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

**2008**

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

For calendar year 2008, or tax year beginning 09/01, 2008, and ending 08/31, 2009

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 LEE AND JULIET FOLGER FUND**

Number and street (or P O box number if mail is not delivered to street address): **C/O ANNE L. STONE & ASSOCIATES, LLC**

Room/suite: **6862 ELM STREET, SUITE 740**

City or town, state, and ZIP code: **MCLEAN, VA 22101**

A Employer identification number: **52-0794388**

B Telephone number (see page 10 of the instructions): **(703) 847-1350**

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

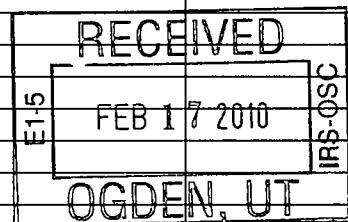
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization:  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) **\$ 41,022,966.**

J Accounting method:  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 page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule)				
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B.				
3	Interest on savings and temporary cash investments	32,026.	32,026.		STMT 1
4	Dividends and interest from securities	768,690.	768,690.		STMT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	548,614.			
b	Gross sales price for all assets on line 6a	1,341,410.			
7	Capital gain net income (from Part IV, line 2)		548,614.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)	-20,539.	-20,539.		STMT 3
12	<b>Total.</b> Add lines 1 through 11	1,328,791.	1,328,791.		
13	Compensation of officers, directors, trustees, etc.	NONE			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) STMT 4	1,585.	NONE	NONE	NONE
b	Accounting fees (attach schedule) STMT 5	14,115.	NONE	NONE	NONE
c	Other professional fees (attach schedule) STMT 6	87,928.	8,793.	NONE	61,550.
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions) *	16,668.	6,668.	NONE	NONE
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) STMT 8	543.	NONE	NONE	NONE
24	<b>Total operating and administrative expenses.</b>				
	Add lines 13 through 23	120,839.	15,461.	NONE	61,550.
25	Contributions, gifts, grants paid	4,117,500.			4,117,500.
26	<b>Total expenses and disbursements.</b> Add lines 24 and 25	4,238,339.	15,461.	NONE	4,179,050.
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-2,909,548.			
b	<b>Net investment income</b> (if negative, enter -0-)		1,313,330.		
c	<b>Adjusted net income</b> (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			
	2	Savings and temporary cash investments	6,279,251.	3,685,061.	3,685,081.
	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 (attach schedule)			
		Less allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) STMT 9	27,681,108.	27,301,893.	37,023,407.
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule)				
12	Investments - mortgage loans				
13	Investments - other (attach schedule) STMT 14	145,024.	209,702.	314,478.	
14	Land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)				
15	Other assets (describe)				
16	<b>Total assets</b> (to be completed by all filers - see the instructions Also, see page 1, item I)	34,105,383.	31,196,656.	41,022,966.	
Liabilities	17	Accounts payable and accrued expenses			
	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	<b>Total liabilities</b> (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> 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. <input checked="" type="checkbox"/>				
	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	34,105,383.	31,196,656.	
	30	<b>Total net assets or fund balances</b> (see page 17 of the instructions)	34,105,383.	31,196,656.	
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions)	34,105,383.	31,196,656.		

**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	34,105,383.
2	Enter amount from Part I, line 27a	2	-2,909,548.
3	Other increases not included in line 2 (itemize) SEE STATEMENT 15	3	821.
4	Add lines 1, 2, and 3	4	31,196,656.
5	Decreases not included in line 2 (itemize)	5	
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30	6	31,196,656.

**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.)
<b>1a</b> SEE PART IV SCHEDULE			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

(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)
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(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	
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> 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 }	<b>2</b>	548,614.
<b>3</b> 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. . . . .		<b>3</b>	

**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

<b>1</b> 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	5,118,956.	56,142,012.	0.091179
2006	2,678,202.	59,379,647.	0.045103
2005	3,587,719.	55,314,247.	0.064861
2004	3,058,932.	54,075,081.	0.056568
2003	2,364,656.	52,086,534.	0.045399
<b>2</b> Total of line 1, column (d) . . . . .			<b>2</b> 0.303110
<b>3</b> 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 . . . . .			<b>3</b> 0.060622
<b>4</b> Enter the net value of noncharitable-use assets for 2008 from Part X, line 5 . . . . .			<b>4</b> 37,266,985.
<b>5</b> Multiply line 4 by line 3 . . . . .			<b>5</b> 2,259,199.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b) . . . . .			<b>6</b> 13,133.
<b>7</b> Add lines 5 and 6 . . . . .			<b>7</b> 2,272,332.
<b>8</b> Enter qualifying distributions from Part XII, line 4 . . . . .			<b>8</b> 4,179,050.

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)**

1 a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	13,133.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)	2	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		
3	Add lines 1 and 2	3	13,133.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	NONE
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-	5	13,133.
6	Credits/Payments		
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6 a	34,481.
b	Exempt foreign organizations-tax withheld at source	6 b	NONE
c	Tax paid with application for extension of time to file (Form 8868)	6 c	NONE
d	Backup withholding erroneously withheld	6 d	
7	Total credits and payments Add lines 6a through 6d	7	34,481.
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	21,348.
11	Enter the amount of line 10 to be <b>Credited to 2009 estimated tax</b>	11	21,348. Refunded

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a 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?		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)? <i>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</i>		X
c Did the foundation file <b>Form 1120-POL</b> for this year?		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? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		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?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ <u>DC, VA</u>		
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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(3)? 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 ANNE L STONE & ASSOCIATES, LLC Telephone no 703-847-1350
Located at 6862 ELM STREET, SUITE 740, MCLEAN VA ZIP + 4 22101
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here N/A
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.

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? X 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? . . . . . 1c X
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
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) . . . . . 2b N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
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) . . . . . 3b N/A
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... (2) Influence the outcome of any specific public election... (3) Provide a grant to an individual for travel, study, or other similar purposes? (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)? (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes... 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... 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? 6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

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). Table with columns: (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. Row 1: SEE STATEMENT 16, NONE, NONE, NONE.

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

Total number of other employees paid over \$50,000 . . . . . NONE

**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
SEE STATEMENT 17		87,928.

Total number of others receiving over \$50,000 for professional services . . . . . **NONE**

**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 <u>NOT APPLICABLE</u>	
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 <u>NOT APPLICABLE</u>	
2	
All other program-related investments See page 24 of the instructions	
3 <u>NONE</u>	
<b>Total.</b> Add lines 1 through 3 . . . . .	



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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	33,301,923.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	4,233,519.
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	299,061.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	37,834,503.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	37,834,503.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	567,518.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	37,266,985.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	1,863,349.

**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)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	1,863,349.
<b>2a</b>	Tax on investment income for 2008 from Part VI, line 5	<b>2a</b>	13,133.
<b>b</b>	Income tax for 2008 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	13,133.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	1,850,216.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	1,850,216.
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	1,850,216.

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	4,179,050.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	NONE
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	NONE
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	4,179,050.
<b>5</b>	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)	<b>5</b>	13,133.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	4,165,917.

**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

**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 . . . . .				1,850,216.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only . . . . .				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2008				
a From 2003 . . . . .				NONE
b From 2004 . . . . .				NONE
c From 2005 . . . . .				
d From 2006 . . . . .				
e From 2007 . . . . .				1,341,742.
f Total of lines 3a through e . . . . .	1,341,742.			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ \$ 4,179,050.				
a Applied to 2007, but not more than line 2a . . . . .				
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 . . . . .				1,850,216.
e Remaining amount distributed out of corpus . . . . .	2,328,834.			
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 . . . . .	3,670,576.			
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 . . . . .				
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) . . . . .		NONE		
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a . . . . .	3,670,576.			
10 Analysis of line 9				
a Excess from 2004 . . . . .				NONE
b Excess from 2005 . . . . .				
c Excess from 2006 . . . . .				
d Excess from 2007 . . . . .				1,341,742.
e Excess from 2008 . . . . .				2,328,834.

**Part XIV Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

1 a 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	Prior 3 years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
2 a 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) )

SEE STATEMENT 18

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

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

c Any submission deadlines

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

**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 <i>Paid during the year</i> SEE STATEMENT 19 ATTACHED				4,117,500.
<b>Total</b> . . . . . ▶ <b>3a</b>				4,117,500.
b <i>Approved for future payment</i> SEE STATEMENT 20 ATTACHED				1,465,000.
<b>Total</b> . . . . . ▶ <b>3b</b>				1,465,000.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, Membership dues, Interest on savings, Dividends, Net rental income, Other investment income, Gain or loss from sales, and Subtotal.

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

Table with 2 columns: 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.

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

- 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... a Transfers from the reporting foundation to a noncharitable exempt organization of (1) Cash (2) Other assets b Other transactions (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains '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... 2b If "Yes," complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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

Signature of officer or trustee: Lee M. Folger, Date: 2/5/10, Title: President. Preparer's signature: Nancy M. O. Adamsky CPA, Date: 2-4-10, Firm's name: ANNE L. STONE & ASSOCIATES, 6862 ELM STREET, SUITE 740, MCLEAN, VA 22101, EIN: 54-1884412, Phone no: 703-847-1350.

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL LONG-TERM COMMON TRUST FUND AND PARTNERSHIP, S CORPORATION, AND OTHER ESTATES OR TRUST GAIN OR LOSS					-6,099.	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					76,171.	
		575 3M COMPANY PROPERTY TYPE: SECURITIES 39,548.				P	VAR	VAR
40,003.						455.		
		300 AMAZON COM INC PROPERTY TYPE: SECURITIES 13,738.				P	09/30/2005	09/09/2008
23,766.						10,028.		
		500 AMER EXPRESS CO PROPERTY TYPE: SECURITIES 61. 882. 61. 821.				P	02/04/1957	VAR
18,338.						17,456.		
		500.35 AMERICAN INTERNATIONAL GROUP PROPERTY TYPE: SECURITIES 19,812.				P	VAR	VAR
2,529.						-17,283.		
		100 APPLE COMPUTER INC PROPERTY TYPE: SECURITIES 10,687.				P	VAR	09/09/2008
15,128.						4,441.		
		500 BIOTECH HOLDRS TR DEP RCPTS PROPERTY TYPE: SECURITIES 70,965.				P	VAR	08/05/2009
50,105.						-20,860.		
		1200 BOSTON PPTYS INC PROPERTY TYPE: SECURITIES 38,221.				P	VAR	VAR
107,547.						69,326.		
		500 CAPITAL ONE FINL CORP PROPERTY TYPE: SECURITIES 23,586.				P	VAR	VAR
23,860.						274.		
		500 COSTCO WHSL CORP PROPERTY TYPE: SECURITIES 23,704.				P	VAR	09/09/2008
34,289.						10,585.		

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
4,232.		50 FEDEX CORP PROPERTY TYPE: SECURITIES 1,984.				P	02/09/2000	09/22/2008 2,248.
19,959.		400 FISERV INC PROPERTY TYPE: SECURITIES 15,516.				P	VAR	VAR 4,443.
11,314.		125 FRANKLIN RES INC PROPERTY TYPE: SECURITIES 5,655.				P	11/24/1998	VAR 5,659.
31,841.		1800 GAP INC PROPERTY TYPE: SECURITIES 72,993.				P	VAR	VAR -41,152.
275,800.		2904 GENENTECH INC PROPERTY TYPE: SECURITIES 92,707.				P	03/25/2008	03/26/2009 183,093.
21,790.		500 GLAXOSMITHKLINE PLC ADS PROPERTY TYPE: SECURITIES 25,280.				P	VAR	VAR -3,490.
15,412.		200 HSBC HOLDINGS PLC ADR PROPERTY TYPE: SECURITIES 15,438.				P	VAR	VAR -26.
12,952.		1458 HSBC HOLDINGS PLC ADR RTS PROPERTY TYPE: SECURITIES 24,017.				P	VAR	VAR -11,065.
25,771.		1000 LOWES COS INC PROPERTY TYPE: SECURITIES 12,593.				P	VAR	VAR 13,178.
7,739.		300 MERCK & CO INC PROPERTY TYPE: SECURITIES 21,435.				P	VAR	05/21/2009 -13,696.
9,561.		1150 MOTOROLA INC PROPERTY TYPE: SECURITIES 18,502.				P	VAR	VAR -8,941.



**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
26,345.		500 NOVARTIS AG SPONS ADR PROPERTY TYPE: SECURITIES 27,010.				P	VAR  -665.	VAR
42,465.		600 PEPSICO INC PROPERTY TYPE: SECURITIES 25,029.				P	VAR  17,436.	09/09/2008
34,889.		2000 PFIZER INC PROPERTY TYPE: SECURITIES 4,285.				P	02/08/1988  30,604.	VAR
115,257.		1600 PROCTER & GAMBLE CO PROPERTY TYPE: SECURITIES 3,536.				P	10/27/1980  111,721.	VAR
118,424.		1350 SIMON PROPERTY GROUP INC PROPERTY TYPE: SECURITIES 32,990.				P	VAR  85,434.	VAR
24,573.		1000 STAPLES INC PROPERTY TYPE: SECURITIES 18,936.				P	VAR  5,637.	09/09/2008
26,128.		400 STATE STREET CORP PROPERTY TYPE: SECURITIES 132.				P	07/27/1973  25,996.	VAR
10,893.		400 TIME WARNER INC PROPERTY TYPE: SECURITIES 20,735.				P	VAR  -9,842.	08/05/2009
3,410.		100 TIME WARNER CABLE INC PROPERTY TYPE: SECURITIES 6,828.				P	VAR  -3,418.	VAR
12,578.		400 VALERO ENERGY CORP PROPERTY TYPE: SECURITIES 13,545.				P	VAR  -967.	VAR
22,424.		300 VORNADO REALTY TRUST PROPERTY TYPE: SECURITIES 15,083.				P	04/22/2004  7,341.	VAR

**FORM 990-PF - PART IV  
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold	
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)		
10,945.		351 WELLS FARGO & CO PROPERTY TYPE: SECURITIES 11,038.				P	12/03/2004	VAR  -93.	
8,752.		200 ZIMMER HLDGS INC PROPERTY TYPE: SECURITIES 16,589.				P	08/22/2005	05/21/2009  -7,837.	
51,943.		450 INTERNATIONAL BUSINESS MACH PROPERTY TYPE: SECURITIES 49,797.				P	VAR	VAR  2,146.	
10,376.		RIO TINTO STOCK RIGHTS PROPERTY TYPE: SECURITIES				P	VAR	VAR  10,376.	
TOTAL GAIN (LOSS) .....							-----	548,614.	=====

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
PNC BANK	43.	43.
FOLGER NOLAN, FEDERAL MONEY MARKET VANGUARD	6,579.	6,579.
	11,601.	11,601.
U.S. TREASURY NOTES, NET	13,803.	13,803.
TOTAL	32,026.	32,026.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOLGER NOLAN, DIVIDENDS	768,690.	768,690.
TOTAL	768,690.	768,690.

FORM 990PF, PART I - OTHER INCOME

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DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
DFJ DRAGON FUND CHINA II LP	-4.	-4.
DFJ FRONTIER FUND II LP	-4,319.	-4,319.
DFK GOTHAM VENTURE FUND II LP	-11,372.	-11,372.
DRAPER ATLANTIC VENTURE FUND II LP	-4,844.	-4,844.
	-----	-----
TOTALS	-20,539.	-20,539.
	=====	=====

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
COVINGTON & BURLING	1,585.	NONE	NONE	NONE
TOTALS	1,585.	NONE	NONE	NONE

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ANNE L STONE & ASSOC. LLC	13,615.	NONE	NONE	NONE
C. DAY	500.	NONE	NONE	NONE
TOTALS	14,115.	NONE	NONE	NONE

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
M MANDERFIELD, GRANT ADMINISTR	87,928.	8,793.	NONE	61,550.
TOTALS	87,928.	8,793.	NONE	61,550.



FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
FEDERAL ESTIMATED TAXES	10,000.	NONE	NONE	NONE
FOREIGN TAXES PD ON DIVIDENDS	6,668.	6,668.	NONE	NONE
TOTALS	16,668.	6,668.	NONE	NONE

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
BANK FEES	248.	NONE	NONE	NONE
LICENSES	295.	NONE	NONE	NONE
TOTALS	543.	NONE	NONE	NONE

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
ALL CORPORATE STOCK, BOOK VALUE @ COST BASIS		
6425, 3M COMPANY	427,457.	463,243.
13350, ABBOTT LABORATORIES	460,403.	603,821.
4450, ACCENTURE	172,642.	146,850.
11500, ADOBE SYSTEMS	334,004.	361,330.
16000, AES CORP	266,120.	218,720.
2900, ALLERGAN INC	167,820.	162,168.
7850, AMAZON.COM	285,391.	637,342.
5700, AMDOCS	201,870.	138,624.
9730, AMERICAN EXPRESS	1,181.	329,068.
140, AMER INTL GRP	153,645.	6,346.
2750, AMER MOVIL SA DE CV	146,371.	124,163.
5600, AMER TOWER CORP	174,646.	177,240.
3150, APPLE COMPUTER	173,515.	529,862.
9800, ARCHER COAL INC	259,922.	169,736.
3700, AXA SA SPNSERED ADR	117,748.	84,619.
9674, BANK OF AMERICA	329,231.	170,166.
3700, BAXTER INTN'L	187,614.	210,604.
2750, BECTON DICKINSON & CO	202,018.	191,455.
6000, BED, BATH & BEYOND	193,931.	218,880.
6700, BHP	221,216.	417,410.
2800, BIOTECH HOLDINGS TRUST	333,654.	279,496.
3350, BOEING CO	285,523.	166,394.
6400, BOSTON PROPERTIES, INC	176,553.	387,712.
11631, BOSTON SCIENTIFIC CORP	228,942.	136,664.
3150, BURLINGTON NTHN SANTA	240,355.	261,513.
1850, CAPITAL ONE FINANCIAL	78,393.	68,987.
1850, CATERPILLAR INC (CAT)	142,936.	83,823.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	----
4400, CHESAPEAKE	133,571.	100,496.
10177, CHINA FUND INC	241,478.	223,996.
29550, CISCO SYSTEMS, INC	44,602.	638,280.
9500, CITIGROUP, INC	237,058.	47,500.
650, COACH INC	18,232.	18,388.
3000, COLGATE PALMOLIVE	163,853.	218,100.
9568, COMCAST CORP NEW	225,967.	146,582.
10400, CONOCOPHILLIPS	270,094.	468,312.
8800, CORNING	103,533.	132,704.
10500, COSTCO WHOLESALE CORP	392,096.	535,290.
28917, CVS CORP	540,109.	1,084,966.
3600, DANAHER CORP	219,930.	218,556.
16900, DELL COMPUTER CORP	588,519.	267,527.
3900, DISNEY	124,801.	101,556.
5241, DIVX INC	5,961.	27,358.
7900, EBAY	274,874.	174,906.
6100, EMERSON ELECTRIC	230,071.	224,907.
450, EXPRESS SCRIPTS INC	31,427.	32,499.
26622, EXXON MOBIL CORP	179,618.	1,840,911.
7850, FED EX CORP	289,307.	539,373.
4850, FISERVE INC.	175,093.	234,012.
8175, FRANKLIN RESERVE, INC	310,233.	762,973.
15300, GAP INC	397,130.	300,645.
59800, GENERAL ELECTRIC	67,508.	831,220.
2500, GLAXOSMITHKLINE	128,094.	97,750.
475, GOLDMAN SACHS GRP	83,796.	78,593.
540, GOOGLE	248,247.	249,302.
7103, HEWLETT PACKARD	252,536.	318,854.
13700, HOME DEPOT INC	452,887.	373,873.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
5600, HONEYWELL	230,157.	205,856.
3500, HSBC HOLDINGS PLC	246,885.	188,720.
400, ILLUMINA INC	15,621.	14,108.
4250, INFOSYS TECH LTD	196,908.	183,727.
17200, INTEL CORP	88,231.	349,504.
1000, INTERDIGITAL INC	22,413.	20,960.
8000, INTER BUSINESS MACH.	721,442.	944,400.
175, INTUITIVE SURGICAL INC	43,190.	38,974.
18500, ISHARES MSCI JPN	227,358.	189,070.
1350, ISHARES MSCI BRAZIL	103,875.	78,583.
200, ISHARES S&P INDE (IJH)	12,304.	13,074.
200, ISHARES RUSSELL (IWM)	11,924.	11,440.
2300, ISHARES S&P EUR (IEV)	86,215.	84,387.
1200, ISHARES NASDAQ BIOTECH	73,621.	93,936.
7950, ISHARES MSCI EMRG(EEM)	192,459.	280,714.
7200, ISHARES FTSE CHI (FXI)	150,502.	283,032.
3150, ISHS MSCI JPN (EPP)	98,692.	116,392.
250, ISHS RUSSELL MID	18,737.	18,560.
6800, JOHNSON & JOHNSON	383,607.	410,992.
5100, JP MORGAN & CHASE CO	223,659.	221,646.
300, LOCKHEED MARTIN	23,354.	22,494.
60600, LOWES CO	600,844.	1,302,900.
3600, MCDONALDS CORP	208,019.	202,464.
12000, MCGRAW HILL	136,067.	403,320.
3400, MEDCO HEALTH SOLUTIONS	89,451.	187,748.
9700, MEDTRONIC INC	358,788.	371,510.
4100, MEMC ELECTR MATLS	222,530.	65,395.
6400, MERCK INC	391,861.	207,552.
2800, METTLER-TOLEDO INTL	146,782.	244,720.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
17400, MICROSOFT	105,185.	428,910.
6850, MS INDIA	228,769.	130,767.
32094, NEWS CORP	423,613.	344,048.
6200, NIKE INC	258,487.	343,418.
23000, NOKIA CORP	504,619.	322,230.
3200, NOVARTIS AG SPONS	172,281.	148,704.
18600, ORACLE CORP	242,878.	406,968.
1000, PEABODY ENERGY CORP	48,627.	32,680.
12000, PEPSICO	418,064.	680,040.
1400, PETROLEO BRASILEO SA	76,823.	55,496.
21450, PFIZER	181,572.	358,215.
4500, POLO RALPH LAUREN	329,416.	298,710.
34100, PROCTOR & GAMBLE	74,098.	1,845,151.
1100, QUEST DIAGONISTICS INC	60,173.	59,356.
450, RIO TINTO PLC SPONS	90,672.	69,822.
5900, SAP AKTIENGESSELLSCHAFT	250,216.	287,684.
8000, SAUL CENTERS INC	117,615.	260,720.
2400, SCHLUMBERGER LTD	228,608.	134,880.
6309, SIMON PROPERTY GROUP	155,345.	401,379.
43825, STAPLES	525,632.	947,058.
7500, STATE STREET CORP	2,476.	393,600.
8150, STRYKER CORP	393,997.	337,899.
3700, SUNCORP ENERGY	151,618.	113,368.
12100, TARGET CORP	330,269.	568,700.
6807, TEMPLETON CHINA	86,768.	204,610.
4900, TIME WARNER INC	477,902.	136,759.
1230, TIME WARNER CABLE INC	157,465.	45,412.
1000, TRAVELERS COS INC	42,024.	50,420.
6200, UNION PAC CORP	279,540.	370,822.

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
6600, UPS INC	386,581.	352,836.
8400, UNITED TECH CORP	304,062.	498,624.
21600, VALE SA ADR	233,934.	414,936.
6250, VALERO ENERGY CORP	226,544.	117,125.
4500, VERIZON COMMUNICATIONS	24,399.	139,680.
6064, VORNADO RLTY TR	284,130.	348,801.
12200, WAL MART	324,649.	620,614.
600, WEATHERFORD INT'L	11,863.	11,970.
11236, WELLS FARGO COMPANY	502,367.	311,692.
8500, WILLIAMS COS	207,529.	139,740.
4750, WIPRO LTD	71,844.	74,812.
1600, WOODSIDE PETE LTD	53,882.	65,600.
9224, YAHOO INC	235,765.	134,763.
4700, ZIMMER HOLDINGS INC	300,370.	222,545.
TOTALS	27,301,893.	37,023,407.

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
DRAPER ATLANTIC VENTURE FND	NONE	16,748.
DRAPER ATLANTIC VENTURE FND II	97,928.	190,342.
DFJ GOTHAM VENTURE FUND II LP	70,781.	67,533.
DFJ DRAGON FUND CHINA II LP	14,996.	13,970.
DFJ FRONTIER FUND II LP	25,997.	25,885.
TOTALS	209,702.	314,478.



FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

-----  
DESCRIPTION

AMOUNT  
-----

ADJUSTMENT TO CAPITAL GAIN RE: ASSETS 821.  
HELD AT 12/31/69

TOTAL -----  
===== 821.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
LEE M. FOLGER 6862 ELM STREET SUITE 740 MCLEAN, VA 22101	PRES/TREAS 2.	NONE	NONE	NONE
JOHN D. FOLGER 6862 ELM STREET SUITE 740 MCLEAN, VA 22101	SECRETARY 1.	NONE	NONE	NONE
JULIET C. FOLGER 6862 ELM STREET SUITE 740 MCLEAN, VA 22101	VICE-PRES 2.	NONE	NONE	NONE
GRAND TOTALS				
		NONE	NONE	NONE

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

NAME AND ADDRESS -----	TYPE OF SERVICE -----	COMPENSATION -----
MOLLY MANDERFIELD 725 FIFTEENTH ST NW, 3RD FLOOR WASHINGTON, DC 20005 GRANT ADMINISTRATOR	GRANT ADMINISTRATION	87,928.
TOTAL COMPENSATION		----- 87,928. =====

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS  
=====

KATHRINE D. FOLGER, DECEASED 9/2/97  
LEE M. FOLGER

**THE LEE AND JULIET FOLGER FUND**  
**September 1, 2008 – August 31, 2009**

**52-0794388**

**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

**Page 1**

Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Alliance Francaise de Washington 2142 Wyoming Avenue, N.W. Washington, D.C. 20008	None Public Charity	A. Bujon Educational Initiative	\$ 3,500
The American Ireland Fund 211 Congress Street, 10 <sup>th</sup> Floor Boston, MA 02113	None Public Charity	Pushkin Project and Prizes	25,000
American Red Cross of National Capital Area 8550 Arlington Boulevard Fairfax, VA 22031	None Public Charity	General Operating Expenses	25,000
Asia Society 725 Park Avenue New York, NY 10021	None Public Charity	President's Circle Program	1,500
Asia Society 725 Park Avenue New York, NY 10021	None Public Charity	General Operating Expenses	35,000
Asia Society 725 Park Avenue New York, NY 10021	None Public Charity	Muslin Voices Program	10,000
Beauvoir, The National Cathedral Elementary School 3500 Woodley Road, N.W. Washington, D.C. 20016	None Public Charity	Book Fair Program	1,000
Beauvoir, The National Cathedral Elementary School 3500 Woodley Road, N.W. Washington, D.C. 20016	None Public Charity	The Annual Fund	2,500
Beauvoir, The National Cathedral Elementary School 3500 Woodley Road, N.W. Washington, D.C. 20016	None Public Charity	Scholarship Fund	2,500
The Bhutan Foundation 2100 Pennsylvania Avenue, N.W., Suite 525 Washington, D.C. 20037	None Public Charity	Tiger and Snow Leopard Programs	7,500
Boston Antiques for Charity, Inc. 66 Charles Street, Suite 506 Boston, MA 02114	None Public Charity	General Program	20,000

**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

<b>Recipient Name and Address</b>	<b>Relationship to Substantial Contributor And Foundation Status of Recipient</b>	<b>Purpose of Grant or Contribution</b>	<b>Amount</b>
Boston Higashi School, Inc. 800 North Main Street Randolph, MA 02368	None Public Charity	General Operations	\$ 1,500
Bright Beginnings, Inc. 128 M Street, N.W., Suite 150 Washington, D.C. 20001	None Public Charity	Family Services Program	2,000
The Brookings Institution 1775 Massachusetts Avenue, N.W. Washington, D.C. 20036	None Public Charity	Trustees Council Program	10,000
The Brookings Institution 1775 Massachusetts Avenue, N.W. Washington, D.C. 20036	None Public Charity	CNAPS Program 2009	25,000
Capital Area Food Bank 645 Taylor Street, N.E. Washington, D.C. 20017	None Public Charity	General Operating Expenses	5,000
Capital Partners for Education 1413 K Street, N.W., Second Floor Washington, D.C. 20005	None Public Charity	General Program	1,000
Center for Strategic and International Studies 1800 K Street, N.W. Washington, D.C. 20006	None Public Charity	General Operating Expenses	30,000
Center for the Study of the Presidency and Congress 1020 19 <sup>th</sup> Street, N.W., Suite 250 Washington, D.C. 20036	None Public Charity	General Operating Expenses	1,000
Combined Federal Agencies Child Development Center 1425 New York Avenue, N.W., Suite 200 Washington, D.C. 20005	None Public Charity	Teachers Programs	1,500
Corcoran Gallery of Art Trustees 500 17 <sup>th</sup> Street, N.W. Washington, D.C. 20006	None Public Charity	Annual Fund	10,000
Corcoran Gallery of Art 500 17 <sup>th</sup> Street, N.W. Washington, D.C. 20006	None Public Charity	General Program	10,000

**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
D.C. Preparatory Academy 707 Edgewood Street, N.E. Washington, D.C. 10027	None Public Charity	General Operating Expenses	\$ 2,000
Defenders of Wildlife 1130 Seventeenth Street, N.W. Washington, D.C. 20036	None Public Charity	General Program	10,000
Dexter School 20 Newton Street Brookline, MA 02445	None Public Charity	Annual Giving Program	7,500
Federal City Council 1156 Fifteenth Street, N.W., Suite 600 Washington, D.C. 20005	None Public Charity	General Operating Expenses	11,000
Folger Shakespeare Library 201 East Capitol Street, S.E. Washington, D.C. 20003	None Public Charity	Exhibition Hall Renovation Project	150,000
Folger Shakespeare Library 201 East Capitol Street, S.E. Washington, D.C. 20003	None Public Charity	Director's Circle Program	10,000
Folger Shakespeare Library 201 East Capitol Street, S.E. Washington, D.C. 20003	None Public Charity	General Operating Expenses	20,000
Foundation for Art and Preservation in Embassies 1725 I Street, N.W., Suite 300 Washington, D.C. 20006	None Public Charity	General Operating Program	1,500
The Friends of Pleasant Grove 8700 Lewinsville Road McLean, VA 22102	None Public Charity	Maintenance and Improvement Projects	15,000
Friends of The Public Garden 87 Mount Vernon Street Boston, MA 02108	None Public Charity	General Operating Expenses	2,500
Fund for the Endowment of the Diplomatic Reception Rooms of the Department of State P.O. Box 65375 Washington, D.C. 20035	None Public Charity	General Operating Expenses	1,000

**THE LEE AND JULIET FOLGER FUND**  
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**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

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Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Gateway School 126 Eucalyptus Avenue Santa Crus, CA 95060	None Public Charity	Annual Giving Program	\$ 5,000
The Greater Washington Educational Telecommunication Association (WETA) 2775 South Quincy Street Arlington, VA 22206	None Public Charity	Classical WETA 90.9 FM Program Support	5,000
Foundation for Georgetown University Hospital 3800 Reservoir Road, N.W. Washington, D.C. 20007	None Public Charity	Telemetry Monitors for for Critical Care Units	50,500
Groton School 40 Shirley Road, P.O. Box 991 Groton, MA 01450-0991	None Public Charity	Annual Giving Campaign	15,000
The Guardsmen 340 Brannan Street San Francisco, CA 94107	None Public Charity	Scholarship Fund	5,000
Harvard College President and Fellows Fairbanks Center for Chinese Studies 1730 Cambridge Street, Room 5112 Cambridge, MA 02138	None Public Charity	Support of China and the World Initiative	50,000
Harvard College President and Fellows Fairbanks Center for Chinese Studies 1730 Cambridge Street, Room 5112 Cambridge, MA 02138	None Public Charity	China Educational Revolution Program	50,000
Harvard College President and Fellows 124 Mount Auburn Street, Att: Recording Secretary's Office Cambridge, MA 02138	None Public Charity	Harvard College Fund	25,000
Harvard University Trustees/ Dumbarton Oaks 1703 32 <sup>nd</sup> . Street, N.W. Washington, D.C., 2007	None Public Charity	Music Room Terrace Pre-Columbian Copse Lighting Project	41,000



FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Harvard College President and Fellows 1350 Massachusetts Avenue, Room 371 Cambridge, MA 02138	None Public Charity	Memorial Church General Operating Program	\$ 2,500
Harvard College President and Fellows Fairbanks Center for Chinese Studies 1730 Cambridge Street, Room 5112 Cambridge, MA 02138	None Public Charity	China and the World Initiative 2009-2010	50,000
Harvard College President and Fellows Fairbanks Center for Chinese Studies 1730 Cambridge Street, Room 5112 Cambridge, MA 02138	None Public Charity	China's Engineering State Project	25,000
Harvard College President and Fellows Harvard University History Department 35 Quincy Street, 201 Robinson Hall Cambridge, MA 02138	None Public Charity	Senior Associates Projects Dr. Andrew Gordon	25,000
Immaculate Conception School 1315 8 <sup>th</sup> Street, N.W. Washington, D.C. 20001	None Public Charity	Monsignor Joshua Mundell Scholarship Fund	5,000
Innisfree Incorporated 5505 Walnut Level Road Crozet, VA 22932	None Public Charity	General Operating Expenses	1,000
John F. Kennedy Center for the Performing Arts 2700 F Street, N.W. Washington, D.C. 20566	None Public Charity	Kirov Ballet Program 2009	50,000
John F. Kennedy Center for the Performing Arts 2700 F Street, N.W. Washington, D.C. 20566	None Public Charity	American Ballet Theatre Program 2010 Season	100,000
John Hopkins University Fund for Johns Hopkins Medicine One Charles Center, Suite 220 100 North Charles Street Baltimore, MD 21201	None Public Charity	General Operating Expenses	25,000
Johns Hopkins University Paul H. Nitze School of Advance International Studies 1740 Massachusetts Avenue Washington, D.C. 20035	None Public Charity	In Memory of Aldus Chapin	5,000

**THE LEE AND JULIET FOLGER FUND**  
**September 1, 2008 – August 31, 2009**

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**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

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Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Light Boston, Inc. 139A Charles Street Boston, MA 02114-3282	None Public Charity	Custom House Tower Project	\$ 7,500
Maple Farm Sanctuary 101 North Avenue Mendon, MA 01756	None Public Charity	General Operating Expenses	1,000
Mary's Center for Maternal and Child Care, Inc. 2333 Ontario Road, N.W. Washington, D.C. 20009	None Public Charity	Healthy Start Initiative Healthy Families DC Programs	1,500
The Metropolitan Club Preservation Foundation 1700 H Street, N.W. Washington, D.C. 20006	None Public Charity	Program to Maintain Building's Infrastructure	35,000
The Friends of Mitchell Park, Inc. 2401 Tracy Place, N.W. Washington, D.C. 20008	None Public Charity	General Operating Expenses	2,000
National Cathedral School for Girls Mount Saint Alban Washington, D.C. 20016	None Public Charity	Annual Giving Program	7,500
National Gallery of Art 2000 B South Club Drive Landover, MD 20785	None Public Charity	Patron Level of Circle	15,000
National Gallery of Art Att: Christine M. Myers 2000 B South Club Drive Landover, MD 20785	None Public Charity	Partial Purchase of Ruysdael's Painting "Ferry Boat Crossing"	2,500,000
National Gallery of Art 2000 B South Club Drive Landover, MD 20785	None Public Charity	Exhibition Circle Program	20,000

**THE LEE AND JULIET FOLGER FUND**  
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**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

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Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
National Geographic Society 1145 17 <sup>th</sup> Street, N.W. Washington, D.C. 20036	None Public Charity	Big Cats Conservation Initiative/Botswana	\$ 70,000
National Geographic Society 1145 17 <sup>th</sup> Street, N.W. Washington, D.C. 20036	None Public Charity	Gilbert M. Grosvenor Fund for Geography Education	25,000
National Geographic Society 1145 17 <sup>th</sup> Street, N.W. Washington, D.C. 20036	None Public Charity	2009 Teacher Leadership Academy	25,000
North Haven Conservation Partners P.O. Box 336 North Haven, Maine 04853	None Public Charity	Ongoing conservation Projects	10,000
The Northwest Center 2702 Ontario Road, N.W. Washington, D.C. 20009	None Public Charity	Pregnancy Center Program	1,000
Opera Camerata of Washington, D.C. 1819 Shedherd Street, N.W. Washington, D.C. 20011	None Public Charity	General Operating Expenses	1,000
Peabody Essex Museum East India Square Salem, MA 01970	None Public Charity	Program to Exhibit and Conserve Works on Paper	50,000
Peterson Institute for International Economics 1750 Massachusetts Avenue, N.W. Washington, D.C. 20036-1903	None Public Charity	Various Research Programs Including Asia	30,000
The Phillips Collection 1600 21 <sup>st</sup> Street, N.W. Washington, D.C. 20007	None Public Charity	General Operating Expenses	2,500
Protestant Episcopal Cathedral Foundation for the Benefit of St Albans School Mount St. Alban Washington, D.C. 20016	None Public Charity	St Albans School Annual Giving Program	15,000
Protestant Episcopal Cathedral Foundation Massachusetts and Wisconsin Avenues, N.W. Washington, D.C. 20016	None Public Charity	Annual Fund	35,000

**THE LEE AND JULIET FOLGER FUND**  
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**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

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Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Protestant Episcopal Cathedral Foundation Massachusetts and Wisconsin Avenues, N.W. Washington, D.C. 20016	None Public Charity	Sunday Forum Project	\$ 50,000
Roanoke College 221 College Lane Salem, VA 24153	None Public Charity	Steve LaMantia Endowed Scholarship Fund	2,500
The Rockefeller University 1230 York Avenue, Box 164 New York, NY 10065	None Public Charity	John C. Whitehead Presidentail Fellowships Program	1,000
St. Albans School Mount Saint Alban Washington, D.C. 20016	None Public Charity	Vernon W. Holleman, Jr Scholarship Fund	1,000
St. Ann's Infant and Maternity Home 4901 Eastern Avenue Hyattsville, MD 20782	None Public Charity	Mother and Baby Programs	2,000
Saint Francis Service Dogs P.O. Box 19538, 8232 Enon Drive Roanoke, VA 24019	None Public Charity	Gen. Operating Expenses in memory Barbara Ann Esty Meyer	1,000
St. George's School P.O. Box 1910 Newport, RI 02840-0190	None Public Charity	Annual Giving Program	7,500
St. George's School P.O. Box 1910 Newport, RI 02840-0190	None Public Charity	Annual Fund	15,000
St. John's Church, Lafayette Square 1525 H Street, N.W. Washington, D.C. 20005	None	Annual Giving Campaign	5,000
Sibley Memorial Hospital 5255 Loughboro Road, N.W. Washington, D.C. 20016	None Public Charity	Progress and Hope Program for Oncology	25,000

**THE LEE AND JULIET FOLGER FUND**  
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**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

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Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
The Society of the Four Arts 2 Four Arts Plaza Palm Beach, FL 33480	None Public Charity	General Program	\$ 1,000
Southfield School 10 Newton Street Brookline, MA 02445	None Public Charity	Annual Giving Program	7,500
Southfield School 10 Newton Street Brookline, MA 02445	None Public Charity	General Operating Expenses	2,500
Sustainable Development Institute, Inc. 3121 South Street, N.W. Washington, D.C. 20007	None Public Charity	General Operating Expenses	1,000
The Trustees of Reservations 572 Essex Street Beverly, MA 01915	None Public Charity	Essex River Estuary Project	5,000
The Trustees of Reservations 572 Essex Street Beverly, MA 01915	None Public Charity	Essex River Estuary Project	5,000
University of Miami Miller School of Medicine P.O. Box 248073 Coral Gables, FL 33123-2932	None Public Charity	Executive Medicine Program	7,000
The University of Virginia McIntire School of Commerce Foundation P.O. Box 400173 Charlottesville, VA 22904-4173	None Public Charity	General Operating Expenses	1,000
The University of Virginia McIntire School of Commerce Foundation P.O. Box 400173 Charlottesville, VA 22904-4173	None Public Charity	General Operating Expenses	1,000
The Washington Chorus 1010 Wisconsin Avenue, Suite 310 Washington, D.C. 20007	None Public Charity	General Operating Expenses	1,000

**THE LEE AND JULIET FOLGER FUND**  
**September 1, 2008 – August 31, 2009**

52-07943

**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

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Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
Washington Hospital Center Foundation 110 Irving Street, N.W. East Building, Room 1001 Washington, D.C. 10010-2975	None Public Charity	Cardiology Diagnostic Equipment/Purchase of Philips 3D Echocardiography	\$ 50,000
Washington National Opera 2600 Virginia Avenue, N.W., Suite 301 Washington, D.C. 20037	None Public Charity	General Operating Expenses	40,000
Wild Entrust International 3404 4 <sup>th</sup> Avenue South Seattle, WA 98134	None Public Charity	General Operations Expenses	30,000
Windemere Foundation 7900 Miami Lakes Drive West Miami Lakes, FL 33016	None Public Charity	General Operating Expenses	500
The World Affairs Council of Washington, D.C. 1200 18 <sup>th</sup> Street, N.W., Suite 902 Washington, D.C. 20036	None Public Charity	General Program	5,000
<b>TOTAL CONTRIBUTIONS PAID</b>			<b>\$4,117,500</b>

**FORM 990PF, PART XV – GRANTS AND CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT**

Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
American University Washington College of Law 4801 Massachusetts Avenue, N.W. Washington, D.C. 20016	None Public Charity	Energy and Natural Resources Scholarship Fund	\$ 10,000
Asia Society 725 Park Avenue New York, NY 10021	None Public Charity	General Operations	25,000
The Brookings Institution 1775 Massachusetts Avenue, N.W. Washington, D.C. 20006	None Public Charity	Northeast Asia Project	50,000
Center for Strategic and International Studies 1899 K Street, N.W. Washington, DC. 20006	None Public Charity	General Operations	40,000
Corcoran Gallery of Art 500 17 <sup>th</sup> Street, N.W. Washington, D.C. 20006	None Public Charity	General Program and Photography School	20,000
Folger Shakespeare Library 201 East Capitol Street, S.E. Washington, D.C. 20003	None Public Charity	General Operations	50,000
Georgetown University Hospital 3800 Reservoir Road, N.W. Washington, D.C. 20007	None Public Charity	Cardiology Dept.	50,000
Harvard University 1737 Cambridge Street Cambridge, MA 01238	None Public Charity	Asia Center	150,000
JFK Center for the Performing Arts 2700 F Street, N.W. Washington, D.C. 20566	None Public Charity	General Operations	150,000
Johns Hopkins University 100 North Charles Street Baltimore, MD	None Public Charity	Fund for Medicine General Operations	25,000
National Gallery of Art 2000B South Club Drive Landover, MD 20785	None Public Charity	Exhibit Support	150,000

Recipient Name and Address	Relationship to Substantial Contributor And Foundation Status of Recipient	Purpose of Grant or Contribution	Amount
National Geographic Society 1145 17 <sup>th</sup> Street, N.W. Washington, D.C. 20036	None Public Charity	Education and Animal Conservation	\$ 250,000
Peabody Essex Museum East India Square Salem, MA 01970	None Public Charity	Works on Paper Project	50,000
Protestant Episcopal Cathedral Foundation Mount Saint Albans Washington, D.C. 20036	None Public Charity	General Operations	150,000
St. Albans School Mount Saint Albans Washington, D.C. 20036	None Public Charity	General Operations	100,000
Sibley Memorial Hospital 5255 Loughboro Road, N.W. Washington, D.C. 20016	None Public Charity	Progress and Hope Oncology	25,000
Smithsonian Institution 1000 Jefferson Drive, N.W. Washington, D.C.	None Public Charity	Exhibit Support	50,000
Washington Hospital Center 110 Irving Street, N.W. Washington, D.C., 20010	None Public Charity	General Support	50,000
Washington National Opera 2600 Virginia Avenue, N.W., suite 301 Washington, D.C., 20037	None Public Charity	General Operating Expenses	40,000
Wild Entrust International 3404 Fourth Avenue South Seattle, WA 98134	None Public Charity	General Operations	30,000
<b>Total Contributions Approved for Future Payment</b>			<b>\$ 1,465,000.00</b>



INFORMATION STATEMENT PURSUANT TO TREASURY REGULATION SECTION 1.307-1(a)  
BY A SHAREHOLDER THAT RECEIVED A DISTRIBUTION OF STOCK SUBSCRIPTION RIGHTS  
FROM HSBC HOLDINGS PLC ADS

On March 20, 2009, HSBC Holdings plc (HSBC) distributed to its ADS holders the right to acquire HSBC ADS shares at a discounted price. Each ADS share represents five Ordinary shares. Five HSBC ADS rights were received for each twelve HSBC ADS shares.

The closing prices on the date of distribution on the London stock exchange were:

HSBC Ordinary shares: 371.00 pence

HSBC Ordinary rights: 110.00 pence

The equivalent market values of the ADS shares and ADS rights were therefore:

12 ADS shares x 5 Ordinary shares per ADS share x 371.00 pence =	22,260.00 pence	89.0%
5 ADS rights x 5 Ordinary rights per ADS right x 110.00 pence =	<u>2,750.00 pence</u>	<u>11.0%</u>
Combined equivalent market value =	<u>25,010.00 pence</u>	<u>100.0%</u>

The equivalent market value of the HSBC ADS rights was 11% of the combined equivalent market value of HSBC ADS shares and HSBC ADS rights on the London stock exchange on the date of distribution. The market value of the HSBC ADS rights is less than fifteen percent (15%) of the HSBC ADS shares and no basis allocation is required per Treasury Regulation Section 1.307-2.

However, taxpayer irrevocably elects, pursuant to Treasury Regulation Sections 1.307-1(a), to allocate basis from HSBC ADS shares to HSBC ADS rights with respect to all ADS rights received in the distribution of March 20, 2009.

Lee AND Juliet Folger Fund  
Shareholder's Name

x Lee Folger  
Shareholder's Signature Lee Folger, President

52-0794388  
Social Security Number or  
Taxpayer Identification Number

# Capital Gains and Losses

**2008**

Department of the Treasury  
Internal Revenue Service

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).**

Name of estate or trust <b>THE LEE AND JULIET FOLGER FUND</b>	Employer identification number <b>52-0794388</b>
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**Note:** Form 5227 filers need to complete **only Parts I and II**

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>1a</b>					
<b>b</b> Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .					<b>1b</b>
<b>2</b> Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .					<b>2</b>
<b>3</b> Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .					<b>3</b>
<b>4</b> Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2007 Capital Loss Carryover Worksheet . . . . .					<b>4</b> ( )
<b>5</b> <b>Net short-term gain or (loss).</b> Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back . . . . . ▶					<b>5</b>

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
<b>6a</b>					
<b>b</b> Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .					<b>6b</b> 478,542.
<b>7</b> Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .					<b>7</b>
<b>8</b> Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .					<b>8</b> -6,099.
<b>9</b> Capital gain distributions . . . . .					<b>9</b> 76,171.
<b>10</b> Gain from Form 4797, Part I . . . . .					<b>10</b>
<b>11</b> Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2007 Capital Loss Carryover Worksheet . . . . .					<b>11</b> ( )
<b>12</b> <b>Net long-term gain or (loss).</b> Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back . . . . . ▶					<b>12</b> 548,614.

<b>Part III Summary of Parts I and II</b>		(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
<b>Caution: Read the instructions before completing this part</b>				
<b>13</b>	<b>Net short-term gain or (loss)</b> . . . . .	<b>13</b>		
<b>14</b>	<b>Net long-term gain or (loss):</b>			
a	Total for year . . . . .	<b>14a</b>		548,614.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh) . . . . .	<b>14b</b>		
c	28% rate gain . . . . .	<b>14c</b>		
<b>15</b>	<b>Total net gain or (loss).</b> Combine lines 13 and 14a . . . . . ▶	<b>15</b>		548,614.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary

<b>Part IV Capital Loss Limitation</b>		<b>16</b>
<b>16</b>	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the <b>smaller</b> of a The loss on line 15, column (3) or b \$3,000	( )

**Note:** If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover

**Part V Tax Computation Using Maximum Capital Gains Rates**

**Form 1041 filers.** Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero

**Caution:** Skip this part and complete the worksheet on page 8 of the instructions if

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

**Form 990-T trusts.** Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

<b>17</b>	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	<b>17</b>		
<b>18</b>	Enter the <b>smaller</b> of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>		
<b>19</b>	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	<b>19</b>		
<b>20</b>	Add lines 18 and 19 . . . . .	<b>20</b>		
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . . . ▶	<b>21</b>		
<b>22</b>	Subtract line 21 from line 20 If zero or less, enter -0- . . . . .	<b>22</b>		
<b>23</b>	Subtract line 22 from line 17 If zero or less, enter -0- . . . . .	<b>23</b>		
<b>24</b>	Enter the <b>smaller</b> of the amount on line 17 or \$2,200 . . . . .	<b>24</b>		
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> <b>Yes.</b> Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> <b>No.</b> Enter the amount from line 23. . . . .	<b>25</b>		
<b>26</b>	Subtract line 25 from line 24. . . . .	<b>26</b>		
<b>27</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> <b>Yes.</b> Skip lines 27 thru 30 go to line 31 <input type="checkbox"/> <b>No.</b> Enter the <b>smaller</b> of line 17 or line 22 . . . . .	<b>27</b>		
<b>28</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>		
<b>29</b>	Subtract line 28 from line 27 . . . . .	<b>29</b>		
<b>30</b>	Multiply line 29 by 15% ( 15). . . . .			<b>30</b>
<b>31</b>	Figure the tax on the amount on line 23 Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions) . . . . .			<b>31</b>
<b>32</b>	Add lines 30 and 31 . . . . .			<b>32</b>
<b>33</b>	Figure the tax on the amount on line 17 Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions) . . . . .			<b>33</b>
<b>34</b>	<b>Tax on all taxable income.</b> Enter the <b>smaller</b> of line 32 or line 33 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T). . . . .			<b>34</b>

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

THE LEE AND JULIET FOLGER FUND

52-0794388

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a					
575 3M COMPANY			40,003.	39,548.	455.
300 AMAZON COM INC	09/30/2005	09/09/2008	23,766.	13,738.	10,028.
500 AMER EXPRESS CO	02/04/1957		18,338.	61.	17,456.
500.35 AMERICAN INTERNATIONAL GROUP			2,529.	19,812.	-17,283.
100 APPLE COMPUTER INC		09/09/2008	15,128.	10,687.	4,441.
500 BIOTECH HOLDERS TR DEP RCPTS		08/05/2009	50,105.	70,965.	-20,860.
1200 BOSTON PPTYS INC			107,547.	38,221.	69,326.
500 CAPITAL ONE FINL CORP			23,860.	23,586.	274.
500 COSTCO WHSL CORP		09/09/2008	34,289.	23,704.	10,585.
50 FEDEX CORP	02/09/2000	09/22/2008	4,232.	1,984.	2,248.
400 FISERV INC			19,959.	15,516.	4,443.
125 FRANKLIN RES INC	11/24/1998		11,314.	5,655.	5,659.
1800 GAP INC			31,841.	72,993.	-41,152.
2904 GENENTECH INC	03/25/2008	03/26/2009	275,800.	92,707.	183,093.
500 GLAXOSMITHKLINE PLC ADS			21,790.	25,280.	-3,490.
200 HSBC HOLDINGS PLC ADR			15,412.	15,438.	-26.
1458 HSBC HOLDINGS PLC ADR RTS			12,952.	24,017.	-11,065.
1000 LOWES COS INC			25,771.	12,593.	13,178.
300 MERCK & CO INC		05/21/2009	7,739.	21,435.	-13,696.
1150 MOTOROLA INC			9,561.	18,502.	-8,941.
500 NOVARTIS AG SPONS ADR			26,345.	27,010.	-665.
600 PEPSICO INC		09/09/2008	42,465.	25,029.	17,436.
2000 PFIZER INC	02/08/1988		34,889.	4,285.	30,604.
1600 PROCTER & GAMBLE CO	10/27/1980		115,257.	3,536.	111,721.
1350 SIMON PROPERTY GROUP INC			118,424.	32,990.	85,434.

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . . .

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number  
52-0794381

THE LEE AND JULIET FOLGER FUND

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr)	(c) Date sold (mo., day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 1000 STAPLES INC		09/09/2008	24,573.	18,936.	5,637.
400 STATE STREET CORP	07/27/1973		26,128.	132.	25,996.
400 TIME WARNER INC		08/05/2009	10,893.	20,735.	-9,842.
100 TIME WARNER CABLE INC			3,410.	6,828.	-3,418.
400 VALERO ENERGY CORP			12,578.	13,545.	-967.
300 VORNADO REALTY TRUST	04/22/2004		22,424.	15,083.	7,341.
351 WELLS FARGO & CO	12/03/2004		10,945.	11,038.	-93.
200 ZIMMER HLDGS INC	08/22/2005	05/21/2009	8,752.	16,589.	-7,837.
450 INTERNATIONAL BUSINESS MACH			51,943.	49,797.	2,146.
RIO TINTO STOCK RIGHTS			10,376.		10,376.

**6b Total.** Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . . . 478,542.

# Application for Extension of Time To File an Exempt Organization Return

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

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

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

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*

Type or print  File by the due date for filing your return See instructions	Name of Exempt Organization	Employer identification number
	THE LEE AND JULIET FOLGER FUND	52-0794388
	Number, street, and room or suite no. If a P.O. box, see instructions	C/O ANNE L. STONE & ASSOCIATES, LLC
	6862 ELM STREET, SUITE 740	
	City, town or post office, state, and ZIP code For a foreign address, see instructions	
	MCLEAN, VA 22101	

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

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

• The books are in the care of ► ANNE L STONE & ASSOCIATES, LLC

Telephone No ► 703 847-1350 FAX No ► \_\_\_\_\_

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

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 04/15, 2010 to file the exempt organization return for the organization named above. The extension is for the organization's return for

►  calendar year \_\_\_\_\_ or  
►  tax year beginning 09/01, 2008 and ending 08/31, 2009

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 13,138.
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$ 34,481.
c	<b>Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$

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

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