

<b>A Check if:</b> <input type="checkbox"/> 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached	<b>Use IRS label. Otherwise, print or type.</b> Name OPEN SOURCE MATTERS, INC Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 4668 #88354 City or town, state, and ZIP code NEW YORK, NY 10163-4668	<b>B Employer identification number</b> 76-0803008 <b>C Date incorporated</b> 01/01/2005 <b>D Total assets (see instructions)</b> \$ 27,994.
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**E Check if:** (1) Initial return (2) Less returns and allowances (3) Final return (4) Name change (5) Address change

<b>Income</b>	<b>1a</b> Gross receipts or sales	235,575.	<b>b</b> Less returns and allowances		<b>c Bal</b>	235,575.
	<b>2</b> Cost of goods sold (Schedule A, line 8)				<b>2</b>	9,840.
	<b>3</b> Gross profit. Subtract line 2 from line 1c				<b>3</b>	225,735.
	<b>4</b> Dividends (Schedule C, line 19)				<b>4</b>	
	<b>5</b> Interest				<b>5</b>	24.
	<b>6</b> Gross rents				<b>6</b>	
	<b>7</b> Gross royalties				<b>7</b>	
	<b>8</b> Capital gain net income (attach Schedule D (Form 1120))				<b>8</b>	
	<b>9</b> Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)				<b>9</b>	
	<b>10</b> Other income (see instructions - attach schedule)				<b>10</b>	
	<b>11 Total income.</b> Add lines 3 through 10				<b>11</b>	225,759.

<b>Deductions (See instructions for limitations on deductions.)</b>	<b>12</b> Compensation of officers (Schedule E, line 4)		<b>12</b>	
	<b>13</b> Salaries and wages (less employment credits)		<b>13</b>	
	<b>14</b> Repairs and maintenance		<b>14</b>	
	<b>15</b> Bad debts		<b>15</b>	
	<b>16</b> Rents		<b>16</b>	
	<b>17</b> Taxes and licenses	See Statement 1.	<b>17</b>	10,290.
	<b>18</b> Interest		<b>18</b>	
	<b>19</b> Charitable contributions	See Statement 2.	<b>19</b>	NONE
	<b>20</b> Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)		<b>20</b>	1,692.
	<b>21</b> Depletion		<b>21</b>	
	<b>22</b> Advertising		<b>22</b>	
	<b>23</b> Pension, profit-sharing, etc., plans		<b>23</b>	
	<b>24</b> Employee benefit programs		<b>24</b>	
	<b>25</b> Domestic production activities deduction (attach Form 8903)		<b>25</b>	
	<b>26</b> Other deductions (attach schedule)	See Statement 4.	<b>26</b>	224,056.
	<b>27 Total deductions.</b> Add lines 12 through 26		<b>27</b>	236,038.
	<b>28</b> Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11		<b>28</b>	-10,279.
<b>29 Less:</b> a Net operating loss deduction (see instructions)	Statement 5.	<b>29a</b>	NONE	
b Special deductions (Schedule C, line 20)		<b>29b</b>		
<b>29c</b>		<b>29c</b>	NONE	

<b>Tax, Refundable Credits, and Payments</b>	<b>30 Taxable income.</b> Subtract line 29c from line 28 (see instructions)		<b>30</b>	-10,279.
	<b>31 Total tax</b> (Schedule J, line 10)		<b>31</b>	NONE
	<b>32a</b> 2008 overpayment credited to 2009	2,672.	<b>32a</b>	
	<b>b</b> 2009 estimated tax payments		<b>32b</b>	
	<b>c</b> 2009 refund applied for on Form 4466		<b>32c</b>	
	<b>d Bal</b>	2,672.	<b>32d</b>	
	<b>e</b> Tax deposited with Form 7004		<b>32e</b>	NONE
	<b>f</b> Credits: (1) Form 2439 (2) Form 4136		<b>32f</b>	
	<b>g</b> Refundable credits from Form 3800, line 19c, and Form 8827, line 8c		<b>32g</b>	2,672.
	<b>33</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached		<b>33</b>	
<b>34 Amount owed.</b> If line 32h is smaller than the total of lines 31 and 33, enter amount owed		<b>34</b>		
<b>35 Overpayment.</b> If line 32h is larger than the total of lines 31 and 33, enter amount overpaid		<b>35</b>	2,672.	
<b>36</b> Enter amount from line 35 you want: Credited to 2010 estimated tax	2,672.	<b>36</b>	Refunded	

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

<b>Signature of officer</b> _____	Date _____	Title _____	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ <u>PIPIA, COHEN &amp; CO.</u> Firm's name (or yours if self-employed), address, and ZIP code ▶ <u>38 WEST 21ST STREET - 5TH FLOOR</u> <u>NEW YORK, NY 10010</u>	Date _____ Check if self-employed <input checked="" type="checkbox"/>	Preparer's SSN or PTIN <u>128-62-6123</u> EIN <u>13-4021135</u> Phone no. <u>631-288-2390</u>
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**Schedule A Cost of Goods Sold (see instructions)**

1	Inventory at beginning of year . . . . .	1	4,483.
2	Purchases . . . . .	2	10,439.
3	Cost of labor . . . . .	3	
4	Additional section 263A costs (attach schedule) . . . . .	4	
5	Other costs (attach schedule) . . . . .	5	
6	<b>Total.</b> Add lines 1 through 5 . . . . .	6	14,922.
7	Inventory at end of year . . . . .	7	5,082.
8	<b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on page 1, line 2 . . . . .	8	9,840.

- 9 a Check all methods used for valuing closing inventory:
- (i)  Cost
  - (ii)  Lower of cost or market
  - (iii)  Other (Specify method used and attach explanation.) ▶
- b Check if there was a writedown of subnormal goods . . . . .
- c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) . . . . .
- d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO . . . . . **9d**
- e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? . . . . .  Yes  No
- f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation . . . . .  Yes  No

**Schedule C Dividends and Special Deductions (see instructions)**

	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) . . . . .	70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) . . . . .	80	
3	Dividends on debt-financed stock of domestic and foreign corporations . . . . .	see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities . . . . .	42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities . . . . .	48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs . . . . .	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs . . . . .	80	
8	Dividends from wholly owned foreign subsidiaries . . . . .	100	
9	<b>Total.</b> Add lines 1 through 8. See instructions for limitation . . . . .		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 . . . . .	100	
11	Dividends from affiliated group members . . . . .	100	
12	Dividends from certain FSCs . . . . .	100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12 . . . . .		
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471) . . . . .		
15	Foreign dividend gross-up . . . . .		
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 . . . . .		
17	Other dividends . . . . .		
18	Deduction for dividends paid on certain preferred stock of public utilities . . . . .		
19	<b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 . . . . .		
20	<b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b . . . . .		

**Schedule E Compensation of Officers (see instructions for page 1, line 12)**

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are \$500,000 or more.

	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	(d) Percent of corporation stock owned		(f) Amount of compensation
				(d) Common	(e) Preferred	
1			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
2	<b>Total compensation of officers</b> . . . . .					
3	Compensation of officers claimed on Schedule A and elsewhere on return . . . . .					
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12 . . . . .					

**Schedule J Tax Computation** (see instructions)

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	
2	Income tax. Check if a qualified personal service corporation (see instructions)	<input type="checkbox"/>	2
3	Alternative minimum tax (attach Form 4626)		3 NONE
4	Add lines 2 and 3		4 NONE
5a	Foreign tax credit (attach Form 1118)		5a
b	Credit from Form 8834, line 29		5b
c	General business credit (attach Form 3800)		5c
d	Credit for prior year minimum tax (attach Form 8827)		5d
e	Bond credits from Form 8912		5e
6	<b>Total credits.</b> Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7 NONE
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9	Other taxes. Check if from:	<input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (attach schedule)	9
10	<b>Total tax.</b> Add lines 7 through 9. Enter here and on page 1, line 31		10 NONE

**Schedule K Other Information** (see instructions)

1	Check accounting method:	a <input type="checkbox"/> Cash	b <input checked="" type="checkbox"/> Accrual	c <input type="checkbox"/> Other (specify) ▶	Yes	No	
2	See the instructions and enter the:						
a	Business activity code no.	▶ 511130					
b	Business activity	▶ WEB BASED SOFTWARE M					
c	Product or service	▶ SOFTWARE RESOURCES					
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?						X
	If "Yes," enter name and EIN of the parent corporation ▶						
4	At the end of the tax year:						
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)						X
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)						X
5	At the end of the tax year, did the corporation:					Yes	No
a	Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv).						X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

Schedule K Continued

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv).

X

Table with 4 columns: (i) Name of Entity, (ii) Employer Identification Number (if any), (iii) Country of Organization, (iv) Maximum Percentage Owned in Profit, Loss, or Capital.

6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.)

X

If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.

7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of the corporation's stock entitled to vote or (b) the total value of all classes of the corporation's stock?

X

For rules of attribution, see section 318. If "Yes," enter:

(i) Percentage owned and (ii) Owner's country

(c) The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached

8 Check this box if the corporation issued publicly offered debt instruments with original issue discount

9 Enter the amount of tax-exempt interest received or accrued during the tax year

10 Enter the number of shareholders at the end of the tax year (if 100 or fewer)

4

11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here

X

12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a.)

13 Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000?

X

If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2 on page 5. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash . . . . .		33,162.		20,188.
2a	Trade notes and accounts receivable . . . . .				
b	Less allowance for bad debts . . . . .	( )		( )	
3	Inventories . . . . .		6,446.		5,082.
4	U.S. government obligations . . . . .				
5	Tax-exempt securities (see instructions) . . . . .				
6	Other current assets (attach schedule) . . . . .				
7	Loans to shareholders . . . . .		516.		
8	Mortgage and real estate loans . . . . .				
9	Other investments (attach schedule) . . . . .				
10a	Buildings and other depreciable assets . . . . .	7,422.		7,422.	
b	Less accumulated depreciation . . . . .	( 3,006. )	4,416.	( 4,698. )	2,724.
11a	Depletable assets . . . . .				
b	Less accumulated depletion . . . . .	( )		( )	
12	Land (net of any amortization) . . . . .				
13a	Intangible assets (amortizable only) . . . . .				
b	Less accumulated amortization . . . . .	( )		( )	
14	Other assets (attach schedule) . . . . .				
15	<b>Total assets</b> . . . . .		44,540.		27,994.
<b>Liabilities and Shareholders' Equity</b>					
16	Accounts payable . . . . .		9,214.		11,272.
17	Mortgages, notes, bonds payable in less than 1 year . . . . .				
18	Other current liabilities (attach schedule) . . . . .				
19	Loans from shareholders . . . . .				
20	Mortgages, notes, bonds payable in 1 year or more . . . . .				
21	Other liabilities (attach schedule) . . . . .				
22	Capital stock: a Preferred stock . . . . .				
	b Common stock . . . . .				
23	Additional paid-in capital . . . . .				
24	Retained earnings-Appropriated (attach schedule) . . . . .				
25	Retained earnings - Unappropriated . . . . .		35,326.		16,722.
26	Adjustments to shareholders' equity (attach schedule) . . . . .				
27	Less cost of treasury stock . . . . .	( )		( )	
28	<b>Total liabilities and shareholders' equity</b> . . . . .		44,540.		27,994.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: Schedule M-3 required instead of Schedule M-1 if total assets are \$10 million or more - see instructions

1	Net income (loss) per books . . . . .	-18,604.	7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books . . . . .	14,218.		Tax-exempt interest \$	
3	Excess of capital losses over capital gains . . . . .			See Statement 6	6,393.
4	Income subject to tax not recorded on books this year (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
5	Expenses recorded on books this year not deducted on this return (itemize):		a	Depreciation . . . . . \$	
a	Depreciation . . . . . \$		b	Charitable contributions . . . . . \$	NONE
b	Charitable contributions . . . . . \$				
c	Travel and entertainment . . . . . \$		9	Add lines 7 and 8 . . . . .	6,393.
	See Statement 6	500.	10	Income (page 1, line 28) - line 6 less line 9	-10,279.
6	Add lines 1 through 5 . . . . .	-3,886.			

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1	Balance at beginning of year . . . . .	35,326.	5	Distributions: a Cash . . . . .	
2	Net income (loss) per books . . . . .	-18,604.		b Stock . . . . .	
3	Other increases (itemize):			c Property . . . . .	
			6	Other decreases (itemize):	
			7	Add lines 5 and 6 . . . . .	
4	Add lines 1, 2, and 3 . . . . .	16,722.	8	Balance at end of year (line 4 less line 7)	16,722.

Name OPEN SOURCE MATTERS, INC Employer identification number 76-0803008

**Part I Alternative Minimum Tax Computation**

**Note:** See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).

<b>1</b>	Taxable income or (loss) before net operating loss deduction . . . . .	<b>1</b>	-10,279.
<b>2</b>	<b>Adjustments and preferences:</b>		
<b>a</b>	Depreciation of post-1986 property . . . . .	<b>2a</b>	192.
<b>b</b>	Amortization of certified pollution control facilities . . . . .	<b>2b</b>	
<b>c</b>	Amortization of mining exploration and development costs . . . . .	<b>2c</b>	
<b>d</b>	Amortization of circulation expenditures (personal holding companies only) . . . . .	<b>2d</b>	
<b>e</b>	Adjusted gain or loss . . . . .	<b>2e</b>	
<b>f</b>	Long-term contracts . . . . .	<b>2f</b>	
<b>g</b>	Merchant marine capital construction funds . . . . .	<b>2g</b>	
<b>h</b>	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only) . . . . .	<b>2h</b>	
<b>i</b>	Tax shelter farm activities (personal service corporations only) . . . . .	<b>2i</b>	
<b>j</b>	Passive activities (closely held corporations and personal service corporations only) . . . . .	<b>2j</b>	
<b>k</b>	Loss limitations . . . . .	<b>2k</b>	
<b>l</b>	Depletion . . . . .	<b>2l</b>	
<b>m</b>	Tax-exempt interest income from specified private activity bonds . . . . .	<b>2m</b>	
<b>n</b>	Intangible drilling costs . . . . .	<b>2n</b>	
<b>o</b>	Other adjustments and preferences . . . . .	<b>2o</b>	NONE
<b>3</b>	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o . . . . .	<b>3</b>	-10,087.
<b>4</b>	<b>Adjusted current earnings (ACE) adjustment:</b>		
<b>a</b>	ACE from line 10 of the ACE worksheet in the instructions . . . . .	<b>4a</b>	-10,087.
<b>b</b>	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see instructions) . . . . .	<b>4b</b>	
<b>c</b>	Multiply line 4b by 75% (.75). Enter the result as a positive amount . . . . .	<b>4c</b>	
<b>d</b>	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). <b>Note:</b> You <i>must</i> enter an amount on line 4d (even if line 4b is positive) . . . . .	<b>4d</b>	
<b>e</b>	ACE adjustment. • If line 4b is zero or more, enter the amount from line 4c • If line 4b is less than zero, enter the <b>smaller</b> of line 4c or line 4d as a negative amount } . . . . .	<b>4e</b>	
<b>5</b>	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT. . . . .	<b>5</b>	-10,087.
<b>6</b>	Alternative tax net operating loss deduction (see instructions) . . . . . See Statement 8 . . . . .	<b>6</b>	
<b>7</b>	<b>Alternative minimum taxable income.</b> Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions . . . . .	<b>7</b>	-10,087.
<b>8</b>	<b>Exemption phase-out</b> (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):		
<b>a</b>	Subtract \$150,000 from line 7 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0- . . . . .	<b>8a</b>	NONE
<b>b</b>	Multiply line 8a by 25% (.25) . . . . .	<b>8b</b>	NONE
<b>c</b>	Exemption. Subtract line 8b from \$40,000 (if completing this line for a member of a controlled group, see instructions). If zero or less, enter -0- . . . . .	<b>8c</b>	40,000.
<b>9</b>	Subtract line 8c from line 7. If zero or less, enter -0- . . . . .	<b>9</b>	NONE
<b>10</b>	If the corporation had qualified timber gain, complete Part II and enter the amount from line 24 here. Otherwise, multiply line 9 by 20% (.20) . . . . .	<b>10</b>	NONE
<b>11</b>	Alternative minimum tax foreign tax credit (AMTFTC) (see instructions) . . . . .	<b>11</b>	
<b>12</b>	Tentative minimum tax. Subtract line 11 from line 10. . . . .	<b>12</b>	NONE
<b>13</b>	Regular tax liability before applying all credits except the foreign tax credit . . . . .	<b>13</b>	
<b>14</b>	<b>Alternative minimum tax.</b> Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return . . . . .	<b>14</b>	NONE

For Paperwork Reduction Act Notice, see the instructions.

**Part II** **Alternative Tax for Corporations with Qualified Timber Gain.** Complete Part II only if the corporation had qualified timber gain under section 1201(b). See instructions.

<b>15</b>	Enter qualified timber gain from Schedule D (Form 1120), line 15, as refigured for the AMT, if necessary. If you are filing Form 1120-RIC, see instructions for the amount to enter . . . . .	<b>15</b>	
<b>16</b>	Enter the amount from Schedule D (Form 1120), line 13, as refigured for the AMT, if necessary . . .	<b>16</b>	
<b>17</b>	Enter the amount from Part I, line 9 . . . . .	<b>17</b>	
<b>18</b>	Enter the <b>smallest</b> of the amount on line 15, line 16, or line 17 . . . . .	<b>18</b>	
<b>19</b>	Multiply line 18 by 15% (.15). . . . .	<b>19</b>	
<b>20</b>	Subtract line 18 from line 17. . . . .	<b>20</b>	
<b>21</b>	Multiply line 20 by 20% (.20). . . . .	<b>21</b>	
<b>22</b>	Enter the total of line 19 and line 21. . . . .	<b>22</b>	
<b>23</b>	Multiply line 17 by 20% (.20). . . . .	<b>23</b>	
<b>24</b>	Enter the <b>smaller</b> of line 22 or line 23 here and on part I, line 10. . . . .	<b>24</b>	

Form **4626** (2009)

### Adjusted Current Earnings (ACE) Worksheet

▶ See ACE Worksheet Instructions (which begin on page 8).

<b>1</b>	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626		<b>1</b>	-10,087.
<b>2</b>	ACE depreciation adjustment:			
<b>a</b>	AMT depreciation	<b>2a</b>		1,500.
<b>b</b>	ACE depreciation:			
	(1) Post-1993 property	<b>2b(1)</b>		1,500.
	(2) Post-1989, pre-1994 property	<b>2b(2)</b>		
	(3) Pre-1990 MACRS property	<b>2b(3)</b>		
	(4) Pre-1990 original ACRS property	<b>2b(4)</b>		
	(5) Property described in sections 168(f)(1) through (4)	<b>2b(5)</b>		
	(6) Other property	<b>2b(6)</b>		
	(7) Total ACE depreciation. Add lines 2b(1) through 2b(6)	<b>2b(7)</b>		1,500.
<b>c</b>	ACE depreciation adjustment. Subtract line 2b(7) from line 2a		<b>2c</b>	
<b>3</b>	Inclusion in ACE of items included in earnings and profits (E&P):			
<b>a</b>	Tax-exempt interest income	<b>3a</b>		
<b>b</b>	Death benefits from life insurance contracts	<b>3b</b>		
<b>c</b>	All other distributions from life insurance contracts (including surrenders)	<b>3c</b>		
<b>d</b>	Inside buildup of undistributed income in life insurance contracts	<b>3d</b>		
<b>e</b>	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	<b>3e</b>		
<b>f</b>	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e		<b>3f</b>	
<b>4</b>	Disallowance of items not deductible from E&P:			
<b>a</b>	Certain dividends received	<b>4a</b>		
<b>b</b>	Dividends paid on certain preferred stock of public utilities that are deductible under section 247	<b>4b</b>		
<b>c</b>	Dividends paid to an ESOP that are deductible under section 404(k)	<b>4c</b>		
<b>d</b>	Nonpatronage dividends that are paid and deductible under section 1382(c)	<b>4d</b>		
<b>e</b>	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	<b>4e</b>		
<b>f</b>	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e		<b>4f</b>	
<b>5</b>	Other adjustments based on rules for figuring E&P:			
<b>a</b>	Intangible drilling costs	<b>5a</b>		
<b>b</b>	Circulation expenditures	<b>5b</b>		
<b>c</b>	Organizational expenditures	<b>5c</b>		
<b>d</b>	LIFO inventory adjustments	<b>5d</b>		
<b>e</b>	Installment sales	<b>5e</b>		
<b>f</b>	Total other E&P adjustments. Combine lines 5a through 5e		<b>5f</b>	
<b>6</b>	Disallowance of loss on exchange of debt pools		<b>6</b>	
<b>7</b>	Acquisition expenses of life insurance companies for qualified foreign contracts		<b>7</b>	
<b>8</b>	Depletion		<b>8</b>	
<b>9</b>	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property		<b>9</b>	
<b>10</b>	<b>Adjusted current earnings.</b> Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626		<b>10</b>	-10,087.



Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury Internal Revenue Service (99)

See separate instructions.

Attach to your tax return.

Attachment Sequence No. 67

Name(s) shown on return

Identifying number

OPEN SOURCE MATTERS, INC

76-0803008

Business or activity to which this form relates

General Depreciation and Amortization

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 13 rows for Part I election details, including maximum amount, total cost, threshold, reduction, and carryover.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

Table with 3 rows for Part II special depreciation allowance and other depreciation.

Part III MACRS Depreciation (Do not include listed property.)

Section A

Table with 2 rows for Section A MACRS deductions for assets placed in service before 2009.

Section B - Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

Table with 7 columns (a-g) for Section B assets, including classification, month/year, basis, recovery period, convention, method, and depreciation deduction.

Section C - Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

Table with 5 columns for Section C assets, including class life, month/year, recovery period, convention, method, and depreciation deduction.

Part IV Summary (See instructions.)

Table with 3 rows for Part IV summary, including listed property amount, total, and portion of basis attributable to section 263A costs.

**Part V Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**

**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

<b>24a</b> Do you have evidence to support the business/investment use claimed?				Yes <input type="checkbox"/>	No <input type="checkbox"/>	<b>24b</b> If "Yes," is the evidence written?				Yes <input type="checkbox"/>	No <input type="checkbox"/>
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) . . . . .								<b>25</b>			
<b>26</b> Property used more than 50% in a qualified business use:											
		%									
		%									
		%									
<b>27</b> Property used 50% or less in a qualified business use:											
		%				S/L -					
		%				S/L -					
		%				S/L -					
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . . . .								<b>28</b>			
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1 . . . . .								<b>29</b>			

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>30</b> Total business/investment miles driven during the year (do not include commuting miles) . . . . .												
<b>31</b> Total commuting miles driven during the year . . . . .												
<b>32</b> Total other personal (noncommuting) miles driven . . . . .												
<b>33</b> Total miles driven during the year. Add lines 30 through 32 . . . . .												
<b>34</b> Was the vehicle available for personal use during off-duty hours? . . . . .												
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person?												
<b>36</b> Is another vehicle available for personal use? . . . . .												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? . . . . .		
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners . . . . .		
<b>39</b> Do you treat all use of vehicles by employees as personal use? . . . . .		
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? . . . . .		
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) . . . . .		

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2009 tax year (see instructions):					
<b>43</b> Amortization of costs that began before your 2009 tax year . . . . .					<b>43</b>
<b>44</b> Total. Add amounts in column (f). See the instructions for where to report . . . . .					<b>44</b>

# 2009 Depreciation

Description of Property General Depreciation and Amortization															
Asset description	Date placed in service	Unadjusted cost or basis	Bus. %	179 exp. reduc. in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Me- thod	Con- ven- tion	Life	ACRS class	MA CRS class	Current -yr 179 expense	Current-year depreciation
COMPUTER HARDWARE	12/07/2007	7,422.	100.			7,422.	3,006.	4,698.	200 DB	MQ			5		1,692.
Less: Retired Assets . . . . .															
<b>TOTALS . . . . .</b>		7,422.				7,422.	3,006.	4,698.							1,692.





## 2009 ACE Depreciation

<b>Description of Property</b>									
General Depreciation and Amortization									
Asset description	Date placed in service	ACE basis for depreciation	ACE accumulated depreciation	Method	Orig. Life	Rem. Life	ACE depreciation	AMT** depreciation used	ACE adjustment
COMPUTER HARDWARE	12/07/2007	7,422.	2,421.	DB	5.000	5.000	1,500.	1,500.	
Less: Retired Assets									
<b>TOTALS</b>		7,422.	2,421.				1,500.	1,500.	

\*Assets Retired

\*\*In certain circumstances, this may be regular tax depreciation rather than AMT depreciation.

Form 1120, Page 1 Detail

Line 17 - Tax Summary

Taxes (excluding income taxes)	6,352.
Other state and local taxes	3,938.
	-----
Total	10,290.
	=====

Line 17 - Taxes and licenses

NYC CORPORATION TAX	6,352.
NYS CORP TAXES	3,938.
	-----
Total	10,290.
	=====

Form 1120, Page 1 Detail

Line 19 - Contributions deduction

-----	
1. Taxable income (excluding contributions and domestic production activities deduction)	-10,279.
2. Less: NOL carryover	
3. Plus: Capital Loss carryback	
4. Taxable income without regard to contributions, special deductions, domestic production activities deduction, NOL carrybacks, and capital loss carrybacks	-10,279.
5. Contribution deduction limitation (Taxable income x 10%)	NONE
6. Amount of deductible contributions	21.
	-----
7. Contribution deduction (Lesser of line 5 or line 6)	NONE
	=====



Form 1120, Page 1 Detail

=====

Line 19 - 5 Year contribution carryover

-----

Year ending	Amount Available	Amount Utilized	Converted to NOL Carryover	Carryover to Next Year
12/31/2008	21.	NONE		21.
Total	21.	NONE		21.

=====

Form 1120, Page 1 Detail

Line 26 - Summary of Travel, Meals and Entertainment

CONFERENCES AND SEMINARS	6,967.
	-----
Total	6,967.
	=====

Line 26 - Other deductions

Travel, meals and entertainment	6,967.
BANK CHARGES	747.
LEGAL	161,638.
ACCOUNTING	228.
WEBSITE AND HOSTING EXPENSES	14,265.
OFFICE EXPENSES	1,413.
INSURANCE	1,675.
CONSULTING	27,095.
CONFERENCES AND SEMINARS JOOMLA DAY EVENTS	9,956.
POSTAGE AND DELIVERY	47.
BAD DEBT	25.
	-----
Total	224,056.
	=====

Form 1120, Page 1 Detail

Line 29a - Non-SRLY NOL deduction

Year ending	Original NOL	Amount Available	Amount Used	Converted Contributions	Carryover to Next year
12/31/2009	10,279.	10,279.			10,279.
Total	10,279.	10,279.			10,279.

Form 1120, Page 5 Detail

Sch M-1, Line 5 - Expenses recorded on books not deducted on return

NON-DEDUCTIBLE PENALTY LATE FILE OF FORM 990	500.
	-----
Total	500.
	=====

Sch M-1, Line 7 - Income recorded on books not included on return

FEDERAL TAX REFUND	6,393.
	-----
Total	6,393.
	=====

Form 4626, Page 1 Detail

Line 2o - Contributions Adjustment

Regular Contributions

NONE

AMT Contributions

Contribution adjustment

NONE

Form 4626, Page 1 Detail

Line 6 - Non-SRLY AMT NOL Deduction

Year ending	Original NOL	Amount Available	Amount Used	Carryover to Next year
12/31/2009	10,087.	10,087.		10,087.
Total	10,087.	10,087.		10,087.