,000
Lesley College	Cambridge, MA	1,500
New England Education Opportunity Association	New England	4,000
New England Education Opportunity Association	New England	4,800
The Patriot Ledger	Quincy, MA	500
Patriots' Trail Girl Scout Council	Boston, MA	1,000
ReadBoston	Boston, MA	2,000
Rockland Public Schools	Rockland, MA	4,200
Supplemental Program of Educational Skills (SPES)	Boston, MA	7,500
Woodside Elementary School	Topsham, ME	5,000
YWCA of Cambridge	Cambridge, MA	600
<b>TOTAL DISCRETIONARY GRANTS</b>		<b>\$191,650</b>
<b>Multi-year grants</b>		
Boston Plan for Excellence in the Public School	Boston, MA	\$400,000
State of New Hampshire	New Hampshire	750,000
LESS: Present Value Discount (Multi-Year Grants)		(71,000)
<b>TOTAL MUTLT-YEAR GRANTS</b>		<b>\$1,079,000</b>
Various Miscellaneous Items		\$10,619
<b>TOTAL ALL GRANTS</b>		<b>\$6,106,144</b>

FORM 990, PART IV - OTHER NOTES AND LOANS RECEIVABLE

=====

STUDENT LOAN RECEIVABLE

BEGINNING BALANCE DUE .....	296,756,344.
ENDING BALANCE DUE .....	246,501,414.
	-----

INVESTMENT INCOME RECEIVABLE

BEGINNING BALANCE DUE .....	23,906.
ENDING BALANCE DUE .....	4,057,683.
	-----

TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE	296,780,250.
	=====

TOTAL ENDING OTHER NOTES AND LOANS RECEIVABLES	250,559,097.
	=====

FORM 990, PART IV - INVESTMENTS - SECURITIES

=====

DESCRIPTION -----	ENDING BOOK VALUE -----
SHORT-TERM INVESTMENTS	232,128,734.
LONG-TERM INVESTMENTS	98,521,941.
	-----
TOTALS	330,650,675.
	=====



NELLIE MAE FOUNDATION, INC  
EIN: 04-2755323

990 Part II, Line 42 & Part IV, Line 57

**Other Assets**

Other assets consist primarily of fixed assets, prepaid expenses, miscellaneous receivables and cost of debt issuance.

Fixed assets consisted of the following at December 31, 1999:

Business equipment and software,  
Furniture and fixtures, and  
Leasehold improvements

257,376.

Less accumulated depreciation and amortization

(21,922)

\$ 235,454

FORM 990, PART IV - OTHER ASSETS  
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
DEBT ISSUANCE COSTS, NET	1,221,627.
OTHER ASSETS	612,348.
TOTALS	----- 1,833,975. =====

**Notes Payable**

The following table summarizes outstanding notes payable of the Foundation as of December 31, 1999. The notes are limited obligations of the Foundation, payable solely from proceeds of pledged assets, the student loans receivable.

	<b>Carrying amount</b>	<b>Weighted average interest rate</b>
<b>Variable rate notes due:</b>		
2004	\$ 27,270,000	6.6%
2012	6,665,000	7.2%
2014	32,200,000	7.3%
2015	68,305,000	6.8%
2018	56,422,000	6.8%
	<u>\$ 190,862,000</u>	6.9%

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS  
=====

DESCRIPTION -----	AMOUNT -----
GAIN ON DISPOSAL OF ASSETS	68,758,000.
INC. FROM DISCONTINUED OPS.	10,961,422.
	-----
TOTAL	79,719,422.
	=====

EIN: 04-2755323

NELLIE MAE FOUNDATION - 1999  
FORM 990, PART V

LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

<u>NAME &amp; ADDRESS</u>	<u>TITLE &amp; TIME DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
BLEND A J. WILSON C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	PRESIDENT/CFO 40 HRS/WEEK	98,131	17,094	NONE
MARCIA W. BROMBERG C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	TREASURER/VP FROM 12/99 - PRESENT 40 HRS/WEEK	11,538	NONE	NONE
DIANE SAUNDERS C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	CLERK /VP 40 HRS/WEEK	42,105	21,756	NONE
PETER J. BLAMPIED C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 2 HRS/WEEK	6,109	NONE	NONE
JOHN T. CASTEEN III C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 3 HRS/WEEK	23,900	NONE	NONE
LAURO F. CAVAZOS C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 2 HRS/WEEK	24,697	NONE	NONE
JOSEPH M. CRONIN C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110	DIRECTOR 2 HRS/WEEK	23,050	NONE	NONE

EIN: 04-2755323

NELLIE MAE FOUNDATION - 1999  
FORM 990, PART V

LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

<u>NAME &amp; ADDRESS</u>	<u>TITLE &amp; TIME DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
BRAINTREE, MA 02184 RICHARD G. DOOLEY C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 5 HRS/WEEK	44,209	NONE	NONE
KATHARINE H. HANSON C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 4 HRS/WEEK	25,600	NONE	NONE
JOHN C. HOY C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 2 HRS/WEEK	28,750	NONE	NONE
ALICE JELIN ISENBERG C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 2 HRS/WEEK	28,362	NONE	NONE
J. BONNIE NEWMAN C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110	DIRECTOR 3 HRS/WEEK	22,200	NONE	NONE

EIN: 04-2755323

NELLIE MAE FOUNDATION - 1999  
FORM 990, PART V

LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

<u>NAME &amp; ADDRESS</u>	<u>TITLE &amp; TIME DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
LAWRENCE W. O'TOOLE C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 1 HRS/WEEK	5,841		
JOHN RYAN C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 4 HRS/WEEK	32,809	NONE	NONE
HONORABLE O. ROGERIEE THOMPSON C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 3 HRS/WEEK	24,750	NONE	NONE
WILLIAM E. TRUEHEART C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 3 HRS/WEEK	32,080	NONE	NONE
ARTHUR WHITE C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	DIRECTOR 2 HRS/WEEK	21,350	NONE	NONE
JOHN F. REMONDI C/O NELLIE MAE FOUNDATION 50 BRAINTREE HILL PARK, SUITE 110 BRAINTREE, MA 02184	TREASURER THROUGH 6/30/99 2 HRS/WEEK	NONE	NONE	NONE
<b>GRAND TOTALS</b>		<b>495,481</b>	<b>38,850</b>	<b>NONE</b>

THE NELLIE MAE FOUNDATION, INC..  
EIN: 04-2755323  
FORM 990, PART V, LINE 75

The following served as officers of the Nellie Mae Foundation prior to the Foundation selling its interest in it wholly owned subsidiary, the Nellie Mae Corporation (04-3416783), during July 1999. Prior to the sale of Nellie Mae Corporation these Foundation officers were compensated solely by Nellie Mae Corporation and served the Foundation without compensation as part of their responsibilities within the Nellie Mae Corporation. The following compensation figures from Nellie Mae Corporation include wages paid, additional payments for equity held in the Nellie Mae Corporation to Messrs. O'Toole and Remondi and a severance award to Ms. Saunders. Only Ms. Saunders continues in a role with the Foundation.

Lawrence W. O'Toole  
President  
424 Main Street  
Norwell, MA 02061  
\$3,200,449

John F. Remondi  
Treasurer  
C/O USA Education, Inc.  
11600 Sallie Mae Drive  
Reston, VA 20193  
\$1,412,947

Diane L. Saunders  
Clerk  
C/O the Nellie Mae Foundation  
50 Braintree Hill Park  
Braintree, MA 02184  
\$260,940

STATEMENT 10A



# Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

▶ File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions.	Name <b>NELLIE MAE FOUNDATION, INC.</b>	Employer identification number <b>04-2755323</b>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)	
	<b>50 BRAINTREE HILL PARK, SUITE 300</b>	
City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>BRAINTREE, MA 02184</b>		

**Note:** Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

1 I request an extension of time until November 15, 2000 to file (check only one):

- |  |   |   |                                    |
|--|---|---|------------------------------------|
| <input type="checkbox"/> Form 706-GS(D)                | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 1120-ND (sec. 4951 taxes) | <input type="checkbox"/> Form 8612 |
| <input type="checkbox"/> Form 706-GS(T)                | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 3520-A                    | <input type="checkbox"/> Form 8613 |
| <input checked="" type="checkbox"/> Form 990 or 990-EZ | <input type="checkbox"/> Form 1041 (estate) (see instructions)    | <input type="checkbox"/> Form 4720                      | <input type="checkbox"/> Form 8725 |
| <input type="checkbox"/> Form 990-BL                   | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 5227                      | <input type="checkbox"/> Form 8804 |
| <input type="checkbox"/> Form 990-PF                   | <input type="checkbox"/> Form 1042                                | <input type="checkbox"/> Form 6069                      | <input type="checkbox"/> Form 8831 |

If the organization does not have an office or place of business in the United States, check this box

2a For calendar year \_\_\_\_\_, or other tax year beginning January 1, 1999 and ending December 31, 1999

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

3 Has an extension of time to file been previously granted for this tax year?  Yes  No

4 State in detail why you need the extension Additional time is needed to file a complete and accurate return.

5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ NONE

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ NONE

c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ 0

### Signature and Verification

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

Signature ▶ [Handwritten Signature] Title ▶ CPA Date ▶ 8/14/00

**FILE ORIGINAL AND ONE COPY.** The IRS will show below whether or not your application is approved and will return the copy.

### Notice to Applicant - To Be Completed by the IRS

- We **HAVE** approved your application. Please attach this form to your return.
- We **HAVE NOT** approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- We **HAVE NOT** approved your application. Considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: \_\_\_\_\_

**RECEIVED**  
**AUG 18 2000**

**EXTENSION APPROVED**

**AUG 25 2000**

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name <b>PricewaterhouseCoopers LLP</b>	<b>RICHARD CREAMER, DIRECTOR</b>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>One International Place</b>	<b>CCDEN SUBMISSION PROCESSING CENTER</b>
	City, town, or post office, state, and ZIP code. For a foreign address, see instructions. <b>Boston, MA 02110</b>	
	Re: <b>Nellie Mae Foundation, Inc.</b>	

## Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

OMB No. 1545-0148

▶ **File a separate application for each return.**

Please type or print. File the original and one copy by the due date for filing your return. See instructions.	Name <b>NELLIE MAE FOUNDATION, INC.</b>	Employer identification number <b>04-2755323</b>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>50 BRAINTREE HILL PARK, SUITE 300</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see Instructions. <b>BRAINTREE, MA 02184</b>	

**Note:** Corporate income tax return filers must use **Form 7004** to request an extension of time to file. Partnerships, REMICs, and trusts must use **Form 8736** to request an extension of time to file Form 1065, 1066, or 1041.

- 1 I request an extension of time until August 15, 2000, to file (check only one):
- |  |   |   |                                    |
|--|---|---|------------------------------------|
| <input type="checkbox"/> Form 706-GS(D)                | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 1120-ND (sec. 4951 taxes) | <input type="checkbox"/> Form 8612 |
| <input type="checkbox"/> Form 706-GS(T)                | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 3520-A                    | <input type="checkbox"/> Form 8613 |
| <input checked="" type="checkbox"/> Form 990 or 990-EZ | <input type="checkbox"/> Form 1041 (estate) (see instructions)    | <input type="checkbox"/> Form 4720                      | <input type="checkbox"/> Form 8725 |
| <input type="checkbox"/> Form 990-BL                   | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 5227                      | <input type="checkbox"/> Form 8804 |
| <input type="checkbox"/> Form 990-PF                   | <input type="checkbox"/> Form 1042                                | <input type="checkbox"/> Form 6069                      | <input type="checkbox"/> Form 8831 |

If the organization does not have an office or place of business in the United States, check this box

- 2a For calendar year \_\_\_\_\_, or other tax year beginning January 1, 1999 and ending December 31, 1999.
- b If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- 3 Has an extension of time to file been previously granted for this tax year?  Yes  No
- 4 State in detail why you need the extension Additional time is needed to file a complete and accurate return.

- 5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ NONE
- b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ NONE
- c **Balance due.** Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ 0

### Signature and Verification

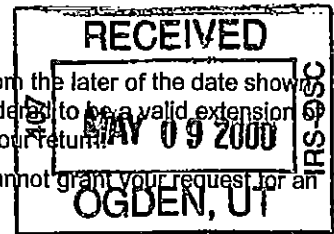
Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature Kay B. Jewell Title CPA Date 4/26/00

**FILE ORIGINAL AND ONE COPY.** The IRS will show below whether or not your application is approved and will return the copy.

### Notice to Applicant — To Be Completed by the IRS

- We **HAVE** approved your application. Please attach this form to your return.
- We **HAVE NOT** approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- We **HAVE NOT** approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: \_\_\_\_\_



Director \_\_\_\_\_ By \_\_\_\_\_ Date \_\_\_\_\_

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name <b>PricewaterhouseCoopers LLP</b> <span style="float: right;"><b>ATTN: Gwen Spencer</b></span>
	Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>One International Place</b>
	City, town, or post office, state, and ZIP code. For a foreign address, see instructions. <b>Boston, MA 02110</b>
	Re: <b>Nellie Mae Foundation, Inc.</b>