

Return of Organization Exempt From Income Tax

2005

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

A For the 2005 calendar year, or tax year beginning 2005, and ending

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

C Name of organization: PARTNERS IN HEALTH A NONPROFIT CORPORATION. Address: 641 HUNTINGTON AVENUE, 1ST FLOOR, BOSTON, MA 02115

D Employer identification number: 04-3567502. E Telephone number: (617) 432-5256. F Accounting method: Accrual

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

G Website: WWW.PIH.ORG

J Organization type: 501(c)(03)

K Check here if the organization's gross receipts are normally not more than \$25,000

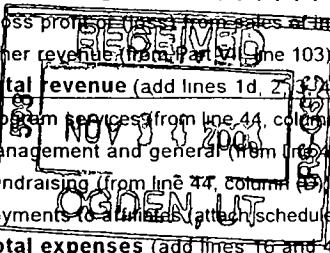
H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? No. H(b) If "Yes," enter number of affiliates: N/A. H(c) Are all affiliates included? No. H(d) Is this a separate return filed by an organization covered by a group ruling? No. I Group Exemption Number: N/A. M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 36,120,690.

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include contributions, program service revenue, membership dues, interest on savings, dividends, gross rents, other investment income, gross amount from sales of assets, special events, gross sales of inventory, and total revenue/expenses.

SCANNED DEC 21 2006



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 the instructions)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations, 23 Specific assistance to individuals, 24 Benefits paid to or for members, 25 Compensation of officers, directors, etc, 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation, depletion, etc, 43 Other expenses not covered above, 44 Total functional expenses.

Joint Costs Check [] if you are following SOP 98-2
Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? [] Yes [X] 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 the instructions)

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

What is the organization's primary exempt purpose? **SEE STATEMENT 5**
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)

a SEE STATEMENT 4 A

(Grants and allocations \$) If this amount includes foreign grants, check here **21,612,812.**

b

(Grants and allocations \$) If this amount includes foreign grants, check here

c

(Grants and allocations \$) If this amount includes foreign grants, check here

d

(Grants and allocations \$) If this amount includes foreign grants, check here

e Other program services (attach schedule)
(Grants and allocations \$) If this amount includes foreign grants, check here

f Total of Program Service Expenses (should equal line 44, column (B), Program services), **21,612,812.**

Part IV Balance Sheets (See the instructions)

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

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	307,167.	45	1,389,223.
	46 Savings and temporary cash investments	7,667,626.	46	6,181,694.
	47a Accounts receivable	47a 2,291,517.		
	b Less allowance for doubtful accounts	47b	1,634,338.	47c 2,291,517.
	48a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b		48c
	49 Grants receivable	1,357,097.	49	1,550,089.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	70,989.	53	469,686.
	54 Investments - securities (attach schedule) STMT .6. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	1,910,107.	54	14,570,101.
	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 700,399.			
b Less accumulated depreciation (attach schedule) STMT .6.A.	57b 257,661.	401,482.	57c 442,738.	
58 Other assets (describe <input type="checkbox"/>)		58		
59 Total assets (must equal line 74) Add lines 45 through 58	13,348,806.	59	26,895,048.	
Liabilities	60 Accounts payable and accrued expenses	476,936.	60	696,350.
	61 Grants payable		61	
	62 Deferred revenue		62	
	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)		64b	
	65 Other liabilities (describe <input type="checkbox"/>)		65	
66 Total liabilities. Add lines 60 through 65	476,936.	66	696,350.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	5,028,511.	67	21,825,851.
	68 Temporarily restricted	7,793,359.	68	4,347,847.
	69 Permanently restricted	50,000.	69	25,000.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	12,871,870.	73	26,198,698.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	13,348,806.	74	26,895,048.

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

- 75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 10
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? Note. Related organizations include section 509(a)(3) supporting organizations
If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization
d Does the organization have a written conflict of interest policy?

Table with 2 columns: Yes, No. Rows 75b, 75c, 75d.

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

Table with 5 columns: (A) Name and address, (B) Loans and Advances, (C) Compensation, (D) Contributions to employee benefit plans & deferred compensation plans, (E) Expense account and other allowances.

Part VI Other Information (See the instructions)

- 76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes ATTACHMENT A
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
b 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
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?
b If "Yes," enter the name of the organization and check whether it is [X] exempt or [X] nonexempt
81a Enter direct and indirect political expenditures (See line 81 instructions) NONE
b Did the organization file Form 1120-POL for this year?

Table with 2 columns: Yes, No. Rows 76, 77, 78a, 78b, 79, 80a, 81a, 81b.

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)		
82 b	148,026		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84 b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) organizations		
a	Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c	Dues, assessments, and similar amounts from members	N/A	
d	Section 162(e) lobbying and political expenditures	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	N/A	
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85 h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86	501(c)(7) orgs		
a	Initiation fees and capital contributions included on line 12	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	N/A	
87	501(c)(12) orgs		
a	Gross income from members or shareholders	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)	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	X	
89 a	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		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	N/A	
d	Enter Amount of tax on line 89c, above, reimbursed by the organization	N/A	
90 a	List the states with which a copy of this return is filed		
	SEE STATEMENT 12		
90 b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)	21	
91 a	The books are in care of		
	OPHELIA DAHL Telephone no 617 432-5256		
	Located at 641 HUNTINGTON AVE, 1ST FL BOSTON, MA ZIP + 4 02115		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
	If "Yes," enter the name of the foreign country SEE STMT 1		
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts		
c	At any time during the calendar year, did the organization maintain an office outside of the United States?	X	
	If "Yes" enter the name of the foreign country SEE STMT 1		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here		
	and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
-93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	143,956.	
96 Dividends and interest from securities			14	94,269.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	70,816.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a _____					
b MISCELLANEOUS REV _____			01	149,997.	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				459,038.	
105 Total (add line 104, columns (B), (D), and (E))					459,038.

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

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

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

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

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of year assets
STMT 13	%		8,216,554.	2,699,803.
	%			
	%			
	%			

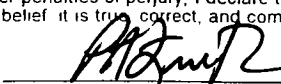
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions)

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

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


Under penalties of perjury, I declare that I have examined this return and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has knowledge.

Please Sign Here

Signature of officer: 

Type or print name and title: PAUL A. ZINTL, CHIEF

Paid Preparer's Use Only

Preparer's signature: 

Firm's name (or yours if self-employed), address, and ZIP + 4: KPMG LLP, 99 HIGH STREET, BOSTON, MA

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

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

OMB No 1545-0047

2005

Name of the organization PARTNERS IN HEALTH A NONPROFIT CORPORATION	Employer identification number 04-3567502
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one If there are none, enter "None ")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SUSAN WYLY 641 HUNTINGTON AVE., 1ST FLOOR	DIR. FOUNDATION DVLP 40	75,905.	5,626.	NONE
DARIUS JAZAYERI 641 HUNTINGTON AVE., 1ST FLOOR	PROJECT MGR 40	67,610.	7,612.	NONE
JULIO CASTRO 641 HUNTINGTON AVE., 1ST FLOOR	FINANCIAL ANALYST 40	58,191.	4,197.	NONE
GUYLENE VIAUD 641 HUNTINGTON AVE., 1ST FLOOR	DIRECTOR OF OPS 40	56,401.	12,265.	NONE
KATHRYN KEMPTON AMARAL 641 HUNTINGTON AVE., 1ST FLOOR	DIR. OF DRUG PRCRMT 40	52,151.	4,144.	NONE
Total number of other employees paid over \$50,000 . . . ▶		NONE		

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 14		
Total number of others receiving over \$50,000 for professional services ▶		NONE

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms If there are none, enter "None." See page 2 of the instructions)

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

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

Table with 3 columns: Question, Yes, No. Contains questions 1 through 4b regarding lobbying activities, grants, and credit counseling.

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

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

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state
10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
11a [X] 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) Check the box that describes the type of supporting organization Type 1 Type 2 Type 3

Provide the following information about the supported organizations (See page 6 of the instructions)

Table with 2 columns: (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 6 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: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2003, (c) 2002, (d) 2001, (e) Total. Rows include: 15. Gifts, grants, and contributions received; 16. Membership fees received; 17. Gross receipts from admissions, merchandise sold or services performed; 18. Gross income from interest, dividends, amounts received from payments on securities loans; 19. Net income from unrelated business activities; 20. Tax revenues levied for the organization's benefit; 21. The value of services or facilities furnished to the organization by a governmental unit; 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 on lines 10 or 11; 27. Organizations described on line 12; 28. Unusual Grants.

Part V Private School Questionnaire (See page 7 of the instructions) NOT APPLICABLE
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	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	
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) ----- -----		
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) ----- ----- -----		
34 a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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

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

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

4-Year Averaging Period Under Section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b Paid staff or management (Include compensation in expenses reported on lines c through h)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c Media advertisements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
d Mailings to members, legislators, or the public	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
e Publications, or published or broadcast statements	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
f Grants to other organizations for lobbying purposes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
g Direct contact with legislators, their staffs, government officials, or a legislative body	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
i Total lobbying expenditures (Add lines c through h)			NONE

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

.. .
. . .
. . .

FORM 990 - GENERAL EXPLANATION ATTACHMENT
=====

FINANCIAL ACCOUNTS AND OFFICES OUTSIDE THE U.S.
FORM 990, PART VI, LINE 91B & 91C

LINE 91B:
FOREIGN FINANCIAL ACCOUNTS:

RWANDA
RUSSIA
PERU

LINE 91C:
FOREIGN OFFICES:

RWANDA
RUSSIA
PERU

Attachment to Form 990, Part I, Line 8

Gain on the Sale of Publicly Traded Securities	<u>\$70,816</u>
Total to Line 8d	<u><u>\$70,816</u></u>

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

DESCRIPTION -----	AMOUNT -----
UNREALIZED GAIN ON INVESTMENTS	35,421.
PRIOR PERIOD ADJUSTMENT	6,298.

TOTAL	41,719.
	=====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

DESCRIPTION

AMOUNT

CURRENCY TRANSLATION ADJUSTMENTS

61,286.

TOTAL

61,286.
=====

EIN 04-3567502
FYE

FORM 990, PART II, LINE 42 - DEPRECIATION

<u>Description</u>	<u>Current Depreciation</u>
Land Improvements	
Buildings	4,198.
Leasehold Improvements	
Equipment	13,196.
Furniture & Fixtures	
Total Depreciation Expense	<u>17,394.</u>
Amortization Expense	
Total Depreciation & Amortization line 42	<u><u>17,394.</u></u>

NOTE Depreciation is calculated using the straight-line method over the estimated useful life of the asset

STATEMENT 3A

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
RENT EXPENSE	15,000.		15,000.	
OFFICE SUPPLIES & EXPENSES	285,691.	215,498.	20,276.	49,917.
BANK, INVST & PROCESSING FEE	51,323.		11,224.	40,099.
COMMUNICATIONS & UTILITIES	272,234.	201,285.	69,927.	1,022.
TEMPORARY LABOR	24,042.		24,042.	
OTHER	172,938.	169,163.		3,775.
PROGRAM RESOURCES	14,997,122.	14,997,122.		
PHARMACEUTICALS	1,426,650.	1,426,650.		
OUTSIDE SERVICES	2,656,230.	2,642,267.		13,963.
INSURANCE	8,006.		8,006.	
TOTALS	19,909,236.	19,651,985.	148,475.	108,776.

Mission

Our mission is to provide a preferential option for the poor in health care. By establishing long-term relationships with sister organizations based in settings of poverty, Partners In Health strives to achieve two overarching goals: to bring the benefits of modern medical science to those most in need of them and to serve as an antidote to despair. We draw on the resources of the world's leading medical and academic institutions and on the lived experience of the world's poorest and sickest communities. At its root, our mission is both medical and moral. It is based on solidarity, rather than charity alone. When our patients are ill and have no access to care, our team of health professionals, scholars, and activists will do whatever it takes to make them well—just as we would do if a member of our own families or we ourselves were ill

Haiti/Zanmi Lasante

For Zanmi Lasante (ZL), 2005 was a year of daunting challenges and inspiring achievements. In the aftermath of the coup that forcibly removed President Jean-Bertrand Aristide, political instability and deteriorating security prevented Boston-based staff from traveling to Haiti for most of the year. Across Haiti, the already decrepit public health infrastructure disintegrated. Yet Zanmi Lasante not only survived but thrived, expanding its operations and impact dramatically. In the process, ZL proved conclusively that the PIH model of care succeeds not so much by the intervention of dedicated medical personnel from the United States but by empowering our partners on the ground – the local medical staff, the accompagnateurs, the patients themselves and, ultimately, the impoverished communities in which they live.

Zanmi Lasante highlights

- Constructed, equipped, staffed and opened a new hospital in Cerca La Source complete with two large wards, a pharmacy, a drug warehouse, a laboratory, x-ray equipment and offices.
- Increased the number of patient visits at its hospitals and clinics to more than 1.1 million for the year, four times what the total had been just three years earlier.
- Provided antiretroviral therapy to more than 2,000 AIDS patients, a 30 percent increase from the previous year. That figure included the first patients enrolled outside the Central Plateau, in the coastal town of St. Marc, as part of ZL's technical assistance to Ministry of Health clinics in the Artibonite region
- Expanded and strengthened its training capabilities and programs, both for ZL staff and for people working to prevent and treat HIV/AIDS all across Haiti and the Caribbean, as part of the Caribbean HIV/AIDS Regional Training (CHART) Network. More than 530 people, 40 percent of them from outside the ZL system, benefited from training sessions conducted at ZL's two National Training Centers in Hinche and Cange.
- Expanded social and economic support activities, by providing school fees for more than 5,000 orphans and vulnerable children, constructing or repairing

spring caps, fountains and kiosks to bring clean drinking water to nearly 9,000 people, building more than 100 houses and providing nutritional assistance to more than 4,600 AIDS patients.

• Improved data collection and reporting by hiring and training data clerks, revising patient intake and follow-up forms and adding tools to the Electronic Medical Records (EMR) system to improve analysis of patient status, calculation of drug requirements and management of pharmacy supplies to avoid stockouts of medications.

By the numbers

- 1.12 million patient visits
- 2,019 AIDS patients on antiretrovirals
- 6,000 HIV-positive patients monitored
- 6,865 children receiving educational assistance
- 3,000 adults receiving literacy training
- 110 houses built
- 4,607 people receiving nutritional assistance
- 1,100 people receiving seed money for small commercial enterprises
- Staff (as of March 31, 2006):
 - 207 medical
 - 878 non-medical
 - 1,156 community health workers

Rwanda/Inshuti Mu Buzima

2005: Before and after:

- Before: the district hospital in Rwinkwavu was a derelict shell, with no doctors, no electricity or running water, broken beds and windows, crumbling, unpainted walls and only a trickle of ambulatory patients.
After: the hospital has been repaired, refurbished and restaffed. Walls have been plastered and painted. Four wards have been opened with 70 new beds that have been consistently filled. Ambulatory visits have increased to almost 200 per day.
- Before: there were no patients receiving antiretroviral therapy for AIDS.
After: by the end of 2005, 676 patients had started supervised therapy.
- Before: hundreds of school-age children were not attending school because they could not afford to pay for school uniforms, books and other fees.
After: financial support from IMB was helping 1,436 children attend school.
- Before: many of the patients examined, tested and treated at PIH facilities reported or exhibited distinct signs of malnutrition.
After: all patients on AIDS and TB treatment were receiving monthly food packages and food supplements.
- Before: most HIV-infected mothers did not know their status. Even if they did, they did not have access to the antiretroviral drugs and infant formula

needed to reduce the risk of mother-to-child transmission of HIV during pregnancy and breast-feeding.

After: more than 150 women a week were being tested in prenatal clinics. Women who tested positive received treatment and nearly 400 infants born to HIV-infected mothers were enrolled in a formula-feeding program to prevent mother-to-child transmission.

- Before: many patients were living in tumble-down, mud-walled shacks with leaky thatched roofs and dirt floors.

After: in December 2005, IMB built its first new house for a patient's family, complete with a concrete foundation and a tin roof to keep out the rain ... the first of many to come.

By the numbers

- 676 AIDS patients on therapy
- 17,332 patients tested for HIV
- 5,973 patient visits (July-December 2005)
- 4,090 malaria tests, of which 1,937 positive (July-December 2005)
- 4,609 women who received prenatal counseling (July-December 2005)
- 700 food packets distributed/month
- 1,436 children receiving educational support
- Staff (as of March 31, 2006):
 - 66 medical
 - 140 non-medical
 - 510 community health workers
 - 57 Ministry of Health employees

Peru/Socios En Salud

For Socios En Salud (SES), 2005 was an important year of transition. In November, SES stopped enrolling new patients for treatment of MDR-TB, as financial support from the Global Fund came to an end. But that hardly marked a repudiation of the model of care that SES has pioneered or a decline in our impact on treatment and care in Peru. Far from it. As SES scaled back on enrolling additional MDR-TB patients at its own clinics, it scaled up training and support for Ministry of Health health centers, laboratories and staff. Through its partnership with the Ministry, SES is now helping to extend the model of community-based care for MDR-TB nationwide and has assumed a leading role in the national campaign to roll out antiretroviral therapy for HIV/AIDS.

Key SES accomplishments in 2005

- Expanded and improved infrastructure for MDR-TB treatment and testing, including setting up tuberculosis treatment facilities at more than 200 health centers and establishing six reference laboratories to test for

- sensibility to first-line drugs and establishing six reference laboratories to test drug sensitivity for first-line drugs and one for second-line drugs.
- Provided food baskets, transportation, lodging and other social support to an average of 325 patients per month. Each patient's needs are determined based on an extensive interview and evaluation. Needs are reviewed at least once a month through follow-up visits.
 - Began providing care to the growing number of HIV-infected people in Lima and the surrounding areas. The TARGA-Plus program replicates the MDR-TB model of care by providing both antiretroviral therapy and the economic and social support that is essential for treatment adherence and success. Enrollment of the first cohort of patients began in November 2005 and is continuing through 2006.
 - Conducted training courses attended by more than 4,000 people, including doctors, nurses, community health workers, health promoters and patients. The courses covered a wide range of topics, from DOTS-Plus treatment for MDR-TB and HIV to child health. More than 2,500 health staff were trained to provide DOTS-Plus treatment for MDR-TB.
 - Opened three new botiquines (neighborhood clinics) that offer basic primary care, including maternal health and obstetrical care, as well as height and weight checks for children. Children who are underweight or at risk for malnutrition are monitored regularly. Many receive nutritional supplements or are enrolled in programs that provide nutritious breakfasts or lunches. SES now operates a network of 11 botiquines and three outposts, many of them located in rural and isolated areas.
 - Provided opportunities for women to generate income as members of a cooperative workshop that participated in crafts fairs in Peru and sold handicrafts as far away as Japan and Switzerland.

By the numbers

- 4,090 people trained
- 219 health centers equipped with TB treatment facilities
- 6 reference laboratories established to test for resistance to first line TB drugs
- 11 community health centers opened (plus 3 "outposts")
- 3,689 patients enrolled in national HIV program with SES support
- 325/month patients receiving socio-economic support (food baskets, lodging, transport, etc.)
- 13,405 patient records in PIH Electronic Medical Records system
- Staff (as of March 31, 2006):
 - 12 medical
 - 95 non-medical
 - 695 community health workers

Russia

In Russia, PIH continued on the twin tracks of strengthening the MDR-TB treatment program in Tomsk Oblast, Siberia, and providing training and technical assistance to improve treatment throughout Russia. In Tomsk, PIH's Russian partner organization scaled up enrollment of MDR-TB patients, increased social support services for TB patients and improved TB facilities. On the training front, PIH conducted a clinical and epidemiological workshop in St. Petersburg for high-ranking officials from the Russian medical system. The workshop laid the groundwork for a series of five comprehensive training sessions on the management of MDR-TB that will cover the entire country between 2006 and 2007.

Highlights of the year

- Increased enrollment in the MDR-TB treatment program in Tomsk, Siberia, to nearly 400 patients.
- Provided daily nutritional support, social support and hygiene sets to more than 1,600 TB and MDR-TB patients in Tomsk.
- Equipped four medical TB facilities with modern ventilation systems.
- Developed plans for nationwide training with the Russian Federal Tuberculosis Research Institute

By the numbers

- 635 MDR TB patients enrolled
- 750 patients receiving nutritional support
- Staff (as of March 31, 2006)
 - 6 medical
 - 10 non-medical

USA/PACT

The Prevention and Access to Care and Treatment (PACT) Project in Boston expanded both its health promotion and directly observed therapy (DOT) services for marginalized HIV/AIDS patients and its harm reduction and HIV prevention work with vulnerable youth and Latinos with a history of substance abuse. The Health Promotion program increased its outreach to provide directly observed therapy and social support for HIV patients who were failing treatment because of mental health problems, substance use, housing instability or domestic violence.

Highlights of the year

- Enrolled 25 new AIDS patients in the Health Promotion program and eight into antiretroviral treatment.
- Expanded the PACT referral network to include health centers north of Boston, including Chelsea, Everett, East Boston and Revere.

- Received a three-year grant from the National Institute of Mental Health to study the long-term effects of a one-year course of directly observed therapy in the PACT Health Promotion program.
- Developed a curriculum and manual for health promoter training that are used with new participants entering the program and will allow further expansion and replication of the program.
- Expanded peer prevention training for Latinos in early recovery from substance use, increasing to more than 250 the number of men and women trained through Fuerza Latina to accompany and assist their neighbors as they struggle with the dual epidemics of HIV and substance abuse.

By the numbers

- 52 patients receiving health promotion services
- 215 total patients served since program started
- 30 Spanish language training sessions conducted through 2005
- 250 Latino men and women trained through 2005
- 9,000 safe sex kits distributed through 2005
- 15 patients on directly observed antiretroviral therapy
- Staff (as of March 31, 2006)
 - 3 medical
 - 32.5 non-medical
 - 4 contracted

Mexico/Chiapas

Until early October, 2005 was a year of steady and impressive growth for the work PIH has been doing since 1989 in the southern Mexican state of Chiapas, alongside the Equipo de Apoyo en Salud y Educación Comunitaria (EAPSEC). Substantial progress could be measured in the number of community health promoters trained and deployed, the number of patient visits at village clinics, and the number of workshops conducted in impoverished indigenous communities. Then Hurricane Stan struck Chiapas with torrential rains, triggering floods and mudslides that swept away entire communities of thatch-roofed huts, washed out roads and left thousands of people without access to shelter, food, potable water and health care. PIH and EAPSEC sprang into action, sending out teams of health promoters and doctors, setting up temporary clinics in two of the worst-affected communities, and mobilizing donations of medicines and equipment from as far away as France, Switzerland and the United States.

Highlights of the year

- Provided financial, technical and medical assistance in the four regions of Chiapas where EAPSEC trains and supervises health promoters. PIH assistance included physician trips to clinic sites, development of training materials and assistance with health promoter training.

- Expanded and reinforced the work of the clinic opened in Amatán in 2004, providing treatment for a wide range of common ailments, including respiratory illnesses, gastrointestinal conditions, sexually transmitted infections, malnutrition, trauma, mental health issues and eye and skin infections.
- Helped train health promoters and staff clinics with resident physicians on rotation from the Brigham and Women's Hospital's Global Health Equity residency program.
- Opened emergency clinics in Belisario Domínguez and Honduras, two of the communities hit hardest by Hurricane Stan.

By the numbers

- 150 training sessions for health promoters
- 1641 patient visits
- 282 health promoters trained

Guatemala

Since 1998, PIH has been working with the Equipo Técnico de Educación en Salud Comunitaria (ETESC) to help highland communities in Guatemala heal from decades of brutal oppression by uniformed soldiers and state-sponsored death squads. At the request of surviving family members, we have assisted in locating, exhuming, identifying and reburying many of the hundreds of thousands of people who were killed or "disappeared," allowing the dead to rest "with their eyes shut" and the living to mend some of their emotional and psychological wounds. PIH's support for this work continued in 2005, despite heightened political tension and security concerns in the affected communities that prevented regular communication and reporting.

Highlights of the year

- Continued work at exhumation projects in three communities in the Huehuetenango region.
- Identified new mass graves and filed official petitions to exhume them. The Human Rights arm of the Archdiocese of Guatemala is supporting these petitions, and the government has committed to performing visual inspection of the sites.
- Conducted follow-up community support groups and educational sessions on the rights and responsibilities of the families of the deceased in each of these communities.
- Developed a national plan to coordinate and educate the communities of Huehuetenango about these ongoing projects and discuss how new sites can be effectively integrated into the network of existing sites.

Research and Advocacy

Partners In Health amplified the impact of its work to save lives and improve livelihoods through advocacy aimed at changing minds, transforming policies and building a movement for health and social justice. PIH and our sister organizations sent a team of 18 people to the Second People's Health Assembly in Cuenca, Ecuador, in July. The Assembly brought together more than 1,500 people from 80 countries to share knowledge and experience and build a movement supporting the demand "health for all." The PIH contingent included physicians, anthropologists and community health workers from Haiti, Peru, Chiapas and Boston. They made a big impact, with interventions ranging from a plenary address by Arachu Castro to a joint presentation by community health workers from Peru and Boston on "Community Involvement: the Engine for Structural Changes." Haitian accompagnateur Autensia Guerrier Gracia (a.k.a. Margarete) brought down the house as one of five people invited to address the closing session of the conference. PIH also made its presence felt and the voices and needs of our patients heard at major scientific meetings and public events focused on global health, including the Pan American Health Organization's first Technical Advisory Committee in HIV/AIDS – chaired by Paul Farmer – and the Time Magazine Global Health Summit, where Farmer and fellow PIH co-founder Jim Yong Kim shared the spotlight with a cast of international luminaries that included Kofi Annan, Bill Clinton and Bill Gates. Both our service in impoverished rural communities and our advocacy on behalf of healthcare and social justice for the poor were reinforced by research that documented the need, monitored the impact and demonstrated the benefits of community-based care. PIH staff researched and wrote numerous articles for influential journals in 2005 on subjects ranging from the impact of HIV/AIDS care on stigma and testing to implementing electronic medical records systems in developing countries.

Selected 2005 publications:

Becerra MC, Pachao-Torreblanca IF, Bayona J, Celi R, Shin SS, Kim JY, Farmer PE, Murray M. Expanding tuberculosis case detection by screening household contacts. *Public Health Reports*. 2005;120(3):271-277.

Castro A. Adherence to antiretroviral therapy: Merging the clinical and social course of AIDS. *PLoS Medicine*. 2005; 2(12):e338.

Castro A, Farmer P. Understanding and addressing AIDS-related stigma: from anthropological theory to clinical practice in Haiti. *American Journal of Public Health*. 2005;95(1):53-59.

Castro A, Farmer P. El estigma del SIDA y su evolución social: una visión desde Haití (AIDS-related stigma and its social course: a view from Haiti). *Revista de Antropología Social*. 2005;14():125-146.

Drobac PC, del Castillo H, Sweetland A, Anca G, Joseph J, Furin, Shin S. Treatment of multidrug-resistant tuberculosis during pregnancy: long-term follow-up of six children with intrauterine exposure to second-line agents. *Clinical Infectious Diseases*. 2005;40(11):1689-1692.

Farmer PE. *Pathologies of Power: Health, Human Rights, and the New War on the Poor*. 2nd ed. Berkeley (CA): University of California Press; 2005.

Fraser HSF, Biondich P, Moodley D, Choi S, Mamlin BW, Szolovits P. Implementing electronic medical record systems in developing countries. *Informatics in Primary Care*. 2005;13(2):83-96.

Furin J, Walton D, Farmer P. The ever-changing face of AIDS: implications for patient care. In: Mayer KD, Pizer HF, editors. *The AIDS Pandemic: Impact on Science and Society*. London: Elsevier Academic Press; 2005. p. 286-306

Han LL, Sloutsky A, Canales R, Naroditskaya V, Shin SS, Seung KJ, Timperi R, Becerra MC. Acquisition of drug resistance in multidrug-resistant *Mycobacterium tuberculosis* during directly-observed empiric retreatment with standardized regimens. *International Journal of Tuberculosis and Lung Disease*. 2005;9(7):818-821.

Kim JY, Gilks C. Scaling up treatment—why we can't wait [editorial]. *New England Journal of Medicine*. 2005;353(22):2392-2394.

Kim JY, Shakow A, Mate K, Vanderwarker C, Gupta R, Farmer P. Limited good and limited vision: multidrug-resistant tuberculosis and global health policy. *Social Science and Medicine*. 2005;61(4):847-859.

Laserson KF, Thorpe LE, Leimane V, Weyer K, Mitnick CD, Riekstina V, Zarovska E, Rich ML, Fraser HSF, Alarcon E, Cegielski JP, Grzemska M, Gupta R, Espinal M. Speaking the same language: treatment outcome definitions for multidrug-resistant tuberculosis. *International Journal of Tuberculosis and Lung Disease*. 2005;9(6):640-645.

Paluzzi JE, Farmer PE. The wrong question. *Development*. 2005;48(1):12-18.
Saravia JC, Appleton SC, Rich ML, Sarria M, Bayona J, Becerra MC. Re-treatment management strategies when first-line tuberculosis therapy fails. *International Journal of Tuberculosis and Lung Disease*. 2005;9(4):421-429.
Shin S, Naroditskaya V, Sloutsky A, Werner B, Timperi R, Bayona J, Farmer P, Becerra M. rpoB gene mutations in clinical isolates in multidrug-resistant *Mycobacterium tuberculosis* in Northern Lima, Peru. *Microbial Drug Resistance*. 2005;11(1):26-30.

Smith Fawzi MC, Lambert W, Singler JM, Tanagho Y, Léandre F, Nevil P,

Bertrand D, Claude MS, Bertrand J, Louissaint M, Joanis L, Mukherjee JS, Goldie S, Salazar JJ, Farmer PE. Factors associated with forced sex among women in rural Haiti: implications for the prevention of HIV and other STDs. *Social Science and Medicine*. 2005;60(4):679-689.

Solis L, Shin SS, Han LL, Llanos F, Stowell M, Sloutsky A. Validation of a rapid method for detection of *M. tuberculosis* resistance to isoniazid and rifampin in Lima, Peru. *International Journal of Tuberculosis and Lung Disease*. 2005;9(7):760-764.

Timperi R, Han LL, Sloutsky A, Becerra MC, Nardell EA, Salazar JJ, Smith Fawzi MC. Drug-resistance profiles of *Mycobacterium tuberculosis* isolates: Five years experience and insight into treatment strategies for multidrug resistant tuberculosis in Lima, Peru. *International Journal of Tuberculosis and Lung Disease*. 2005;9(2):175-180.

Walton DA, Farmer PE, Dillingham R. Social and cultural factors in tropical medicine: Reframing our understanding of disease. In: Guerrant RL, Walker DH, Weller PF, editors. *Tropical Infectious Diseases: Principles, Pathogens, and Practice*. 2nd ed. New York: Elsevier; 2005. p. 26-35.

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FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
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TO PROVIDE DIRECT HEALTH SERVICES AND TO CONDUCT RESEARCH AND
ADVOCACY WORK FOR THE SICK AND IMPOVERISHED THROUGHOUT THE WORLD.

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FORM 990, PART IV - INVESTMENTS - SECURITIES
=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	COST OR FMV -----
CASH AND CASH EQUIVALENTS	55,575.	2,701,786.	FMV
MUTUAL FUNDS	1,779,408.	1,888,422.	FMV
U.S. TREASURY BILLS	NONE	9,933,700.	FMV
EQUITY SECURITIES	75,124.	46,193.	FMV
	-----	-----	
TOTALS	1,910,107.	14,570,101.	
	=====	=====	

EIN: 04-3567502
FYE

FORM 990, PART IV, LINE 57 - FIXED ASSETS and DEPRECIATION

<u>Description</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land		NONE	
Land Improvements			
Buildings	409,330.	19,066.	390,264.
Leasehold Improvements			
Equipment	291,069.	238,595.	52,474.
Furniture & Fixtures			
Property, Plant & Equipment	<u>700,399.</u>	<u>257,661.</u>	<u>442,738.</u>
Construction in Progress		NONE	
Total Fixed Assets, line 57	<u><u>700,399.</u></u>	<u><u>257,661.</u></u>	<u><u>442,738.</u></u>

NOTE Depreciation is calculated using the straight-line method over the estimated useful life of the asset

STATEMENT 6A

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

DESCRIPTION

AMOUNT

CURRENCY TRANSLATION ADJ

-61,286.

TOTAL

-61,286.

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
OPHELIA DAHL 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	EXEC DIR/PRES/CHAIR 40	65,156.	471.	NONE
DR. PAUL E. FARMER 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR/EXEC VP 2	NONE	NONE	NONE
PAUL ZINTL 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	COO/VP FOR PLANNING 40	65,904.	476.	NONE
CRAIG KAPLAN 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	CFO/TREASURER 40	97,546.	12,131.	NONE
EDWARD CARDOZA 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	VP DEVELOPMENT 40	82,297.	4,367.	NONE
THEODORE CONSTAN 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	VP PROGRAM MGMT 40	59,351.	11,740.	NONE
TODD MCCORMACK	DIRECTOR 1	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115				
DR. JIM YOUNG KIM 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR 1	NONE	NONE	NONE
HOWARD HAITT 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR 1	NONE	NONE	NONE
DIANE KANEB 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR 1	NONE	NONE	NONE
JOSEPH MARTIN 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR 1	NONE	NONE	
JOHN MCARTHUR 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR 1	NONE	NONE	NONE
AMARTYA SEN 641 HUNTINGTON AVENUE 1ST FLOOR	DIRECTOR 1	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
BOSTON, MA 02115				
BRYAN STEVENSON 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	DIRECTOR 1	NONE	NONE	NONE
ROBIN A. DUMAS 641 HUNTINGTON AVENUE 1ST FLOOR BOSTON, MA 02115	COUNSEL/CLERK 20	1,731.	NONE	NONE
	GRAND TOTALS	----- 371,985. -----	----- 29,185. -----	----- NONE -----

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS
=====

RELATED ORGANIZATION NAME: RIVER STREET DEVELOPMENT FOUNDATION

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: SOCIOS EN SALUD SUCURSAL PERU

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: PARTNERS IN HEALTH-RUSSIA

EXEMPT: X NONEXEMPT:

RELATED ORGANIZATION NAME: INSHUTI MU BUZIMA (RWANDA)

EXEMPT: X NONEXEMPT:

FORM 990, PART VI, LINE 90A - STATES
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AZ, CA, CT, DC, FL, GA,
IL, ME, MD, MA, MI, MN, NJ, NM,
NY, NC, OH, OR, PA, SC, TN, UT, VA, WA, WI,

FORM 990, PART IX - INFORMATION REGARDING TAXABLE SUBSIDIARIES

NAME AND ADDRESS EMPLOYER IDENTIFICATION NUMBER -----	PERCENTAGE OWNERSHIP INTEREST -----	NATURE OF BUSINESS ACTIVITIES -----	TOTAL INCOME -----	ENDING ASSETS -----
SOCIOS EN SALUD SUCURSAL PERU AV. MERINO REYNA 575 LIMA, PERU N/A	100.000000	HEALTH CARE	4,957,598.	2,424,984.
PARTNERS IN HEALTH - RUSSIA TREKHPRUDNIY PEREULOK MOSCOW, RUSSIA N/A	100.000000	HEALTH CARE	2,385,126.	252,819.
INSHUTI MU BUZIMA RINKWAVU, RWANDA N/A	100.000000	HEALTH CARE	873,830.	22,000.
TOTAL INCOME			8,216,554.	2,699,803.

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.
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NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
KPMG 99 HIGH STREET BOSTON, MA 02110	AUDIT/TAX	76,100.
DR. JAIME BAYONA C/O SOCIOS EN SALUD AV. MERINO REYNA 575, LIMA, PERU	MEDICAL DIR - PERU	106,500.
ROODY BROTHERS C/O LAFONTANTS, 6 RUE MAYARD, CHRIST-ROI PORT-AU-PRINCE, HAITI,	MEDICAL INFORMATION	60,000.
	TOTAL COMPENSATION	----- 242,600. =====

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SCHEDULE A, PART III - EXPLANATION FOR LINE 2D

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SEE FORM 990, PART V.

**AMENDED AND RESTATED BY-LAWS OF
PARTNERS IN HEALTH, A NONPROFIT CORPORATION**

ARTICLE I

ARTICLES OF ORGANIZATION

The name and purposes of the corporation shall be as set forth in its Articles of Organization. These By-laws, the powers of the corporation and of its directors, and regulation of the affairs of the corporation shall be subject to the Articles of Organization in effect from time to time.

ARTICLE II

MEMBERS OF THE CORPORATION

Section 1. **NO MEMBERS.** The corporation shall have no members. Any action or vote that Chapter 180 of the General Laws of the Commonwealth of Massachusetts or any other law, rule or regulation, requires or permits members to take shall be taken instead by an action or vote of the same percentage of the directors of the corporation, unless otherwise specified herein.

ARTICLE III

BOARD OF DIRECTORS

- Section 1. **POWERS.** The general management of the affairs of the corporation shall be vested in a board of directors, which board may exercise all of the powers of the corporation.
- Section 2. **NUMBER.** The board of directors shall be of such number as a majority of the directors shall determine, but such number shall not be fewer than three (3) and not more than eleven (11).
- Section 3. **FIRST BOARD OF DIRECTORS.** The first board of directors shall be those persons listed as directors in the Articles of Organization, who shall serve until the first annual meeting of the board of directors and the election by the outgoing board of directors at such meeting or prior thereto.
- Section 4. **ELECTION, TERM OF OFFICE, AND VACANCIES.** Commencing October 28, 2005, the directors shall be divided into three groups (each a "Class" and collectively, the "Classes") of approximately equal size, with the term of one Class expiring each year. The initial term of the first Class shall expire as of the next annual meeting of the board of directors (on or around October 31, 2006); the initial term of the second Class shall expire as of the 2007 annual meeting of the board of directors (on or around October 31, 2007); and the initial term of the third Class shall expire as of the 2008 annual meeting of the board of directors (on or around October 31, 2008). At each annual meeting of the board of

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directors, the acting directors shall elect for a term of three (3) years the appropriate number of successors to the Class whose term is then expiring, and they may also elect additional directors to the other Classes to the extent necessary to maintain equality in size among Classes. Any person may be re-elected by a majority vote of the board of directors, to serve successive terms as a director, without limitation. The directors may fill any vacancy in the board of directors and may elect additional directors at any meeting, annual or special; provided however, that the term of office for a director elected between annual meetings shall be for the period remaining for the Class into which such director is placed upon his or her election. Should the resignation or removal of a director pursuant hereto result in there being fewer than three (3) directors, the directors shall elect such number of new directors necessary to bring the number of directors into compliance with these By-laws.

- Section 5. RESIGNATION. Any director may resign at any time by giving written notice of such resignation to the president or clerk. Such resignation shall be effective upon receipt of such notice by the president or clerk, unless the notice specifies a later effective date.
- Section 6. REMOVAL. A director may be removed or suspended with or without cause by an affirmative vote of two-thirds (2/3) of the disinterested directors required at a special meeting called for that purpose, after such director has been given reasonable notice and opportunity to be heard.
- Section 7. DELEGATION. The board of directors may delegate such of their powers as they consider advisable, except those powers which by law, the Articles of Organization, or these By-laws may not be so delegated, to any officer or agent of the corporation or to an executive committee or to such other committees as may from time to time be activated as provided herein.
- Section 8. CHAIRPERSON. From time to time the board of directors may elect a chairperson who shall preside over all meetings of the board of directors and who shall have such other powers and duties as shall be specified by the board of directors. The chairperson shall be elected by a majority of the directors. The chairperson shall serve for a one year term and until his/her successor shall have been elected and shall have accepted election, and may be re-elected, without limitation, to serve successive terms. In the absence of such election, the president shall preside at all meetings of the board of directors in accordance with Article IV, Section 3(a).

ARTICLE IV**MEETINGS**

- Section 1. **ANNUAL MEETINGS.** The annual meeting of the board of directors shall be at such place and time as the board of directors may determine, and shall, unless otherwise determined, be held on or before the 30th day of September, or another date to be agreed upon by the board.
- Section 2. **SPECIAL MEETINGS.** Special meetings of the board of directors may be called by the president or the chairperson of the board of directors, or a member of the executive committee (if any).
- Section 3. **NOTICE.** Five days' written notice or two days' telephonic or email notice shall be given of all meetings of the board of directors, stating the date, purpose, time and place of such meeting.
- Section 4. **QUORUM AND VOTING AT MEETINGS.** Two-thirds of the directors then in office shall constitute a quorum at all meetings, including annual meetings and special meetings called for any purpose. Subject to Section 6 of this Article IV and unless otherwise required elsewhere in these By-laws, voting at any meeting at which a quorum is present shall be by a majority vote of all of the directors required to participate in such meeting except as otherwise required by these By-laws and subject to any applicable law and the Articles of Organization. The directors present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal from such meeting of any one or more directors so as to leave less than a quorum.
- Section 5. **ACTION WITHOUT A MEETING.** Any action required or permitted to be taken may be taken by the board of directors, or by any committee thereof, without a meeting, if all those entitled and required to vote consent in writing, either before or after such action is taken, and if the written consents are filed with the records of the corporation. Such consents shall be treated for all purposes as a vote at a meeting.
- Section 6. **TELEPHONIC PARTICIPATION IN MEETINGS.** The directors or members of any active committee may participate in a meeting of the board of directors or such committee, respectively, by means of a conference telephone or video call or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.
- Section 7. **WAIVER OF NOTICE.** Whenever any notice is required to be given by any applicable law, the Articles of Organization or these By-laws, a waiver of notice signed either before or after the action for which notice is required shall have the effect of written notice unless otherwise specifically prohibited by law.

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Section 8. MINUTES. The president, clerk, treasurer, or other person designated by the chairperson of the board of directors shall keep minutes of each meeting of the board of directors.

ARTICLE V

OFFICERS

Section 1. OFFICERS. The officers of the corporation shall be a president, a treasurer, a clerk and any other officers, including but not limited to one or more vice presidents, and a chief operating officer that the board of directors may from time to time designate. The same individual may concurrently hold more than one office. The executive director will always be a member of the board of directors.

Section 2. ELECTION AND TERM. The board of directors shall, at each annual meeting of the board of directors, elect the officers, who shall serve for a one-year period and until their respective successors are elected and accept election. Officers shall be elected by a majority of the directors. Any person may be reelected to successive terms as an officer, without limitation.

Section 3. POWERS. The officers shall have the powers and perform the duties customarily belonging to their respective offices, including, but not limited to, the powers and duties listed below, and including any powers or duties as may be vested in their respective offices by the board of directors or these By-laws:

- (a) The president shall be the executive director of the corporation and, subject to the control of the board of directors, shall have general charge and supervision of the affairs of the corporation. If there be no chairperson of the board of directors, the president shall preside at all meetings of the board of directors or may designate another person to act as presiding officer.
- (b) The chief operating officer, if there be any, shall have such duties and powers as the directors may determine. The chief operating officer, under the direction of the executive committee and the board of directors, shall have general charge of the corporation's operational affairs, including supervising and signing contracts. During such time as the president is absent or unable to act and in addition to any other duties and powers as the directors may have determined, the chief operating officer shall have and may exercise all the powers and duties of the president.
- (c) The vice-president(s), if there be any, shall have such duties and powers as the directors may determine. During such time as the president and chief operating officer are both absent or unable to act and in addition to any other duties and powers as the directors may have determined, the vice president (or first vice president if more than one is serving), shall have and may exercise all the powers and duties of the president.

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- (d) The treasurer shall be the chief financial officer and shall, except as the board of directors may otherwise provide, supervise the custody of all funds, securities and valuable documents of the corporation. The treasurer shall supervise the maintenance of proper books of accounts on all property of the corporation, which books shall be open at all times to inspection by the directors or other authorized persons. Whenever required to do so by the board of directors or the president, he or she shall coordinate submission to the board of directors a statement of accounts, consisting of a balance sheet and related statements of income and expenses and of changes in all funds for the fiscal year then ended. The treasurer, under the direction of the board of directors, shall have general charge of the corporation's financial affairs, including supervising the signing of all checks, payment of accounts, and collection of debts.
- (e) The clerk (and assistant clerk, if there is one) shall record and maintain records of all proceedings of the board of directors in a book or series of books kept for that purpose, which book or books shall be kept within the Commonwealth of Massachusetts and at the principal office of the corporation or at the office of its clerk or of its resident agent and which book or books shall be open at all reasonable times to the inspection of any director. Such book or books shall also contain records of all meetings of incorporators and the original, or attested copies, of all records of the meetings of the board of directors. If the clerk is absent from any meeting of the board of directors, a temporary clerk shall exercise the duties of the clerk at that meeting. The clerk shall record and maintain records of addresses for notices to the directors and shall be responsible for the delivery of all notices of meetings to the board of directors and for such other correspondence as directed by the board of directors. The clerk shall, unless and until the corporation shall appoint, in the manner prescribed by law, a resident agent for service of process, be a resident of the Commonwealth of Massachusetts.

Section 4. RESIGNATION AND REMOVAL. Any officer may resign at any time by giving written notice of such resignation to the clerk or president. Such resignation shall be effective upon receipt of such notice, unless the notice specifies a later effective date. Any officer may be removed from office either with or without cause by the affirmative vote of a majority of the directors required at any meeting of the board of directors, unless the directors have otherwise delegated their duties in accordance with these By-laws.

Section 5. VACANCIES. A vacancy in any office shall be filled for the remainder of the term by the board of directors at any annual meeting or any special meeting called for that purpose. Any such successor shall hold such office for the remainder of the unexpired term.

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ARTICLE VI**COMPENSATION**

Officers may receive reasonable compensation for their services and may be reimbursed, subject to approval and ratification by the board of directors, for reasonable expenses incurred in connection with the affairs of the corporation, including attendance at meetings. The board of directors may determine the salaries or other compensation of officers and of each employee or agent of the corporation, unless it delegates its duties to the Compensation Committee, any other committee designated by the board of directors, or officers of the Corporation. No employee or agent of the corporation shall be prevented from receiving compensation for serving as such by reason of the fact that he or she is also an officer. Directors, in their capacity as directors of the Corporation, may not receive compensation for their services and may not be reimbursed for expenses incurred in connection with the affairs of the corporation, including attendance at meetings, unless the Executive Committee votes to provide for such compensation and reimbursement.

ARTICLE VII**COMMITTEES**

Section 1. **ACTIVATION.** The president or the board of directors may activate at any time any committee that the board of directors may establish and may appoint a chairperson and members of each such committee. Members of a committee designated by the board of directors may be elected to such committees by a vote of a majority of the directors required at any meeting of the board of directors, and such members must be either directors or officers of the corporation. If permitted by applicable law, these By-laws, and the Articles of Organization, a committee charter may provide for participation by outside consultants, referred to in the balance of this Article VII as "non-officer/director members". Non-officer/director members shall be nominated by the applicable committee members, and elected to the committee by a vote of a majority of the directors required at any meeting of the board of directors.

Section 2. **EXECUTIVE COMMITTEE.** Subject to Section 1 of this Article VII, there may be an executive committee which shall consist of those persons elected by a majority of the directors at the annual meeting or at a special meeting in lieu thereof of the board of directors. To the extent specified by the board of directors pursuant to its powers of delegation set forth in Article III, Section 7, the executive committee shall be responsible for supervising the operation of the corporation, subject to the policies and directives of the board of directors. There shall be a chairperson of the executive committee elected annually by the committee from its members for a one-year term, who shall have such responsibilities, duties, and powers as may be delegated to him or her by the board of directors, president, or executive committee, but who shall be subject always to the direction and control of the board of directors, president, and executive committee. The executive committee shall be comprised of officers and directors of the corporation, and shall not include non-officer/director members.

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- Section 3. **OTHER COMMITTEES.** There may be such other committees with such functions as the board of directors may determine pursuant to its powers under ARTICLE III, Section 7.
- Section 4. **TERMS AND ELIGIBILITY.** Members (including non-officer/director members) of any committee shall serve one-year terms on any committee to which they are elected and may be re-elected for successive terms by a majority of the directors. If any person shall cease to serve as chairperson of a committee prior to the expiration of his/her term, the board of directors may appoint one of the members of such committee to fill such vacancy until the expiration of such term.
- Section 5. **RESIGNATION AND REMOVAL.** Any committee member (including non-officer/director member) or committee chairperson may resign at any time by giving written notice of such resignation to the clerk or president. Such resignation shall be effective upon receipt of such notice, unless the notice specifies a later effective date. Any committee member (including non-officer/director members) and/or committee chairperson may be removed from office either with or without cause by the affirmative vote of a majority of the directors required at any meeting of the board of directors.
- Section 6. **VACANCIES.** A vacancy in any committee may be filled for the remainder of the term by the board of directors at any annual meeting or any special meeting called for that purpose. Any such successor shall hold such office for the remainder of the unexpired term.
- Section 7. **MINUTES.** To the extent requested by the board of directors, a report of all material actions taken by each committee shall be made to the board of directors no later than the next meeting of the board of directors. Minutes of each committee shall be available to any director for inspection.
- Section 8. **QUORUM AND VOTING AT MEETINGS.** Except as otherwise provided by law, two-thirds (2/3) of the members (including non-officer/director members) of any committee then in office shall constitute a quorum at all meetings of such committee. Members (including non-officer/director members) of any committee may be present at and participate in such meetings by telephone as provided in Article IV, Section 6 of these By-laws. Subject to Article IV, Section 4 of these By-laws, when a quorum is present at any committee meeting, the votes of a majority of the members and non-officer/director members present and voting shall be necessary and sufficient for the decision of any question brought before the meeting except as otherwise provided by law or the Articles of Organization. In cases where a majority vote of members present does not include a majority vote of the officer/director members of the committee, then the decision of the question voted on shall be set aside until such time as the question and vote can be reviewed by the executive committee. Upon such review, the executive committee shall either accept the vote, or bring the matter to the attention of the full board of directors. The executive committee shall not have the authority to

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reject the vote prior to escalating the issue to the board of directors. The board, in its sole discretion, may reject any committee vote that does not represent a majority of the officer/director members.

ARTICLE VIII

SPONSORS, BENEFACTORS, CONTRIBUTORS, ADVISERS, FRIENDS OF THE CORPORATION

The board of directors may designate certain persons or groups of persons as members of a board of advisors or as sponsors, benefactors, contributors, or friends of the corporation or such other title as they deem appropriate. Such persons shall serve in an honorary capacity and, except as the board of directors shall otherwise designate, shall in such capacity have no right to notice of or to vote at any meeting, shall not be considered for purposes of establishing a quorum, and shall have no other rights or responsibilities to act on behalf of the corporation.

ARTICLE IX

GENERAL

- Section 1. CORPORATE SEAL. The corporate seal shall be in a form determined from time to time by the board of directors.
- Section 2. FISCAL YEAR. The fiscal year of the corporation shall end on the 31st day of December of each year, unless otherwise determined by the board of directors.
- Section 3. EXECUTION OF INSTRUMENTS; RECEIPT AND DISBURSEMENT OF FUNDS. Except as otherwise provided in these By-laws or as the board of directors may generally or in particular cases authorize, all instruments, documents, deeds, leases, transfers, contracts, bonds, notes, checks, drafts and other obligations made, accepted or endorsed by the corporation shall be signed by the president or treasurer or by the individual empowered to do so by the executive director in the event that she and the treasurer expect to be unavailable under specific circumstances. Facsimile signatures may be used in the manner and to the extent authorized generally or in particular cases by the board of directors. The board of directors may designate such other officer or officers who, in addition to or instead of the treasurer, shall be authorized to receive and receipt for all moneys due and payable to the corporation from any source whatever, to endorse for deposit checks, drafts, notes, or other negotiable instruments, and to give full discharges and receipts therefor. Funds of the corporation may be deposited in such bank or banks or with such other corporations, firms, or individuals as the board of directors may from time to time designate.
- Section 4. CUSTODIAN AND OTHER AGENTS. The board of directors shall have power in its discretion, from time to time, (a) to employ a bank or trust company or

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brokerage firm as custodian of any funds or securities of the corporation and to delegate to such custodian such powers as it may deem appropriate, including the power to make payments from and execute checks drawn on the funds of the corporation; (b) to employ clerks, accountants, legal counsel, investment counsel and any special services and to delegate the power to make investment changes on a discretionary basis; and (c) to pay compensation for any expenses of all such services in addition to the expenses of the directors. Each such custodian, employee or agent shall retain his or her authority at the pleasure of the board of directors.

Section 5. VOTING OF SECURITIES. Except as the board of directors may otherwise designate or require, the president may appoint any person or persons, with or without power of substitution, to act as proxy or attorney in fact for the corporation at any meeting of stockholders of any other corporation, the securities of which may be held by this corporation.

ARTICLE X

CONFLICT OF INTEREST

Except as otherwise provided by law or in the Articles of Organization, no contract or other transaction of the corporation shall, in the absence of fraud, be affected or invalidated by the fact that any director or officer of the corporation or any corporation, firm or association of which he or she may be a director, officer, stockholder, member, employee or agent may be a party to or may have an interest, pecuniary or otherwise, in, any such contract or other transaction.

ARTICLE XI

INDEMNIFICATION

Section 1. INDEMNIFICATION FOR DIRECTORS AND OFFICERS. The corporation shall, to the extent legally permissible, indemnify each person who serves or has served as a director or officer of the corporation, and each person who is or was serving at the request of the corporation as an officer or director of another organization (including any trust or other entity maintained pursuant to a retirement plan for employees of the corporation), against all liabilities, costs and expenses (including but not limited to amounts paid in satisfaction of judgments, in settlement or as fines and penalties, and counsel fees and disbursements) reasonably incurred by or imposed upon him or her in connection with the defense or disposition of or otherwise in connection with or resulting from any action, suit or other proceeding, whether civil, criminal, administrative or investigative, before any court or administrative, legislative or investigative body, in which such person may be or may have been involved as a party or otherwise or with which such person may be or may have been threatened, while in office or thereafter, by reason of his or her being or having been such an officer or director, or by reason of any action taken or not taken in any such capacity; except that no

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indemnification shall be provided with respect to any matter as to which such person shall have been finally adjudicated by a court of competent jurisdiction not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the corporation or, if applicable, of the other organization of which he or she is or was serving as an officer or director at the corporation's request. Expenses, including but not limited to counsel fees and disbursements, so incurred by any such person in defending any such action, suit or proceeding, may be paid from time to time by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the person indemnified to repay the amounts so paid if it shall ultimately be adjudicated that indemnification of such expenses is not authorized hereunder, which undertaking shall be accepted without reference to the financial ability of such person to make repayment.

- Section 2. **SETTLEMENTS.** As to any matter disposed of by settlement by any such person, pursuant to a consent decree or otherwise, no such indemnification either for the amount of such settlement or for any other expenses shall be provided unless such settlement shall be approved as in the best interests of the corporation, after notice that it involves such indemnification, (i) by a two-thirds vote of the disinterested members of the whole board of directors then in office, or (ii) by a majority vote of the whole board of directors at a duly organized special meeting called for that purpose, provided, that, with respect to subsection (ii) of this paragraph, only if the board of directors shall have been furnished with an opinion of independent legal counsel to the effect that such settlement is in the best interests of the corporation and that such person appears to have acted in good faith in the reasonable belief that his or her action was in the best interests of the corporation. No such approval shall prevent the recovery from any such officer or director of any amounts paid to such person or on his or her behalf as indemnification in accordance with the preceding sentence if such person is subsequently adjudicated by a court of competent jurisdiction not to have acted in good faith in the reasonable belief that his or her action was in best interests of the corporation.
- Section 3. **EMPLOYEES AND AGENTS.** By the same procedures set forth in the preceding paragraph, the board of directors may vote to extend indemnification provisions substantially similar to those rights and subject to those limitations described above to employees or agents of the corporation who are not officers or directors or to persons serving at the corporation's request as either employees or agents of another organization or in a capacity with respect to any employee benefit plan.
- Section 4. **NON-WAIVER OF OTHER RIGHTS.** The right or grant of indemnification hereby provided shall not be exclusive of or affect any other rights to which any officer, director, employee or agent may be entitled or which may lawfully be granted to such person.
- Section 5. **INSURANCE.** By action of the board of directors, notwithstanding any interest of the directors in such action, the corporation may purchase and maintain

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insurance, in such amounts as the board of directors may from time to time deem appropriate, on behalf of any person who is or was an officer, director, employee or other agent of the corporation or who is or was serving at the request of the corporation as an officer, director, employee or other agent of another organization, or with respect to any employee benefit plan, against any liability incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify such person against such liability.

Section 6. DEFINITIONS. As used herein, the terms "officer," "director," "employee" and "agent" include their respective executors, administrators and other legal representatives; an "interested" person is one against whom the action, suit or other proceeding on the same or similar grounds is then or had been pending or threatened; and a "disinterested" person is a person against whom no such action, suit or other proceeding is then or had been pending or threatened.

ARTICLE XII

PERSONAL LIABILITY

The directors and officers of the corporation shall not be personally liable for any debt, liability or obligation of the corporation. All persons, corporations or other entities extending credit to, contracting with, or having any claim against the corporation may look only to the funds and property of the corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the corporation.

ARTICLE XIII

AMENDMENTS

These By-laws may be amended or repealed, in whole or in part, by a two-thirds (2/3) vote of the directors required and voting at any meeting of the board of directors, provided that notice describing the proposed amendment has been given in writing pursuant to the provisions hereof.

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ARTICLE XIV**NON-DISCRIMINATION**

The Corporation is committed to a policy of equal opportunity. The Corporation complies with all applicable laws and regulations regarding employment and shall ensure that there will be no discrimination on the basis of race, color, religion, gender, sexual orientation, national origin, age, disability, ancestry or any other legally prohibited basis in its selection of directors, officers, employees or agents, applicants for employment, grant recipients or students. The board of directors and all officers and employees are required to implement this policy.

Effective Date of Most Recent Amendment: October 28, 2005.

Form **5471**

(Rev. December 2005)

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

OMB No 1545-0704
Attachment
Sequence No 121

File In Duplicate
(see **When and Where To File** in the instructions)

▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01/2005 , and ending 12/31/2005

Name of person filing this return PARTNERS IN HEALTH, A NONPROFIT CORPORATION		A Identifying number 04-3567502
Number, street, and room or suite no. (or P O box number if mail is not delivered to street address) 641 HUNTINGTON AVENUE, 1ST FLOOR		B Category of filer (See instructions. Check applicable box(es)) 1 (repealed) 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/>
City or town, state, and ZIP code BOSTON, MA 02115		C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period 00 %
Filer's tax year beginning 01/01/2005 , and ending 12/31/2005		

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

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
OPHELIA DAHL	621 HUNTINGTON AVE, BOSTON, MA	UPON REQUEST			X

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

1a Name and address of foreign corporation PARTNERS IN HEALTH-RUSSIA TREKHPRUDNIY PEREULOK MOSCOW RUSSIA				b Employer identification number, if any N/A	
				c Country under whose laws incorporated RUSSIA	
d Date of incorporation	e Principal place of business	f Principal business activity code number	g Principal business activity	h Functional currency	
	MOSCOW, RUSSIA	624200	HEALTHCARE	RUBLE-RUSSIA	

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

a Name, address, and identifying number of branch office or agent (if any) in the United States N/A	b If a U.S. income tax return was filed, enter	
	(i) Taxable income or (loss) N/A	(ii) U.S. income tax paid (after all credits) N/A
c Name and address of foreign corporation's statutory or resident agent in country of incorporation N/A	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different N/A	

Schedule A Stock of the Foreign Corporation		
(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
FOREIGN ORGANIZATION - NO STOCK		

For Paperwork Reduction Act Notice, see instructions

Form 5471 (Rev. 12-2005)

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (see instructions)

(a) Name of country or U S possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U S dollars
1 US			
2 RUSSIA	NONE		NONE
3			
4			
5			
6			
7			
8 Total			

Schedule F Balance Sheet

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

Assets		(a)	(b)
		Beginning of annual accounting period	End of annual accounting period
1 Cash	1	300,647	233,432
2a Trade notes and accounts receivable	2a	85,273	7,462
b Less allowance for bad debts	2b	()	()
3 Inventories	3		
4 Other current assets (attach schedule)	4		
5 Loans to shareholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		
8a Buildings and other depreciable assets	8a	18,134	11,925
b Less accumulated depreciation	8b	()	()
9a Depletable assets	9a		
b Less accumulated depletion	9b	()	()
10 Land (net of any amortization)	10		
11 Intangible assets			
a Goodwill	11a		
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c		
d Less accumulated amortization for lines 11a, b, and c	11d	()	()
12 Other assets (attach schedule)	12		
13 Total assets	13	404,054	252,819
Liabilities and Shareholders' Equity			
14 Accounts payable	14		
15 Other current liabilities (attach schedule)	15		
16 Loans from shareholders and other related persons	16		
17 Other liabilities (attach schedule)	17		
18 Capital stock			
a Preferred stock	18a		
b Common stock	18b		
19 Paid-in or capital surplus (attach reconciliation)	19		
20 Retained earnings	20	404,054	252,819
21 Less cost of treasury stock	21	()	()
22 Total liabilities and shareholders' equity	22	404,054	252,819

Schedule G Other Information

- | | | | |
|---|---|---------------------------------|---|
| 1 | During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
| | If "Yes," see the instructions for required attachment | | |
| 2 | During the tax year, did the foreign corporation own an interest in any trust? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
| 3 | During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3 (see instructions)? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
| | If "Yes," you are generally required to attach Form 8858 for each entity (see instructions) | | |

Schedule H Current Earnings and Profits (see instructions)

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

1	Current year net income or (loss) per foreign books of account	1		-3,946,331
2	Net adjustments made to line 1 to determine current earnings and profits according to U S financial and tax accounting standards (see instructions)			
		Net Additions	Net Subtractions	
a	Capital gains or losses			
b	Depreciation and amortization			
c	Depletion			
d	Investment or incentive allowance			
e	Charges to statutory reserves			
f	Inventory adjustments			
g	Taxes			
h	Other (attach schedule).			
3	Total net additions			
4	Total net subtractions			
5a	Current earnings and profits (line 1 plus line 3 minus line 4)	5a		-3,946,331
5b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b		
5c	Combine lines 5a and 5b	5c		-3,946,331
5d	Current earnings and profits in U S dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions)). Enter exchange rate used for line 5d ► 03536	5d		-139,543

Schedule I Summary of Shareholder's Income From Foreign Corporation (see instructions)

1	Subpart F income (line 38b, Worksheet A in the instructions)	1		NONE
2	Earnings invested in U S property (line 17, Worksheet B in the instructions)	2		
3	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3		
4	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4		
5	Factoring income	5		
6	Total of lines 1 through 5 Enter here and on your income tax return See instructions	6		
7	Dividends received (translated at spot rate on payment date under section 989(b)(1))	7		
8	Exchange gain or (loss) on a distribution of previously taxed income	8		

- | | | |
|--|---------------------------------|---|
| • Was any income of the foreign corporation blocked? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
| • Did any such income become unblocked during the tax year (see section 964(b))? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
- If the answer to either question is "Yes," attach an explanation

**SCHEDULE J
(Form 5471)**

(Rev. December 2005)
Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0704

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

Name of person filing Form 5471

PARTNERS IN HEALTH, A NONPROFIT CORPORATION

Identifying number

04-3567502

Name of foreign corporation

PARTNERS IN HEALTH - RUSSIA

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U S Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	11,211,255					11,211,255
2a Current year E&P						
b Current year deficit in E&P	3,946,331					
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	7,264,924					
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)						
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	7,264,924					
7 Balance at end of year (Enter amount from line 6a or line 6b, whichever is applicable)	7,264,924					7,264,924

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

Schedule J (Form 5471) (Rev 12-2005)

**Transactions Between Controlled Foreign Corporation
 and Shareholders or Other Related Persons**

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

Name of person filing Form 5471

Identifying number

PARTNERS IN HEALTH, A NONPROFIT CORPORATION

04-3567502

Name of foreign corporation

PARTNERS IN HEALTH - RUSSIA

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ 1 RUBLE = .03536 US DOLLAR

(a) Transactions of foreign corporation	(b) US person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory)					
2 Sales of property rights (patents, trademarks, etc.)					
3 Compensation received for technical, managerial, engineering, construction, or like services					
4 Commissions received					
5 Rents, royalties, and license fees received					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income)					
7 Interest received					
8 Premiums received for insurance or reinsurance					
9 Add lines 1 through 8					
10 Purchases of stock in trade (inventory)					
11 Purchases of tangible property other than stock in trade					
12 Purchases of property rights (patents, trademarks, etc.)					
13 Compensation paid for technical, managerial, engineering, construction, or like services	224,760				
14 Commissions paid					
15 Rents, royalties, and license fees paid					
16 Dividends paid					
17 Interest paid					
18 Add lines 10 through 17	224,760				
19 Amounts borrowed (enter the maximum loan balance during the year) - see instructions					
20 Amounts loaned (enter the maximum loan balance during the year) - see instructions	7,462				

Attachment to Form 5471, Schedule C, Other Deductions*Partners in Health - Russia*

	Russian Rubles	US Dollars
Transportation	212,057	7,498
Mail, telephone, communication	642,400	22,715
Travel per diem	1,362,910	48,192
Bank fees	88,087	3,115
Subscription and dues	10,622	376
Entertainment expenses	449	16
Rent	1,942,930	68,702
Office supplies & equipment	445,183	15,742
Program expenses - grants to individuals and entities	58,066,442	2,053,229
Currency translation	<u>817,695</u>	<u>28,914</u>
Total other expenses	<u><u>63,588,775</u></u>	<u><u>2,248,500</u></u>

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

OMB No 1545-0704
Attachment
Sequence No 121

File In Duplicate
(see When and Where To File in the instructions)

▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01/2005 , and ending 12/31/2005

Name of person filing this return PARTNERS IN HEALTH, A NONPROFIT CORPORATION		A Identifying number 04-3567502
Number, street, and room or suite no. (or P O box number if mail is not delivered to street address) 641 HUNTINGTON AVENUE, 1ST FLOOR		B Category of filer (See instructions. Check applicable box(es)) 1 (repeated) 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/>
City or town, state, and ZIP code BOSTON, MA 02115		C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period 00 %
Filer's tax year beginning 01/01/2005 , and ending 12/31/2005		

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

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
OPHELIA DAHL	641 HUNTINGTON AVE, BOSTON, MA	UPON REQUEST			X

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

1a Name and address of foreign corporation SOCIOS EN SALUD SUCURSAL PERU AV. MERINO REYNA 575 RAUL PORRAS B CARABAYLLO LIMA, PERU				b Employer identification number, if any N/A	
				c Country under whose laws incorporated PERU	
d Date of incorporation	e Principal place of business	f Principal business activity code number	g Principal business activity	h Functional currency	
	LIMA, PERU	624200	HEALTHCARE	SOL - PERU	

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

a Name, address, and identifying number of branch office or agent (if any) in the United States N/A	b If a U S income tax return was filed, enter	
	(i) Taxable income or (loss) N/A	(ii) U S income tax paid (after all credits) N/A
c Name and address of foreign corporation's statutory or resident agent in country of incorporation N/A	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different N/A	

Schedule A Stock of the Foreign Corporation

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
FOREIGN ORGANIZATION - NO STOCK		

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (see instructions)

	(a) Name of country or U.S. possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1	US			
2	PERU	NONE		NONE
3				
4				
5				
6				
7				
8	Total			

Schedule F Balance Sheet

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

Assets		(a)	(b)
		Beginning of annual accounting period	End of annual accounting period
1 Cash	1	737,985	1,225,176
2a Trade notes and accounts receivable	2a	62,100	63,713
b Less allowance for bad debts	2b	()	()
3 Inventories	3		
4 Other current assets (attach schedule)	4		
5 Loans to shareholders and other related persons	5		
6 Investment in subsidiaries (attach schedule)	6		
7 Other investments (attach schedule)	7		
8a Buildings and other depreciable assets	8a	816,808	854,975
b Less accumulated depreciation	8b	(149,724)	(225,805)
9a Depletable assets	9a		
b Less accumulated depletion	9b	()	()
10 Land (net of any amortization)	10		
11 Intangible assets			
a Goodwill	11a	14,115	10,127
b Organization costs	11b		
c Patents, trademarks, and other intangible assets	11c		
d Less accumulated amortization for lines 11a, b, and c	11d	()	()
12 Other assets (attach schedule). . . SEE ATTACHMENT #2	12	433,523	496,798
13 Total assets	13	1,914,807	2,424,984
Liabilities and Shareholders' Equity			
14 Accounts payable	14	25,580	15,981
15 Other current liabilities (attach schedule)	15		
16 Loans from shareholders and other related persons	16		
17 Other liabilities (attach schedule)	17		
18 Capital stock			
a Preferred stock	18a		
b Common stock	18b		
19 Paid-in or capital surplus (attach reconciliation)	19		
20 Retained earnings	20	1,889,227	2,409,003
21 Less cost of treasury stock	21	()	()
22 Total liabilities and shareholders' equity	22	1,914,807	2,424,984

Schedule G Other Information

- | | | | |
|---|---|--------------------------|-------------------------------------|
| 1 | During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? | Yes | No |
| | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | If "Yes," see the instructions for required attachment | | |
| 2 | During the tax year, did the foreign corporation own an interest in any trust? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3 | During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3 (see instructions)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | If "Yes," you are generally required to attach Form 8858 for each entity (see instructions) | | |

Schedule H Current Earnings and Profits (see instructions)

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

1	Current year net income or (loss) per foreign books of account	1	1,807,721
2	Net adjustments made to line 1 to determine current earnings and profits according to U S financial and tax accounting standards (see instructions)		
		Net Additions	Net Subtractions
a	Capital gains or losses		
b	Depreciation and amortization		
c	Depletion		
d	Investment or incentive allowance		
e	Charges to statutory reserves		
f	Inventory adjustments		
g	Taxes		
h	Other (attach schedule).		
3	Total net additions		
4	Total net subtractions		
5a	Current earnings and profits (line 1 plus line 3 minus line 4)	5a	1,807,721
5b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5b	
5c	Combine lines 5a and 5b	5c	1,807,721
5d	Current earnings and profits in U S dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions)). Enter exchange rate used for line 5d ▶ .29608	5d	535,230

Schedule I Summary of Shareholder's Income From Foreign Corporation (see instructions)

1	Subpart F income (line 38b, Worksheet A in the instructions)	1	
2	Earnings invested in U S property (line 17, Worksheet B in the instructions)	2	
3	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3	
4	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4	
5	Factoring income	5	
6	Total of lines 1 through 5 Enter here and on your income tax return See instructions	6	
7	Dividends received (translated at spot rate on payment date under section 989(b)(1))	7	
8	Exchange gain or (loss) on a distribution of previously taxed income	8	

- | | | |
|--|--------------------------|-------------------------------------|
| • Was any income of the foreign corporation blocked? | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Did any such income become unblocked during the tax year (see section 964(b))? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If the answer to either question is "Yes" attach an explanation | | |

**SCHEDULE J
(Form 5471)**

(Rev. December 2005)
Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0704

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

Name of person filing Form 5471

Identifying number

PARTNERS IN HEALTH, A NONPROFIT CORPORATION

04-3567502

Name of foreign corporation

SOCIOS EN SALUD SUCURSAL PERU

Important. Enter amounts in functional currency	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U S Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	6,204,221					6,204,221
2a Current year E&P SEE ATTACHMENT #3	1,932,104					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	8,136,325					
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)						
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	8,136,325					
7 Balance at end of year (Enter amount from line 6a or line 6b, whichever is applicable)	8,136,325					8,136,325

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

Schedule J (Form 5471) (Rev 12-2005)

**Transactions Between Controlled Foreign Corporation
 and Shareholders or Other Related Persons**

▶ Attach to Form 5471. See Instructions for Form 5471

Name of person filing Form 5471: **PARTNERS IN HEALTH, A NONPROFIT CORPORATION** Identifying number: **04-3567502**

Name of foreign corporation: **SOCIOS EN SALUD SUCURSAL PERU**

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in US dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ 1 SOL= .29608 US DOLLAR

(a) Transactions of foreign corporation	(b) US person filing this return	(c) Any domestic corporation or partnership controlled by U S person filing this return	(d) Any other foreign corporation or partnership controlled by U S person filing this return	(e) 10% or more U S shareholder of controlled foreign corporation (other than the U S person filing this return)	(f) 10% or more U S shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory)					
2 Sales of property rights (patents, trademarks, etc) . . .					
3 Compensation received for technical, managerial, engineering, construction, or like services					
4 Commissions received					
5 Rents, royalties, and license fees received					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income) . . .					
7 Interest received					
8 Premiums received for insurance or reinsurance					
9 Add lines 1 through 8					
10 Purchases of stock in trade (inventory)					
11 Purchases of tangible property other than stock in trade . . .					
12 Purchases of property rights (patents, trademarks, etc) . . .					
13 Compensation paid for technical, managerial, engineering, construction, or like services . .	2,552,718				
14 Commissions paid					
15 Rents, royalties, and license fees paid					
16 Dividends paid					
17 Interest paid					
18 Add lines 10 through 17 . . .	2,552,718				
19 Amounts borrowed (enter the maximum loan balance during the year) - see instructions . . .					
20 Amounts loaned (enter the maximum loan balance during the year) - see instructions . . .	63,713				

Attachment to Form 5471, Schedule C, Other Deductions
Socios En Salud Sucursal Peru

	Peruvian Sol	US Dollar
Purchases	2,381,324	705,062
Payroll & benefits	618,000	182,977
Consultants	8,003,720	2,369,741
Taxes	13,680	4,050
Other Admin expenses	3,462,836	1,025,276
Financial expenses	64,335	19,048
Other Reserves	343,980	101,846
Misc expenses	48,522	14,368
	<u>14,936,397</u>	<u>4,422,368</u>

Attachment to Form 5471, Schedule F, Other Assets
Socios En Salud Sucursal Peru

<u>Description</u>	<u>12/31/2005</u>
Medicines on Hand	\$ 102,981
Prepaid Expenses	4,446
Tax Credit Receivable	<u>389,371</u>
Total Other Assets	\$ 496,798

PARTNERS IN HEALTH A NONPROFIT CORPORATION

EIN 04-3567502

Attachment to Form 5471, Schedule J, Line 2a

Socios En Salud Sucursal Peru

Current Year Earnings and Profits	\$1,807,721
Prior Period Adjustment	\$124,383
-----	-----
Total	\$1,932,104

ATTACHMENT #3

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

OMB No 1545-0704
Attachment
Sequence No 121

File In Duplicate
(see When and Where To File in the instructions)

▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01/2005 , and ending 12/31/2005

Name of person filing this return PARTNERS IN HEALTH, A NONPROFIT CORPORATION		A Identifying number 04-3567502
Number, street, and room or suite no (or P O box number if mail is not delivered to street address) 641 HUNTINGTON AVENUE, 1ST FLOOR		B Category of filer (See instructions. Check applicable box(es)) 1 (repealed) 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/>
City or town, state, and ZIP code BOSTON, MA 02115		C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period %
Filer's tax year beginning 01/01/2005 , and ending 12/31/2005		

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

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
OPHELIA DAHL	641 HUNTINGTON AVE, BOSTON, MA	UPON REQUEST			X

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

1a Name and address of foreign corporation INSHUTI MU BUZIMA RINKWAVU, RWANDA		b Employer identification number, if any N/A
		c Country under whose laws incorporated RWANDA
d Date of incorporation	e Principal place of business RINKWAVU, RWANDA	f Principal business activity code number 624200
		g Principal business activity HEALTH CARE
		h Functional currency RWANDAN - FRANC

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

a Name, address, and identifying number of branch office or agent (if any) in the United States N/A	b If a U S income tax return was filed, enter	
	(i) Taxable income or (loss) N/A	(ii) U S income tax paid (after all credits) N/A
c Name and address of foreign corporation's statutory or resident agent in country of incorporation N/A	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different N/A	

Schedule A Stock of the Foreign Corporation

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
FOREIGN ORGANIZATION - NO STOCK		

For Paperwork Reduction Act Notice, see instructions.

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (see instructions)

	(a) Name of country or U S possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U S dollars
1	US			
2	RWANDA	NONE		NONE
3				
4				
5				
6				
7				
8	Total			

Schedule F Balance Sheet

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

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	NONE	22,000
2a	Trade notes and accounts receivable		
2b	Less allowance for bad debts	()	()
3	Inventories		
4	Other current assets (attach schedule)		
5	Loans to shareholders and other related persons		
6	Investment in subsidiaries (attach schedule)		
7	Other investments (attach schedule)		
8a	Buildings and other depreciable assets		
8b	Less accumulated depreciation	()	()
9a	Depletable assets		
9b	Less accumulated depletion	()	()
10	Land (net of any amortization)		
11	Intangible assets		
11a	Goodwill		
11b	Organization costs		
11c	Patents, trademarks, and other intangible assets		
11d	Less accumulated amortization for lines 11a, b, and c	()	()
12	Other assets (attach schedule)		
13	Total assets	NONE	22,000
Liabilities and Shareholders' Equity			
14	Accounts payable		
15	Other current liabilities (attach schedule)		
16	Loans from shareholders and other related persons		
17	Other liabilities (attach schedule)		
18	Capital stock		
18a	Preferred stock		
18b	Common stock		
19	Paid-in or capital surplus (attach reconciliation)		
20	Retained earnings	NONE	22,000
21	Less cost of treasury stock	()	()
22	Total liabilities and shareholders' equity	NONE	22,000

Schedule G Other Information

- | | | | |
|---|---|--------------------------|-------------------------------------|
| 1 | During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? | Yes | No |
| | | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | If "Yes," see the instructions for required attachment | | |
| 2 | During the tax year, did the foreign corporation own an interest in any trust? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3 | During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3 (see instructions)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| | If "Yes," you are generally required to attach Form 8858 for each entity (see instructions) | | |

Schedule H Current Earnings and Profits (see instructions)
Important: Enter the amounts on lines 1 through 5c in functional currency

1	Current year net income or (loss) per foreign books of account	1		12,650,000
2	Net adjustments made to line 1 to determine current earnings and profits according to U S financial and tax accounting standards (see instructions)			
		Net Additions	Net Subtractions	
a	Capital gains or losses			
b	Depreciation and amortization			
c	Depletion			
d	Investment or incentive allowance			
e	Charges to statutory reserves			
f	Inventory adjustments			
g	Taxes			
h	Other (attach schedule).			
3	Total net additions			
4	Total net subtractions			
5 a	Current earnings and profits (line 1 plus line 3 minus line 4)	5 a		12,650,000
5 b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)	5 b		
5 c	Combine lines 5a and 5b	5 c		12,650,000
5 d	Current earnings and profits in U S dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see instructions)). Enter exchange rate used for line 5d ▶ .00174	5 d		22,000

Schedule I Summary of Shareholder's Income From Foreign Corporation (see instructions)

1	Subpart F income (line 38b, Worksheet A in the instructions)	1		NONE
2	Earnings invested in U S property (line 17, Worksheet B in the instructions)	2		
3	Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)	3		
4	Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)	4		
5	Factoring income	5		
6	Total of lines 1 through 5 Enter here and on your income tax return See instructions	6		
7	Dividends received (translated at spot rate on payment date under section 989(b)(1))	7		
8	Exchange gain or (loss) on a distribution of previously taxed income	8		

- | | | |
|--|--------------------------|-------------------------------------|
| • Was any income of the foreign corporation blocked? | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Did any such income become unblocked during the tax year (see section 964(b))? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If the answer to either question is "Yes," attach an explanation | | |

**SCHEDULE J
(Form 5471)**

(Rev. December 2005)
Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0704

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

Name of person filing Form 5471

Identifying number

PARTNERS IN HEALTH, A NONPROFIT CORPORATION

04-3567502

Name of foreign corporation

INSHUTI MU BUZIMA

Important. Enter amounts in functional currency	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U S Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	0					
2a Current year E&P	12,650,000					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	12,650,000					
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)						
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	12,650,000					
7 Balance at end of year (Enter amount from line 6a or line 6b, whichever is applicable)	12,650,000					12,650,000

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

Schedule J (Form 5471) (Rev 12-2005)

**Transactions Between Controlled Foreign Corporation
 and Shareholders or Other Related Persons**

▶ Attach to Form 5471 See Instructions for Form 5471.

Name of person filing Form 5471: **PARTNERS IN HEALTH, A NONPROFIT CORPORATION** Identifying number: **04-3567502**

Name of foreign corporation: **INSHUTI MU BUZIMA**

Important: Complete a *separate* Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in US dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ **1 RWANDAN FRANC = .00174 US \$**

(a) Transactions of foreign corporation	(b) US person filing this return	(c) Any domestic corporation or partnership controlled by US person filing this return	(d) Any other foreign corporation or partnership controlled by US person filing this return	(e) 10% or more US shareholder of controlled foreign corporation (other than the US person filing this return)	(f) 10% or more US shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory)					
2 Sales of property rights (patents, trademarks, etc)					
3 Compensation received for technical, managerial, engineering, construction, or like services					
4 Commissions received					
5 Rents, royalties, and license fees received					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income)					
7 Interest received					
8 Premiums received for insurance or reinsurance					
9 Add lines 1 through 8					
10 Purchases of stock in trade (inventory)					
11 Purchases of tangible property other than stock in trade					
12 Purchases of property rights (patents, trademarks, etc)					
13 Compensation paid for technical, managerial, engineering, construction, or like services	NONE				
14 Commissions paid					
15 Rents, royalties, and license fees paid					
16 Dividends paid					
17 Interest paid					
18 Add lines 10 through 17					
19 Amounts borrowed (enter the maximum loan balance during the year) - see instructions					
20 Amounts loaned (enter the maximum loan balance during the year) - see instructions					

**SCHEDULE O
(Form 5471)**

(Rev. December 2005)

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0704

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

Name of person filing Form 5471 PARTNERS IN HEALTH, A NONPROFIT CORPORATION	Identifying number 04 - 3567502
--	--

Name of foreign corporation
INSHUTI MU BUZIMA

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

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

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition
INSHUTI MU BUZIMA	641 HUNTINGTON AVE BOSTON, MA	04 - 3567502		

Part II To Be Completed by U.S. Shareholders

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

Section A — General Shareholder Information

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed indicate			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	

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

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Offr	Dir
OPHELIA DAHL	641 HUNTINGTON AVE, 1ST FLOOR BOSTON, MA 02111	UPON REQUEST	X	

Section C — Acquisition of Stock

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively

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

Schedule O (Form 5471) (12-2005)

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired

Section D — Disposition of Stock

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively

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

Section E — Organization or Reorganization of Foreign Corporation

(a) Name and address of transferor		(b) Identifying number (if any)	(c) Date of transfer

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

Section F — Additional Information

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

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

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

Attachment to Form 5471, Schedule C, Other Deductions
Inshuti Mu Buzima

	Rwandan Franc	US Dollars
Program Resources	408,762,325	710,891
Pharmaceuticals	<u>81,039,925</u>	<u>140,939</u>
Total Other Expenses	<u><u>489,802,250</u></u>	<u><u>851,830</u></u>

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

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

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only.

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print <small>File by the due date for filing your return. See instructions</small>	Name of Exempt Organization		Employer identification number
	PARTNERS IN HEALTH, A NONPROFIT CORPORATION		04-3567502
	Number, street, and room or suite no. If a P O box, see instructions		
	641 HUNTINGTON AVENUE, 1ST FLOOR		
City, town or post office, state, and ZIP code. For a foreign address, see instructions			
BOSTON, MA 02115			

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

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

• The books are in the care of ▶ OPHELIA DAHL

Telephone No ▶ 617 432 5256 FAX No. ▶ 617 532 5300

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the **whole** group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until AUGUST 15, 2006, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year 2005 or
 ▶ tax year beginning _____, _____, and ending _____, _____.

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

3a 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 \$ _____ 0

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____ 0

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____ 0

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

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 12-2004)

are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box. X

No. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

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

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization PARTNERS IN HEALTH, A NONPROFIT CORPORATION	Employer identification number 04-3567502
	Number, street, and room or suite no. If a P.O. box, see instructions 641 HUNTINGTON AVENUE, 1ST FLOOR	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions BOSTON, MA 02115	

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

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

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

• The books are in the care of OPHELIA DAHL
Telephone No. 617 432 5256 FAX No 617 532 5300

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

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2006

5 For calendar year 2005, or other tax year beginning _____ and ending _____

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

7 State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO GATHER THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX 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 \$ _____ 0

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 \$ _____ 0

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ _____ 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 Robert J. Butler Title KPMG LLP I.D. #13-5565207
99 HIGH STREET, BOSTON, MA 02110-2371 Date 8-15-06

Notice to Applicant - To Be Completed by the IRS

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

Director _____ By _____ Date _____

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

Type or print	Name KPMG LLP (CONNELLY/ANDERSON/1694858)
	Number and street (include suite, room, or apt. no.) or a P.O. box number 99 HIGH STREET, 23RD FLOOR
	City or town, province or state, and country (including postal or ZIP code) BOSTON, MA 02110

EXTENSION APPROVAL
SEP 11 2006
FIELD DIRECTOR
EXTENSION PROCESSING

