Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning 7/01/08 , and ending 6/30/09

G Check all that apply [ ] Initial return [ ] Final return [ ] Amended return [ ] Address change [ ] Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: The Solon & Martha Dixon Foundation Foundation

Number and street (or P O box number if mail is not delivered to street address): P. O. Drawer 990 | Room/suite:

City or town, state, and ZIP code: Andalusia AL 36420

A Employer identification number: 63-0812726

B Telephone number (see page 10 of the instructions): 334-222-3138

C If exemption application is pending, check here ▶ [ ]

D 1. Foreign organizations, check here ▶ [ ]

2 Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

H Check type of organization [X] Section 501(c)(3) exempt private foundation
[ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 14,029,226

J Accounting method [X] Cash [ ] Accrual
[ ] Other (specify)
(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses
(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see pg 11 of the instructions))

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ [X] if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	447,330	447,330		
	4	Dividends and interest from securities	208,439	208,439		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	-1,834,779			
	b	Gross sales price for all assets on line 6a 373,167				
	7	Capital gain net income (from Part IV, line 2)		0		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) Stmt 2	40,046	40,046		
	12	**Total.** Add lines 1 through 11	-1,138,964	695,815	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	88,000	22,000		66,000
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule) Stmt 3	195,306	195,306		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) Stmt 4	8,635	3,903		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 5	3,872	1,402		2,470
	24	**Total operating and administrative expenses.** Add lines 13 through 23	295,813	222,611		68,470
	25	Contributions, gifts, grants paid	1,020,345			1,020,345
	26	**Total expenses and disbursements.** Add lines 24 and 25	1,316,158	222,611	0	1,088,815
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses & disbursements**	-2,455,122			
	b	**Net investment income** (if negative, enter -0-)		473,204		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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Part II Balance Sheets — Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets 1	Cash—non-interest-bearing	808,595	1,041,227	
2	Savings and temporary cash investments			
3	Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
4	Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7	Other notes and loans receivable (att schedule) ▶			
	Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges	78,908	15,566	
10a	Investments—U S and state government obligations (attach schedule) Stmt 6	3,594,917	2,548,314	2,646,600
b	Investments—corporate stock (attach schedule) See Stmt 7	11,174,385	11,489,079	7,712,626
c	Investments—corporate bonds (attach schedule) See Stmt 8	5,174,350	3,271,282	3,219,770
11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)			
14	Land, buildings, and equipment basis ▶ 450,230			
	Less accumulated depreciation (attach sch) ▶ Stmt 9	530,484	450,230	450,230
15	Other assets (describe ▶)			
16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	21,361,639	18,815,698	14,029,226
Liabilities 17	Accounts payable and accrued expenses	1,325	1,325	
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)	1,325	1,325	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	21,360,314	18,814,373	
30	**Total net assets or fund balances** (see page 17 of the instructions)	21,360,314	18,814,373	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	21,361,639	18,815,698	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	21,360,314
2	Enter amount from Part I, line 27a	2	-2,455,122
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	18,905,192
5	Decreases not included in line 2 (itemize) ▶	5	90,819
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	18,814,373

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Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	N/A			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } **2**

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)
If (loss), enter -0- in Part I, line 8 **3**

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	1,265,352	20,175,631	0.062717
2006	880,271	19,471,514	0.045208
2005	826,850	18,378,900	0.044989
2004	782,182	17,726,552	0.044125
2003	824,480	16,730,860	0.049279

2	**Total** of line 1, column (d)	2	0.246318
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.049264
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	15,436,032
5	Multiply line 4 by line 3	5	760,441
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,732
7	Add lines 5 and 6	7	765,173
8	Enter qualifying distributions from Part XII, line 4	8	1,088,815

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling letter **(attach copy of ruling letter if necessary—see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b			1	4,732
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	4,732
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	4,732
6	Credits/Payments				
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	14,400		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	4,800		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	19,200
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	14,468
11	Enter the amount of line 10 to be **Credited to 2009 estimated tax** ▶ 14,468 **Refunded** ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ____ **(2)** On foundation managers ▶ $ ____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ AL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ Jones & Associates, P. C. Telephone no ▶ 334-222-3138
P. O. Drawer 990
Located at ▶ Andalusia, AL ZIP+4 ▶ 36420

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	N/A	1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2008 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?		4b		X

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A	5b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		X
	If you answered "Yes" to 6b, also file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A	7b		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 10				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE "

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

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3 ▶	

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Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	14,293,099
b	Average of monthly cash balances	1b	927,769
c	Fair market value of all other assets (see page 24 of the instructions)	1c	450,230
d	**Total** (add lines 1a, b, and c)	1d	15,671,098
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	15,671,098
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	235,066
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	15,436,032
6	**Minimum investment return.** Enter 5% of line 5	6	771,802

Part XI **Distributable Amount** (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6	1	771,802
2a	Tax on investment income for 2008 from Part VI, line 5 — 2a: 4,732		
b	Income tax for 2008 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	4,732
3	Distributable amount before adjustments Subtract line 2c from line 1	3	767,070
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	767,070
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	767,070

Part XII **Qualifying Distributions** (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	1,088,815
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,088,815
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	4,732
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,084,083

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

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Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				767,070
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			1,008,782	
b Total for prior years 20____ , 20____ , 20____				
3 Excess distributions carryover, if any, to 2008				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ $ 1,088,815				
a Applied to 2007, but not more than line 2a			1,008,782	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2008 distributable amount				80,033
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 **Enter the net total of each column as indicated below.**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009				687,037
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

DAA

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling ▶

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

	Tax year (a) 2008	Prior 3 years (b) 2007	(c) 2006	(d) 2005	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 **Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Statement 11				1,020,345
Total			▶ 3a	1,020,345
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	447,330	
4 Dividends and interest from securities			14	208,439	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			15	40,046	
8 Gain or (loss) from sales of assets other than inventory			18	-1,834,779	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		-1,138,964	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -1,138,964

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)
N/A	

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

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

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 or fiduciary) is based on all information of which preparer has any knowledge

Phillip A. Jones [signature] 5-17-10 Executive Vice President

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	Date 5/17/10	Check if self-employed ☐	Preparer's identifying number (see **Signature** on page 30 of the instructions)
Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no

DAA

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Federal Statements

Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
Interest Earned	$ 447,330		14	AL
Total	$ 447,330			

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
Dividends on Stocks	$ 208,439		14	AL
Interest On Notes			14	AL
Total	$ 208,439			

Other Investment Income

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
Oil Royalties	$ 17,546		15	AL
Mineral Lease	22,500		15	AL
Total	$ 40,046			

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description: Whom Sold	Date Acquired	Date Sold	How Received	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
Litigation Settlements	Various	6/30/09	Purchase	$ 3,241	$	$	$	$ 3,241
"Publicly Traded Securities"	Various	6/30/09	Purchase	271,052				271,052
"Publicly Traded Securities"	Various	6/30/09	Purchase		2,115,069			-2,115,069
Standing Pine & Hardwood	7/19/00	9/23/08	Purchase	98,874	83,484	9,393		5,997
Total				$ 373,167	$ 2,198,553	$ 9,393	$ 0	$ -1,834,779

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Oil Royalties	$ 17,546	$ 17,546	$
Mineral Lease	22,500	22,500	
Total	$ 40,046	$ 40,046	$ 0

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Investment Management Fees	$ 195,306	$ 195,306	$	$
Total	$ 195,306	$ 195,306	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Foreign Taxes	$ 3,903	$ 3,903	$	$
Federal Excise Taxes	4,732			
Total	$ 8,635	$ 3,903	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
Office Expense & Postage	805	322		483
Dues	1,010	253		757
Insurance	807	202		605
Rent	1,000	500		500
Utilities	250	125		125
Total	$ 3,872	$ 1,402	$ 0	$ 2,470

Statement 6 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
U S Government Obligations				
	$ 3,594,917	$ 2,548,314	Cost	$ 2,646,600
Total	$ 3,594,917	$ 2,548,314		$ 2,646,600

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Corporate Stock				
	$ 11,174,385	$ 11,489,079	Cost	$ 7,712,626
Total	$ 11,174,385	$ 11,489,079		$ 7,712,626

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Corporate Bonds				
	$ 5,174,350	$ 3,271,282	Cost	$ 3,219,770
Total	$ 5,174,350	$ 3,271,282		$ 3,219,770

Federal Statements

Statement 9 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
Land - 116.5 Acres	$ 447,000	$ 450,230	$	$ 450,230
Standing Pine and Hardwood Timber	83,484	0		
Total	$ 530,484	$ 450,230	$ 0	$ 450,230

Federal Statements

Statement 10 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
Martha B Dixon P. O. Drawer 990 Andalusia AL 36420	Dir. Emerita	.5	9,200	0	0
Doris B Tyler P. O. Drawer 990 Andalusia AL 36420	President	6	51,200	0	0
Frank McGuire P. O. Drawer 990 Andalusia AL 36420	V. Pres.	1.5	9,200	0	0
Louisa B Mann P. O. Drawer 990 Andalusia AL 36420	Secretary	1.5	9,200	0	0
Phillip G Jones P. O. Drawer 990 Andalusia AL 36420	Exec V P	8	9,200	0	0

Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
Auburn Univ Foundation Auburn AL 36849	317 South College Street	Education	Equipment for Forestry Education Ctr	250,000
Auburn Univ Foundation Auburn AL 36849	317 South College Street	Education	Glass Cockpit Flight Trng Device FTD	100,000
Auburn Univ Foundation Auburn AL 36849	317 South College Street	Education	Endowment of Professorship	150,000
Alabama Lions Sight Con Birmingham AL 35233	700 South 18th St	Tax Exempt	Support for Purpose of Entity	1,000
Alabama Public Television Birmingham AL 35205	2112 11th Avenue South	Tax Exempt	Support for Purpose of Entity	2,000
Andalusia City Brd of Ed Andalusia AL 36420	6th Avenue	Education	High School Auditorium Lighting	20,000
American Red Cross Andalusia AL 36420	234 Hillcrest Drive	Tax Exempt	Fires, Disasters and Training	15,000
Alabama Kidney Foundation Birmingham AL 36420	P. O. Box 12505	Tax Exempt	Support for Purpose of Entity	1,000
Alabama Junior Miss Andalusia AL 36420	1705 Cedar Road	Tax Exempt	Support Scholarship Program	2,000
Andalusia Ballet Assoc Andalusia AL 36420	1216 East Three Notch St	Tax Exempt	Sponsor Performers & Guest Dancers	5,000
Covington Cnty Arts Counc Andalusia AL 36420	1000 Dannelly Blvd	Tax Exempt	Support for Purpose of Entity	6,500
Children's Hospital Birmingham AL 35233	1600 7th Avenue South	Medical	Keeping Promises Capital Campaign	20,000
Covington Cnty Commission Andalusia AL 36420	Hillcrest Drive	Govt	Roof for Health Department	25,000
Covington Cnty Commission Andalusia AL 36420	Hillcrest Drive	Govt	Covington Region Honor Flight	2,500
Bright Beginnings Prescho Andalusia AL 36420	602 Seegers Street	Education	Playground Equipment	20,000
Lyman Ward Military Acade Camp Hill AL 36850	P. O. Drawer 550	Education	HVAC for Dining Hall	50,000
Lyman Ward Military Acade Camp Hill AL 36850	P. O. Drawer 550	Tax Exempt	Support for Purpose of Entity	25,000
Sav-A-Life Inc. Andalusia AL 36420	1835 East Three Notch St	Tax Exempt	Support for Purpose of Entity	2,000
Opportunity House Inc. Opp AL 36467	P. O. Box 554	Tax Exempt	Support for Purpose of Entity	35,000

Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
Easter Seals Camp ASCCA Jackson's Gap AL 36861	P. O. Box 21	Tax Exempt	Capital Improvements	12,900
Alabama Eye Bank Birmingham AL 35209	500 Robert Jemison Road	Tax Exempt	Support for Purpose of Entity	1,000
Covington Historical Soc Andalusia AL 36420	101 Northside Office Park	Tax Exempt	Renovation & Refurbishment of Bldg	4,000
Opp City Schools Opp AL 36467	P. O. Box 810	Education	Wireless Laptop Computers-7th Grade	26,000
Covington County Schools Andalusia AL 36420	P. O. Box 460	Education	Mobile Computer Lab, Cart, Hub & Prt	20,700
Assoc of Small Foundation Washington DC 20036	1720 N Street, NW	Tax Exempt	Grant for General Operating Expenses	1,500
City of Opp Opp AL 36467	101 North Main	Govt	Opp Public Library Books & Equipment	5,000
Crossover Ministries Inc Opp AL 36467	508 Highway 52 East	Tax Exempt	Men and Women's Drug Recovery Prog	20,000
Andalusia Comm Christmas Andalusia AL 36420	P. O. Box 1525	Tax Exempt	Christmas for Community Children	2,500
Covington Cnty Forestry Andalusia AL 36420	1803 Dr. MLK, Jr. Expy	Govt	Trauma Mgt Kits & Emgcy Burn Kits	2,695
Covington Cnty Forestry Andalusia AL 36420	1803 Dr. MLK, Jr. Expy	Govt	2 Dell Computers for Landowner Assis	2,200
Mizell Memorial Hosp Fd Opp AL 36467	P. O. Box 1010	Tax Exempt	Support for Purpose of Entity	1,000
The Longleaf Alliance Inc Andalusia AL 36467	13693 Pine Forest Road	Tax Exempt	Support for Purpose of Entity	25,000
Cov Cnty Soil & Water Andalusia AL 36421	115 South Ridge Road	Govt	Education Program for 4th Graders	1,750
Discovering AL Museum Tuscaloosa AL 35487	103 Smith Hall	Education	Promote Natural Science/Conservation	50,000
Covington Cnty Coop Ext Andalusia AL 36420	P. O. Box 519	Education	Support for 4-H Program	15,000
AL Child Caring Foundatio Birmingham AL 35283	P. O. Box 830870	Tax Exempt	Med Coverage for Uninsured Children	2,400
Volunteers of America Opp AL 36420	116 Southern Oaks Drive	Tax Exempt	Thanksgiving & Christmas Dinners	1,500
South AL Regional Airport Andalusia AL 36420	21861 Bill Benton Lane	Quasi Govt	Office Bldg Capital Improvement	50,000

Federal Statements

Statement 11 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
Norma's Nest Andalusia AL 36420	800 Meadowbrook Drive	Tax Exempt	Support for Purpose of Entity	5,000
S.A.f.E. @ Sav-A-Life Andalusia AL 36420	1835 East Three Notch St	Tax Exempt	Support for Purpose of Entity	3,000
AL Assoc of Local Governo Andalusia AL 36420	25 Court Square	Tax Exempt	Support Employ of People w/ Disabili	1,500
Straughn High School Andalusia AL 36421	29448 Straughn School Rd	Education	Baseball Field Fence and Grounds	20,000
Covington Cnty United Fd Andalusia AL 36420	P. O. Box 667	Tax Exempt	Support for Purpose of Entity	6,500
Faith Broadcasting, Inc. Montgomery AL 36121	P. O. Box 210789	Tax Exempt	Support for Purpose of Entity	1,200
S E AL Scottish Rite Fd Andalusia AL 36420	113 Maple Street	Tax Exempt	Support Dyslexia Program	6,000
Total				1,020,345

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THE SOLON AND MARTHA DIXON FOUNDATION
June 30, 2009

PART II BALANCE SHEETS, Page 2, Line 10a
INVESTMENTS - U S and STATE GOVT OBLIGATIONS

	Book Value	Fair Market Value
450M FHLMC 4.5% 1/15/14	450,212.39	482,805 00
134M FHLMC 5.3% 05/12/20	124,393.90	137,449.16
229M Credit Suisse 5.375% 3/2/16	221,669.71	237,218.81
20M Treasury Notes 3.125% 5/15/19	19,371.88	19,340 60
300M FHLMC 4.375% 7/17/15	282,858 00	323,343 00
430M FHLMC 5.75% 1/15/2012	442,199.12	471,894.90
125M SLM Corp 5% 6/15/18	121,250.00	68,332.50
160M FNMA 5.25% 9/15/16	162,873.03	178,449.60
175M SLM Corp 5.375% 05/15/14	174,933.50	143,283.00
54M FHLMC 5% 1/30/2014	53,285.56	58,087.80
498M FHLMC 5% 10/18/10	495,267.25	526,395.96
TOTAL INVESTMENTS - U S and STATE GOVT OBLIGATIONS	**2,548,314.34**	**2,646,600.33**

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THE SOLON AND MARTHA DIXON FOUNDATION
June 30, 2009

PART II BALANCE SHEETS, Page 2, Line 10b INVESTMENTS - CORPORATE STOCK	Book Value	Fair Market Value
94 Dynegy Inc		213 38
5,973 Wells Fargo Company	1,674,300.00	144,904.98
3252 Shares AT&T Corp	84,966 00	80,779 68
9998 Shares Alcatel Lucent	127,495.26	24,795 04
2360 Shares American Electric Power	61,928.55	68,180.40
1890 Shares American Express	60,941.09	43,923.60
940 Shares BB&T	25,790.22	20,661 20
2717 Shares Bank of America	172,972.26	35,864 40
575 Shares Black & Decker	23,379.73	16,479.50
5810 Shares Boston Scientific	91,893.76	58,913.40
3070 Shares Bristol Myers Squibb Co	72,086.10	62,351 70
1280 Shares Brunswick Corp	17,561.60	5,529.60
1205 Shares Caterpillar	35,135.19	39,813.20
5840 Shares CIT Group Inc	111,623 85	12,556.00
1725 Shares Centex Corp	37,908.97	14,593 50
2405 Cisco Systems Inc	39,771.61	44,853 25
2380 Shares DR Horton	31,284.53	22,276 80
6495 Shares Dell Inc	97,088.21	89,176.35
1965 Shares Dillards Inc	20,749.64	18,078.00
3370 Shares Dow Chemical	104,442.60	54,391.80
1795 Shares DuPont EI	41,597.13	45,987 90
3370 Shares Eastman Kodak Company	83,761 06	9,975.20
3840 Shares Ebay	49,173.29	65,779.20
2135 Shares Edison Intl	67,850.11	67,167.10
1870 Shares Eli Lilly & Co	79,949.34	64,776 80
7387 Shares Flextronics	84,720.18	30,656.05
805 Share Fedex Corp	40,971 04	44,774.10
3590 Shares Fifth Third Bancorp	102,650 94	25,489 00
810 Shares First American Corp	18,512.23	20,987 10
4030 Shares Gannett Company Inc	178,873.25	14,387 10
3615 Shares General Electric Company	59,693.03	42,367.80
1700 Shares Hewlett Packard	53,741 66	65,705 00
3600 Shares Home Depot	104,183.98	85,068 00
4975 Shares Intel	73,296.84	82,336 25
1810 Shares Intl Flavor & Fragrances	53,353.23	59,223.20
2340 Shares Keycorp New	25,857.60	12,261.60
1320 King Pharmaceuticals Inc	11,220.00	12,711 60
2820 Shares Kroger Company	62,857.59	62,181 00
2100 Shares Lennar Corp	39,381.38	20,349 00
460 Shares Marathon Oil Corp	10,120.00	13,859.80
1965 Shares Marsh & McLennan	45,431.71	39,555.45
4430 Shares Masco Corp	74,953.97	42,439.40
2565 Shares Merck & Company	68,414.13	71,717 40
4690 Shares Microsoft Corp	108,335.27	111,481.30

THE SOLON AND MARTHA DIXON FOUNDATION

June 30, 2009

11510 Shares Micron Technology Inc	122,093.87	58,240.60
13150 Shares Motorola Inc	128,571.62	87,184.50
7900 Shares News Corp Inc	58,350.80	71,969.00
4050 Shares Old Republic	76,753.19	39,892.50
1135 Shares Penney JC	38,363.00	32,585 85
5615 Shares Pfizer Inc	124,836 57	84,225 00
224 Shares PNC Financial Services	28,628.57	8,693.44
2215 Shares Pulte Homes	33,878.99	19,558.45
3270 Shares Regions Financial	39,978.12	13,210.80
3920 Shares Safeway Inc	88,502.94	79,850 40
26265 Shares Sanmina-Sci Corp	96,563.90	11,506 69
9060 Shares Sara Lee Corp	107,401.72	88,425.60
3468 Shares Schering Plough Corp	52,299.50	64,558.40
800 Shares Suntrust Banks	32,856.04	13,160.00
3468 Shares Supervalu Inc	83,410.43	44,910.60
13290 Shares Tenet Healthcare Corp	180,225.94	37,477 80
4375 Shares Texas Instruments	81,223.79	93,187 50
8995 Shares Unisys Corporation	83,470 94	13,582.45
735 Shares US Bancorp	10,290.00	13,171 20
4590 Shares Utstarcom Incorporated	40,217.66	7,481.70
3605 Shares Valero Energy Corp	66,746.10	60,888 45
2800 Shares Verizon Communications Inc	87,146.56	86,044 00
1881 Shares Wells Fargo Company	100,848.16	45,633.06
1045 Shares Western Digital Corp	14,037.58	27,692.50
1159 Shares Whirlpool	85,471.01	49,327 04
1610 Shares Wyeth	63,869.23	73,077 90
7065 Shares Xerox Corp	80,738.51	45,781.20
950 Shares Abbott Laboratories	46,408.84	44,688.00
1140 Shares Aflac	51,015 00	35,442 60
1665 Shares AT&T	67,748.85	41,358.60
1120 Shares Amgen Inc	66,669.46	59,292.80
975 Shares Anadarko Petroleum	42,126.24	44,255.25
1340 Shares Automatic Data Processing	51,479.26	47,489.60
1345 Shares Baker Hughes Inc	89,137.37	49,011 80
1020 Shares Ball Corporation	36,766.92	46,063.20
1215 Shares Bank of America Corp	51,115.05	16,038.00
535 Shares Bard CR Inc	42,552.03	39,830.75
1340 Shares Baxter	75,270.50	70,966.40
1173 Shares Best Buy Co Inc	46,528.90	39,283.77
1650 Shares Carlisle Companies Inc	50,512.77	39,666.00
800 Shares Chevron Corp	45,889.19	53,000 00
1015 Shares Church & Dwight Inc	64,844.29	55,124.65
2440 Shares Cisco Systems Inc	42,334 00	45,506.00
2110 Shares Cognizant Technology	52,115.95	56,337.00
1180 Shares Colgate-Palmolive Company	59,340.30	83,473 20
950 Shares Conocophillips	59,441.50	39,957.00
975 Shares Costco Wholesale Corp	64,843.35	44,635.50

THE SOLON AND MARTHA DIXON FOUNDATION
June 30, 2009

985 Shares Danaher	70,466.90	60,813.90
1960 Shares Disney Walt Co	64,010.07	45,726.80
190 Shares Lilly Eli & Company	64,562.44	44,685.60
1370 Shares Emerson Electric Co	46,073.79	44,388.00
840 Shares Exxon Mobil Corp	49,358.40	58,724.40
627 Shares Fedex Corporation	49,737 33	34,873 74
770 Shares General Dynamics	64,758 54	42,650 30
1856 Shares General Electric Company	65,238 40	21,752 32
810 Shares General Mills Inc	47,400.31	45,376.20
955 Shares Genzyme Corporation	52,348.60	53,164.85
1250 Shares Honeywell Intl	70,600.00	39,250 00
1560 Shares Illinois Tool Works Inc	67,034.84	58,250 40
1360 Shares Ingersoll Rand	55,841.60	28,424 00
2760 Shares Intel Corp	63,607.09	45,678.00
453 Shares Intl Business Machines Corp	36,443 86	47,302 26
1645 Shares Intuit Inc	40,063.97	46,372.55
995 Shares Jacobs Engineering Group	42,915 44	41,879.55
1061 Shares Johnson & Johnson	60,034.89	60,264 80
1555 Shares JPMorgan Chase	68,451.10	53,041.05
2330 Shares Lowes Companies Inc	67,443.65	45,225.30
905 McDonald's Corp	51,519 66	52,028.45
1385 Shares Mcgraw-Hill Companies	75,888.31	41,702.35
1193 Shares Medtronic Inc	62,222 37	41,623.77
2202 Shares Microsoft Corp	59,870 61	52,341 54
1430 Shares Omnicom Group Inc	57,280.50	45,159.40
2430 Shares Oracle Corp	29,427.30	52,050.60
1230 Shares Pepsico Inc	71,180.10	67,600.80
1235 Shares Procter & Gamble Company	75,532.60	63,108.50
735 Shares Schlumberger LTD	29,205.21	39,770 85
1045 Shares Sherwin Williams Co	45,095.51	56,168.75
1155 Shares Sigma Aldrich Corp	37,593.50	57,241 80
2800 Shares Staples Inc	68,124.00	56,504.00
1248 Shares Stryker Corp	58,916.44	49,595.52
2195 Shares Sysco Corp	63,912.91	49,343.60
1085 Shares Target Corp	71,534.05	42,824.95
1386 Shares Texas Instruments Inc	44,749.92	29,521.80
1008 Shares United Technologies Corp	46,956.75	52,375.68
1230 Shares Wal-Mart Stores Inc	56,457.00	59,581 20
1680 Shares Walgreen Company	72,240 00	49,392.00
2145 Shares Wells Fargo & Co	75,248.80	52,037.70
1010 Shares Ansys Inc	28,729.33	31,471 60
3283 Shares Ares Capital Corp	32,333.42	26,460 98
1651 Blackbaud Inc	35,007.15	25,673.05
1744 Shares Brown & Brown Inc	45,039.10	34,757.92
650 Shares Church & Dwight Company, Inc	21,281.98	30,413.60
761 Shares Clarcor Inc	26,322.69	22,213.59
1090 Shares Copart Inc	19,076.02	37,790.30

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691 Shares Donaldson Company Inc	22,124.67	23,936.24
952 Shares Eaton Vance Corp	13,143.68	25,466.00
668 Shares Exterran Holdings Inc	23,445.58	10,714.72
367 Factset Research Systems	14,299 09	18,302.29
1364 Shares Federated Invts Inc	22,598.34	32,858.76
1002 Heico Corp New	27,577.73	29,318.52
1687 Shares Immucor Inc	40,785.41	23,213 12
254 ITT Educational Services Inc	22,849.82	25,567.64
1953 Shares Jack Henry & Assoc Inc	32,001.79	40,524.75
840 Shares Wiley John & Sons Inc	31,596 44	27,930.00
1025 Shares Landstar System Inc	40,319.98	36,879 50
349 Shares Matthews Intl Corp	14,191.91	10,860 88
245 Shares Mettler Toledo Intl Inc	11,431.97	18,901.75
1132 Shares Microchip Technology Inc	26,687.85	25,526.60
601 Shares Mine Safety Appliance Company	23,212.62	14,484.10
1414 Shares Natco Group Inc	38,626.87	46,548.88
1055 Shares National Instruments Corp	23,150.60	23,800.80
899 Shares RPM International Inc	17,558.99	12,621.96
656 Shares Standard Parking Corp	13,862 01	10,686.24
502 Shares Techne Corp	30,382 17	32,032.62
661 Shares Teleflex Incorporated	33,255.18	29,632 63
726 Shares World Fuel Services	31,967 80	29,932.98
2860 Shares Allianz SE	25,741.43	26,340.60
1103 Shares BAE Systems	34,615.81	24,762.35
1216 Shares Barclays PLC ADR	13,343.99	22,423 04
495 Shares Barrick Gold Corp	17,853.13	16,607.25
141 Shares BG Group PLC Spon ADR	15,137 76	11,893.35
220 Shares BHP Billiton LTD	12,275 21	12,040.60
428 Shares BNP Paribas ADR	8,759.18	13,880.04
522 Shares BP PLC Spons Adr	25,734.02	24,888 96
565 Shares British Amern Tobacco	33,724.39	31,527.00
849 Shares Canon Inc ADR	30,504.18	27,617.97
491 Shares Credit Suisse Group Spon ADR	19,347 69	22,453.43
143 Shares Deutsche Bank AG	8,657.88	8,723.00
263 Shares E N I SPA	15,304.85	12,468 83
821 Shares E. On AG	43,318.34	29,080 55
906 Shares Ericsson LM Tel Company	7,141.20	8,860.68
548 Shares Esprit Holdings LTD ADR	6,469.47	6,247.20
315 Shares Fanuc LTD UNSP ADR	12,110.73	12,521.25
602 Shares GDF Suez	25,997 83	22,544.90
766 Shares Glaxosmithkline PLC	27,370.63	27,070 44
769 Shares Heineken Brewing NV	11,464.50	14,264.95
900 Shares Hoya Corporation	20,865 81	18,090.00
481 Shares HSBC Holdings PLC Spon ADR	20,706.71	20,091.37
688 Shares Imperial Tobacco Group	44,020.40	35,741.60
734 Shares LVMH Moet Hennessy Louis Vutton	11,572.96	11,208.18
234 Shares Merck KGAA	5,832.24	7,874.10

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57 Shares Mitsubishi Estate LTD	7,942 95	9,516.15
457 Shares Nestle S A	11,379 90	17,192.34
1830 Shares Nokia Corporation	22,904.47	26,681.40
414 Shares Novartis A G	22,220.29	16,887.06
240 Shares Novo Nordisk AS ADR	11,676.32	13,070.40
1817 Shares Prudential PLC	24,033.13	24,856.56
1978 Shares Reckitt Benckiser Group	15,600.82	17,999.80
888 Shares Roche Holding	36,746.42	30,289.68
1076 Shares Sanofi Aventis	35,836.14	31,731.24
1346 Shares Singapore Telecommunications	26,693.39	27,323.80
4196 Shares Sumitomo Mitsui Financial Group	26,075.45	16,825.96
325 Shares Tellus Corp Non Voting Shares	12,968.44	8,385.00
1027 Shares Tesco PLC Sponsored ADR	14,481.97	17,890.34
383 Shares Total S A	13,618.51	20,770.09
1384 Shares Unilever PLC	32,119.34	32,524.00
1212 Shares Vodafone Group PLC New	32,570 54	23,621.88
1665 Shares Zurich	39,000 94	29,403 90
TOTAL INVESTMENTS - CORPORATE STOCK	**11,489,078.95**	**7,712,626.04**

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PART II BALANCE SHEETS, Page 2, Line 10c
INVESTMENTS - CORPORATE BONDS

150M Walt Disney Co 6.375% 3/01/2012	158,261.20	162,397.50
150M AOL Time Warner Cable	160,328.64	160,570.50
260 M CVS Corp 6.125% 8/15/16	272,360.40	270,072.40
200M Lily Eli & Co 5.5% 3/15/27	184,712.00	197,090.00
234M Kimberly Clark 6.125% 8/1/17	248,481.32	256,866.48
337M Goldman Sachs Group Inc 6 125% 2/15/2033	346,987.18	316,416.04
58M Bottling Group, LLC 5 125% 1/15/19	58,889 14	59,339.22
1110 Citigroup Inc 8 125% 2/15/18	16,272 60	20,734 80
91M Verizon Virginia 4 625% 3/15/13	86,929.85	91,224.77
12M Lehman Bros 5 625% 1/24/13	12,187.80	1,843.92
117M Walgreen Co 5.25% 1/15/19	120,256 11	121,899.96
245M American Express 7 3% 8/20/13	257,803 70	255,584.00
220M Sara Lee Corp 6.25% 9/15/11	227,682 40	232,735.80
100M Hewlett Packard 5.5% 3/1/18	99,481 00	104,477 00
320M Merrill Lynch & Co 5.0% 1/15/15	313,192.26	286,809 60
130M Wachovia Corp 5.5% 8/1/35	126,084.10	100,161.10
20M Principal Life Inc 4.65% 3/01/12	19,900.00	18,441.60
186M General Electric Cap Corp 5.875% 2/15/12	197,439.00	195,672.00
108M Pseg Power 6 95% 6/01/12	115,878.44	118,724.40
249M Household Finance Corp 4 69% 7/10/2009	248,154 38	248,708 67
TOTAL INVESTMENTS - CORPORATE BONDS	**3,271,281.52**	**3,219,769.76**