

Cure Alzheimer's FUND

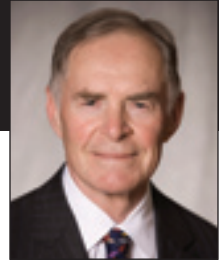
targeting breakthrough research

A N N U A L R E P O R T 2 0 0 7

Cure Alzheimer's_{FUND} MISSION:

To fund research with the highest probability of slowing,
stopping or reversing Alzheimer's disease.

Message from the Chairman, Jeffrey Morby



Dear Friends,

We are pleased to report that significant progress was made in 2007, thanks to the work of our dedicated researchers and the support of our donors. Research highlights include:

- Our Alzheimer's Genome Project™ (AGP) initiative, which aims to identify the full set of Alzheimer's associated genes by this summer, is on schedule and on budget. A paper on this breakthrough research is being reviewed for publication by one of the field's most prestigious journals. Once our findings have been announced and made available to researchers throughout the world, we believe that the promulgation of those findings will be considered a major turning point in the quest to find a cure for Alzheimer's disease.
- Results from the Cure Alzheimer's Fund Oligomer Collaborative Project are providing our scientists with important new insights into the pathology of the disease. Eight researchers from among the country's most successful Alzheimer's research labs are working closely together to solve the puzzle of how amyloid beta peptides (A-beta) clump together into "oligomers" to disrupt neuronal signaling in the brain.
- Cure Alzheimer's Fund financed research into a drug initially developed for cholesterol, that is now showing very positive effects in the clearance of A-beta. We have one more research project to finance for this drug, and if successful, we believe the drug will be ready for a major pharmaceutical company to take it to human trials.
- AlzGene.org, fully supported by Cure Alzheimer's Fund, has emerged as the most definitive and authoritative online, interactive database for determining which AD genes are most important in the field. It is used by hundreds of researchers from all over the world.
- All told in 2007 we supported 10 different labs across the U.S., which reflects our nationwide orientation to fund the best research and best researchers wherever they are located.
- Cure Alzheimer's Fund raised \$3,608,834 from 988 donors in 2007, and all overhead costs of the organization were once again paid for by the Founders; so contributions from non-founders continue to go 100% into research. Full-time staff count remains at two.
- Cure Alzheimer's Fund was honored to receive the first annual Philanthropic and Investment award from MassGeneral for "substantial commitment to visionary work that cannot be funded through other sources but has the potential to radically change scientific thinking and drug discovery for neurodegenerative disease."

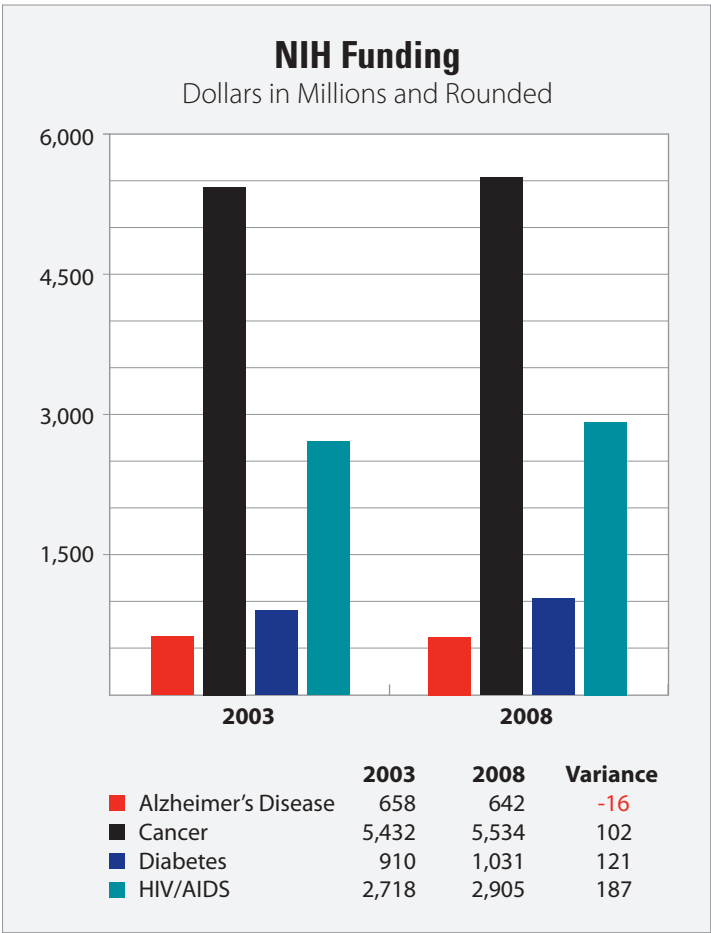
Message from the Chairman, Jeffrey Morby (cont.)

- In 2007 we added three outstanding scientists to our collaborative efforts. Dr. Caleb Finch from the University of Southern California and Dr. Marsel Mesulam from Northwestern University joined our Scientific Advisory Board and Dr. Sam Gandy from Mount Sinai Medical School joined our Research Consortium.

When we established Cure Alzheimer’s Fund three and a half years ago, we did so because the new science of genomics offered significant promise of leading to cures. While Alzheimer’s disease had become a major contagion in the world, NIH funding for Alzheimer’s research had dropped (in both absolute and real terms, and this is a trend that has continued). This drop in funding meant that new genomic breakthroughs were not being taken advantage of. Our premise was that a focused strategy, with one objective, to find a cure, employing the latest state of the art technology in genomics and conducted by the best scientists in the world, would allow us to make significant progress in the search to find a cure. Based on results to date, we believe our premise was correct.

2008 will be a year in which the findings of our AGP will result in the identification of promising new research opportunities, which will require incremental increases in research funding to take full advantage of those findings. My colleagues and I extend our deepest gratitude to those who have helped us achieve so much so soon, and hope that you will join with us to keep the momentum building in the fight to end Alzheimer’s disease.

Sincerely yours,
Jeffrey L. Morby
Chairman





Strategy makes the difference.



“Enormous progress has been made in the past 20 years in understanding the basic biological defects that underlie the development of Alzheimer’s disease. We know a few of the culprits responsible for the formation of Beta amyloid, a toxic substance generally thought to be responsible for most cases of Alzheimer’s. The time is ripe to exploit this basic information by research leading to the development of therapeutic agents that can prevent or delay this disease. The research supported by Cure Alzheimer’s Fund can greatly facilitate reaching this goal.”

Paul Greengard, Ph.D.

Nobel Prize in Physiology and Medicine, 2000; Head of the Laboratory of Molecular and Cellular Neuroscience; Vincent Astor Professor, The Rockefeller University

“As children, early boomers like me were the first to receive the polio vaccine. Now I want us to be the first recipients of a knockout vaccine for Alzheimer’s. This is my selfish reason for co-founding Cure Alzheimer’s Fund. My unselfish reason is that I don’t want the personal and economic devastation of Alzheimer’s to be my generation’s legacy to our children, grandchildren and Medicare system. By targeting breakthrough research now, in a formulated and systemic way, we have a chance to stop this disease.”

Phyllis Rappaport

Co-founder, Cure Alzheimer’s Fund and Director of the New Boston Fund



“Delaying and preventing Alzheimer’s disease is an urgent situation. Current estimates indicate a massive economic and personal toll in the coming years if effective strategies are not developed. Traditional (federal and state) funding has not matched the needs for research support given the magnitude of this problem. Cure Alzheimer’s Fund has recognized the crisis and is addressing these research needs in an innovative and effective manner. Now, more than ever, this support is vitally needed.”

John Mazziotta, MD, Ph.D.

UCLA School of Medicine

Why Cure Alzheimer's Fund?

Cure Alzheimer's Fund was started by three families with extensive venture capital and business experience. They came together around their frustration that government funding for Alzheimer's disease is unfocused and rapidly decreasing and that researchers spend approximately 30% of their time in proposal writing and justifying their research. These barriers are getting worse as the concerns and threat of the disease are mounting.

Why your donation is put to good use:

- ➔ Cure Alzheimer's Fund ensures that 100% of non-founders contributions fund Alzheimer's research. All overhead costs are paid by the organization's founders.
- ➔ Cure Alzheimer's Fund uses a venture capital approach and best practices from the business world, including:
 - World class leaders: We support a carefully selected group of scientists and have an experienced and market-tested board, CEO and staff.
 - Transparency to all parties: executed through Quarterly Reports, Annual Reports and sharing of AD research through AlzGene.org.
 - An entrepreneurial culture: Lean and mean with low overhead and minimal process; encourage prudent risk-taking for maximum investment.
- ➔ Cure Alzheimer's Fund has only one objective; to find a cure as quickly as possible. We have no endowment and no profit objective.

The Problem	Cure Alzheimer's Fund Solution
There are potential scientific breakthroughs on the horizon, but funding for projects is insufficient, unavailable, or too long in the making.	Cure Alzheimer's Fund provides fast, flexible funding for leaders in the field to pursue breakthrough discoveries.
Current Alzheimer's research lacks a collective focus and has no overriding map to guide research agendas or help researchers work together effectively.	Cure Alzheimer's Fund Research Consortium and Scientific Advisory Board developed a Research Roadmap to guide research and create a plan to fund the most promising research.
Government and pharmaceutical companies are not addressing the threat of Alzheimer's disease quickly enough or in a focused manner.	Funding from the government is decreasing and most pharmaceutical company research is devoted to the least risky research possible, hindering the breakthroughs needed. Cure Alzheimer's Fund goes to the heart of the matter providing fast, reliable funding to the researchers most likely to make progress.
All current Alzheimer's research and treatments for the disease are based on only four genes, a mere 30% of the genes that are most likely responsible for the disease.	Cure Alzheimer's Fund is supporting the Alzheimer's Genome Project initiative to discover the full genetic map of the disease in order to understand the cause and then take the most direct route to therapeutic intervention.

Research makes the difference.



“Our work on A-beta oligomers is not funded by any other granting mechanisms. Since this is a highly controversial, high-risk and technically challenging area of research, funding from Cure Alzheimer’s Fund enables this work to be accomplished.”

Virginia Lee, Ph.D., MBA
University of Pennsylvania

“The consensus opinion in the Alzheimer’s research field is that protein clumps called *oligomers* are highly poisonous to nerve cells. Through the support of the Cure Alzheimer’s Fund Oligomer Consortium our lab has discovered that these clumps are highly variable in their potency as poisons. The most startling observation is that some clumps might actually be beneficial!

“Unlike federal funders, Cure Alzheimer’s Fund was willing to take the chance that we might be onto something important and enabled us to pursue this ‘heresy.’ Now, six months into our Cure Alzheimer’s Fund award, we are gratified (and relieved) to learn that other labs are making similar observations and confirming that our ‘heresies’ are correct.”

“This has profound implications for developing Alzheimer’s drugs: our Cure Alzheimer’s Fund-sponsored work suggests that we should look for medicines that can flip the shape of a poisonous clump into the shape of an innocuous or even beneficial clump. We would have abandoned this potentially important line of work had it not been for support from the Cure Alzheimer’s Fund Consortium.”



Sam Gandy, M.D., Ph.D.
Mount Sinai School of Medicine, New York



“As a researcher, I’ve spent my professional life working to develop novel therapeutics to control the growth and spread of cancer. I know first hand, how vital it is to have efficient funding. Cure Alzheimer’s Fund gives researchers the support they need to pursue breakthrough research in an efficient manner. This kind of private support is going to make all the difference in the path to curing this terrible disease.”

John Lazo, Ph.D.
University of Pittsburgh School of Medicine

2007 Research

Research Roadmap

Cure Alzheimer's Fund has laid out a "Research Roadmap" to develop a rational, focused research strategy leading to *early detection and early prevention*, and is based on what most researchers agree is the best science available and the most plausible current theories.

Cure Alzheimer's Fund's objective is simply to get to a cure as quickly as possible.

Part 1: Foundational Building Block

Identify all of the remaining AD genes.

FUNDED RESEARCH:

Alzheimer's Genome Project™ Initiative:

1. Alzheimer's Genome Map – Rudy Tanzi
2. Genetics and Molecular Imaging Study – Deborah Blacker
3. Alzheimer's Brain Genetic Study – Bradley Hyman
4. AlzGene Database and Website – Lars Bertram

Alzheimer's Gene Characterization Project – Rudy Tanzi

Part 2: Translational Analysis

Understand how identified AD genes work at the molecular and biochemical levels in order to elucidate biological pathways that are impacted and determine points where pharmacological intervention would be possible.

FUNDED RESEARCH:

ACAT Inhibitor – Dora Kovacs

Cure Alzheimer's Fund Oligomer Collaboration – Paul Greengard, Sam Gandy, Charles Glabe, David Holtzman, Tae Wan Kim, Virginia Lee, Robert Moir, Sam Sisodia, Rudy Tanzi

Facility for Microdialysis Drug Discovery Program – David Holtzman

Alzheimer's Disease Neuroimaging Initiative – Leslie Shaw and John Trojanowski

Part 3: Crossover Research

Integrate results from foundational and translational research studies integrated into studies aimed at discovering effective therapeutics. Search for drugs (existing, approved and unapproved) and compounds for the ability to intervene at appropriate steps.

FUNDED RESEARCH:

To be determined

Part 4: Facilitative Research

Maximize the speed to market for candidate AD drugs, using medicinal chemistry, high-throughput organic synthesis. Advance promising compounds to mouse model testing and for the most promising initiate human trials working with pharmaceutical companies.

FUNDED RESEARCH:

To be determined

Parts 2, 3 and 4 of the Roadmap deal with the challenge of understanding the functioning of AD genes, finding cures and bringing those cures to the public.



"Cure Alzheimer's Fund's Research Roadmap is accelerating progress to an Alzheimer's cure. The funding I have received for the Alzheimer's Genome Project has helped speed up this research by years. I estimate that the first results, which will be announced this summer, are coming 3 years earlier than I had hoped. This is a direct result of critical funding from Cure Alzheimer's Fund. This kind of support is necessary to move research forward more quickly."

Rudy Tanzi, Ph.D.

Massachusetts General Hospital/Harvard Medical School

Research Progress in 2007

In 2007, Cure Alzheimer's Fund supported 12 research projects, funding 11 major researchers (and their assistant researchers and lab technicians) at eight different institutions across the country in work that covered Alzheimer's disease from genetics to biomarkers. For a full description of projects funded since inception, visit www.curealzfund.org.

● The Alzheimer's Genome Project

(2007 Funding: \$1,291,400)

This initiative is on track to identify all genes that affect risk for Alzheimer's disease. More than a hundred genes have been initially implicated through this study and confirmatory studies are under way to determine which of these genes are most significant in conferring risk for (or protection against!) the disease. This is truly breakthrough research, which will significantly accelerate the development of a cure by researchers supported by Cure Alzheimer's Fund as well as hundreds of other researchers around the world. A paper on this groundbreaking work is in process at one of the most prestigious journals in the field for publication in 2008.

Dr. Rudy Tanzi, Massachusetts General Hospital/
Harvard Medical School

● Facility for Optimal Management of Amyloid beta Microdialysis Drug Discovery Program

(2007 Funding: \$104,212)

Housed at Washington University in the laboratory of Dr. David Holtzman, this major effort is pioneering ways to understand the effect of novel as well as repositioned drug compounds in reducing Amyloid beta in the brains of living laboratory animals. This is hugely important because previous such testing was limited to observations of the effect of drugs at the cell level or in animals but over much longer periods of time.

Dr. David Holtzman, Washington University

●● Cure Alzheimer's Fund Oligomer Collaboration

(2007 Funding: \$950,000)

Oligomers are assemblies of the Amyloid beta (A-beta) peptide that now are believed to be a key component of Alzheimer's pathology. Significant progress has been made in a) eliminating at least one oligomeric configuration previously believed to be a major factor, and b) gaining a better understanding of how oligomers form.

Dr. Sam Gandy, Mount Sinai Medical School
Dr. Charles Glabe, University of California at Irvine
Dr. Paul Greengard, The Rockefeller University
Dr. David Holtzman, Washington University, St. Louis
Dr. Tae Wan Kim, Columbia Medical Center
Dr. Virginia M.-Y. Lee, University of Pennsylvania
Dr. Sangram Sisodia, University of Chicago
Dr. Rudy Tanzi and Dr. Robert Moir, Massachusetts General Hospital/Harvard Medical School

● Alzheimer's Disease Neuroimaging Initiative (ADNI)

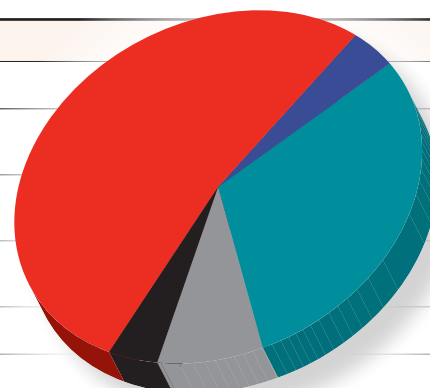
(2007 Funding: \$100,000)

Cure Alzheimer's Fund is part of a funding consortium supporting the National Institute of Aging's investigation of what might be appropriate biomarkers for Alzheimer's in humans long before symptoms are exhibited.

Dr. Leslie M. Shaw and Dr. John Q. Trojanowski,
University of Pennsylvania

Use of Funds 2007

Project Name	\$ Amount
● Alzheimer's Genome Project Initiative	\$1,291,400
● Facility for Optimal Management of Amyloid-beta Microdialysis Drug Discovery Program	\$104,212
●● Cure Alzheimer's Fund Oligomer Collaboration- Continuation of 2006 funded research (seven projects)	\$750,000
●● Cure Alzheimer's Fund Oligomer Collaboration- New Projects (two projects)	\$200,000
● Alzheimer's Disease Neuroimaging Initiative (ADNI)	\$100,000
Total	\$2,445,612



2007 Financials (Year Ended Dec. 31, 2007)

Statement of Financial Position

ASSETS	
Cash and cash equivalents	\$2,304,795
Contributions receivable-undeposited funds	130,740
Pledges receivable	270,782
Deposits—donor advised funds	23,920
Equipment, net of accumulated depreciation of \$8,305	14,557
Other assets	3,375
	<u>\$2,748,169</u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable and accrued expenses	<u>\$7,754</u>
Net Assets	
Unrestricted	2,469,633
Temporarily restricted	<u>270,782</u>
	<u>2,740,415</u>
	<u>\$2,748,169</u>

Statement of Activities

REVENUE AND OTHER SUPPORT	
Contributions	\$3,500,003
Donated services	30,081
Investment income	97,061
Net assets released from restrictions, pledges collected	<u>78,750</u>
	<u>3,705,850</u>
EXPENDITURES	
Program grants, donations and other program expenses	2,549,788
Management and general	231,354
Fundraising	<u>236,204</u>
	<u>3,017,346</u>
INCREASE IN UNRESTRICTED NET ASSETS	<u>688,504</u>
TEMPORARILY RESTRICTED NET ASSETS	
Pledges	50,000
Net assets released from restrictions, pledges collected	(78,750)
Net discount/amortization of pledges	<u>10,200</u>
	<u>(18,550)</u>
INCREASE IN NET ASSETS	669,954
NET ASSETS, beginning of period	<u>2,070,461</u>
NET ASSETS, end of year	<u>\$2,740,415</u>

Cure Alzheimer's Fund Form 990 is available online. The complete Audited Financial Statements are available by request.



Donors make the difference.

"My grandmother passed away less than a year ago after a struggle with Alzheimer's disease. She moved to America in order to help my parents raise me, so she was a really big part of my life. When she got sick, I realized how important she was to me. Instead of focusing on how much I'm going to miss her, I decided I want to put my energy into making a difference for others who might develop Alzheimer's, and fundraising for Cure Alzheimer's Fund was a clear way I could help push toward a cure."



Sweta Shah

Psychology major at the College of New Jersey, in Ewing, N.J.
Sweta organized a fundraiser with the Psychology Club and raised money for Cure Alzheimer's Fund.

"For a school project, I chose to change the world by raising money to help with Alzheimer's disease. Alzheimer's is a disease where you sort of live in the past—you can't remember your grandkids or friends you recently made at the golf course. I would know, my grandmother didn't remember my sister or me. It was sad to know all the times we spent together were washed out of her memory. Whenever I went to see her, I was just another face walking around the hospital. That's why I want to raise money for research to cure Alzheimer's."



Jessica Lavorgna

Age 11, from Tewksbury, N.J.
Jessica designed and sold flannel pants to benefit Cure Alzheimer's Fund as part of a school project to explore how one person could make a difference and help change the world. Jessica's grandmother, Olga, passed away in 2006.

"As a result of seeing the impact of Alzheimer's on my mother, it became clear that I had to do something. I decided to dedicate a year of my life to my two passions: mountain climbing and my family. With the summit of Mt. Everest the end climbing goal, I am in the midst of five climbs to raise awareness and money for Alzheimer's research. My dream is that researchers can find a way to stop this killer of lives and robber of precious lifetime memories."



Alan Arnette

Retired Hewlett Packard executive and mountain climber, who is climbing Mt. Everest and raising awareness and funds for research for Alzheimer's disease.

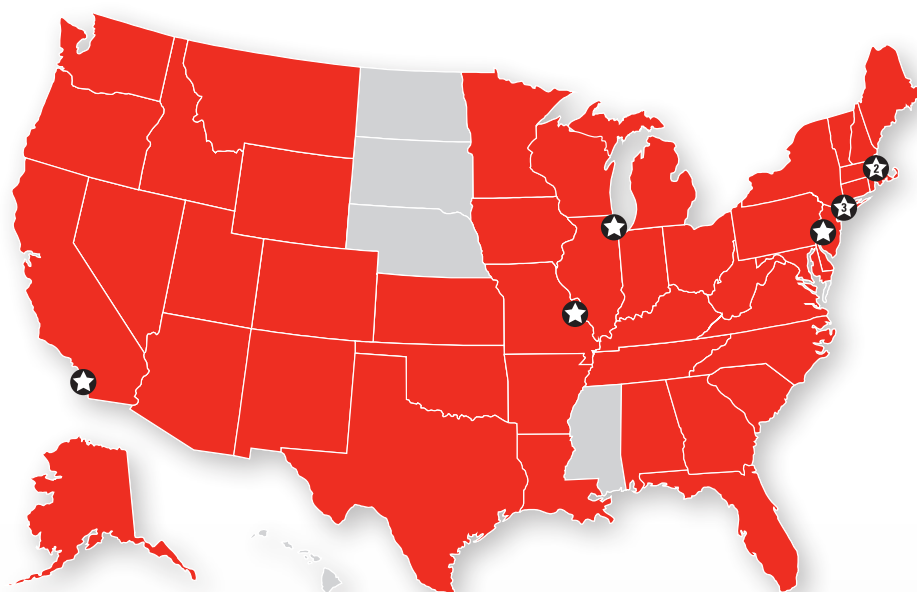
For more about Alan and his fundraising, visit www.alanarnette.com

Fundraising

In an era of declining government support for Alzheimer's research, private support is essential to continue and maintain the excellent research opportunities and progress toward a cure. Cure Alzheimer's Fund raises private funds from individuals and foundations. For the year ending December 31, 2007, Cure Alzheimer's Fund raised \$3,608,834 from 988 donors in cash and in-kind revenues. Every cent of every dollar donated by non-founders goes to support research; all organizational expenses are paid by the founders.

Ours is a National Effort

Distribution of Donations, and Funded Research in 2007



● Donors come from all states shaded in red

★ FUNDED RESEARCH SITES

Massachusetts General Hospital, Genetics and Aging Research Unit, Charlestown, MA

Massachusetts General Hospital, MassGeneral Institute for Neurodegenerative Disease, Charlestown, MA

Rockefeller University, New York, NY

Mount Sinai Medical School, New York, NY

Columbia Medical Center, New York, NY

University of California at Irvine, Irvine, CA

University of Pennsylvania, Philadelphia, PA

University of Chicago, Chicago, IL

Washington University in St. Louis, St. Louis, MO



"I have had a long career as a venture capitalist. The job requires me to be good at identifying 'world class' entrepreneurs and breakthrough technologies. I believe that Rudy Tanzi and the other members of our Research Consortium are 'world class' in their field and that they are uniquely able to use recently available breakthrough technologies to identify the remaining Alzheimer genes. I so strongly believe in the importance of this effort that my co-founders of Cure Alzheimer's Fund and I have committed to pay all the overhead for the organization. As a result, 100% of any contribution from you and others will go directly to our research. In venture capital terms, this is a good investment."

Henry McCance

*Co-Founder, Cure Alzheimer's Fund and
President and Chairman of the Board, Greylock Management Corp.*

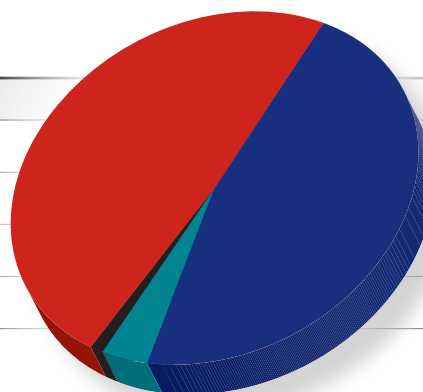
Fundraising Totals From Inception

Dollars rounded to nearest hundred

Year ending Dec. 31	Funds Raised from Non-founders	Number of Gifts not including Founders	Funds Raised from Founders	Total Funds Raised
2007	\$1,850,500	983	\$1,758,400	\$3,608,900
2006	\$2,222,500	519	\$1,060,800	\$3,283,300
2005	\$573,800	210	\$721,000	\$1,294,800
2004	—	—	\$110,800	\$110,800
Total raised from inception through 12/31/2007	\$4,646,800	1712	\$3,651,000	\$8,297,800

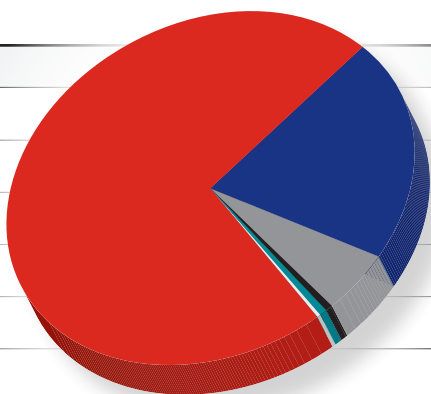
Source of Funds 2007

Project Name	\$ Amount
Founders	\$1,758,356
Individuals & Family Foundations	\$1,670,397
Public Foundations	\$150,000
In-Kind Donations	\$30,081
Total	\$3,608,834



Contributions by Size 2007

Gift Size	Number of Gifts
\$500,000 +	3
\$50,000 - \$499,999	4
\$25,000 - \$49,999	6
\$5,000 - \$24,999	52
\$1,000 - \$4,999	209
\$0 - \$999	714
Total	988



The Future

High-priority research to be supported by Cure Alzheimer's Fund in 2008 approaches \$6 million.

Goal for 2008: Accelerate the pace of discovery for treatment and prevention.

1. Focus on those genes identified through the Alzheimer's Genome Project™ (AGP) initiative that are most likely to advance our understanding of Alzheimer's and lead to substantive therapeutic intervention into the origin and progress of the disease.
2. Clarify the role of specific oligomeric assemblies of A-beta in the causes of Alzheimer's disease in order to disrupt their formation.
3. Push to Phase II trials a repositioned drug shown in animal studies to be effective at lowering A-beta levels in the brain and thereby significantly reducing risk for the disease.
4. Aggressively pursue the relationships among stroke, Traumatic Brain Injury (TBI) and Alzheimer's disease to develop new possibilities for effective treatment and prevention.
5. Promote truly breakthrough research by creating a financial reserve for plausible "wild card," paradigm-changing discovery emerging from recent findings.

Cure Alzheimer's^{FUND} MISSION:

To fund research with the highest probability of slowing,
stopping or reversing Alzheimer's disease.

Your gift will help bridge the gap
from research to a cure for Alzheimer's disease.



34 Washington Street, Suite 300
Wellesley Hills, MA 02481
Info07@curealzfund.org
www.curealzfund.org

Charity Designation

Cure Alzheimer's Fund® is a "doing business as" name for the Alzheimer's Disease Research Foundation,
a 501(c)(3) public charity with federal tax ID # 52-2396428.



Cure Alzheimer's FUND

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Fax: 781-658-2399
www.curealzfund.org

RESEARCH CONSORTIUM

Rudolph E. Tanzi, Ph.D., Chairman, Research Consortium,
Harvard Medical School/ Massachusetts General Hospital

Sam Gandy, M.D., Ph.D., Mount Sinai School of Medicine

Charles Glabe, Ph.D., University of California at Irvine

David Michael Holtzman, M.D., Washington University, St. Louis

M. Ilyas Kamboh, Ph.D., University of Pittsburgh

Virginia M.-Y. Lee, Ph.D., MBA, University of Pennsylvania

John C. Mazziotta, M.D., Ph.D., UCLA

Sangram S. Sisodia, Ph.D., University of Chicago

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John S. Lazo, Ph.D., University of Pittsburgh

Marsel Mesulam, M.D., Northwestern University

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*Founder

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