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

2008

Department of the Treasury
Internal Revenue Service (77)

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 10/01, 2008, and ending 9/30, 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.

**PEALE FOUNDATION, INC
C/O ELIZABETH ALLEN
665 OLD QUAKER HILL ROAD
PAWLING, NY 12564**

A Employer identification number
14-1746478

B Telephone number (see the instructions)

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, column (c), line 16) **J** Accounting method: Cash Accrual
 Other (specify) _____

I \$ 5,486,781. (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 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 (att sch)	82,000.			
2	Check <input type="checkbox"/> if the foundn is not req to att Sch B				
3	Interest on savings and temporary cash investments	41,432.	41,432.		
4	Dividends and interest from securities	92,673.	92,673.		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain/(loss) from sale of assets not on line 10	-248,337.			
b	Gross sales price for all assets on line 6a <u>1,240,910.</u>				
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 and allowances				
b	Less: Cost of goods sold				
c	Gross profit/(loss) (att sch)				
11	Other income (attach schedule) SEE STATEMENT 1	7,503.	7,503.		
12	Total. Add lines 1 through 11	-24,729.	141,608.	0.	
13	Compensation of officers, directors, trustees, etc	30,000.	7,500.		22,500.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach sch) SEE ST 2	9,100.	6,825.		2,275.
c	Other professional fees				
17	Interest				
18	Taxes (attach schedule)	5,036.			5,036.
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conference fees, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 4	64,216.	45,095.		19,121.
24	Total operating and administrative expenses. Add lines 13 through 23	108,352.	59,420.		48,932.
25	Contributions, gifts, grants paid PART XV	330,600.			330,600.
26	Total expenses and disbursements. Add lines 24 and 25	438,952.	59,420.	0.	379,532.
27	Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements	-463,681.			
	b Net investment income (if negative, enter -0)		82,188.		
	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	8,143.	72,814.	72,814.
	2 Savings and temporary cash investments	134,445.	138,281.	138,281.
	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 the instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments – US and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule)	5,290,139.	4,894,502.	4,894,502.
	c Investments – corporate bonds (attach schedule)	629,313.	185,418.	185,418.
	11 Investments – land, buildings, and equipment, basis	85,000.		
Less: accumulated depreciation (attach schedule) SEE STMT 5	85,000.	85,000.	183,200.	
12 Investments – mortgage loans				
13 Investments – other (attach schedule)				
14 Land, buildings, and equipment, basis				
Less: accumulated depreciation (attach schedule)				
15 Other assets (describe SEE STATEMENT 6)	11,479.	12,566.	12,566.	
16 Total assets (to be completed by all filers – see instructions. Also, see page 1, item I)	6,158,519.	5,388,581.	5,486,781.	
LIABILITIES	17 Accounts payable and accrued expenses	21,500.	16,800.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe)			
	23 Total liabilities (add lines 17 through 22)	21,500.	16,800.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
	24 Unrestricted	6,137,019.	5,371,781.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see the instructions)	6,137,019.	5,371,781.		
31 Total liabilities and net assets/fund balances (see the instructions)	6,158,519.	5,388,581.		

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	6,137,019.
2 Enter amount from Part I, line 27a	2	-463,681.
3 Other increases not included in line 2 (itemize)	3	
4 Add lines 1, 2, and 3	4	5,673,338.
5 Decreases not included in line 2 (itemize) SEE STATEMENT 7	5	301,557.
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	5,371,781.

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 shares MLC Company)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a SEE STATEMENT 8			
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			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
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	-248,337.
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 the instructions) If (loss), enter -0- in Part I, line 8]	3	-135,003.

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 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 (column (b) divided by column (c))
2007	480,865.	6,965,935.	0.069031
2006	502,057.	7,056,158.	0.071152
2005	482,238.	6,808,960.	0.070824
2004	400,762.	6,687,543.	0.059927
2003	362,449.	6,193,271.	0.058523
2 Total of line 1, column (d)			0.329457
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			0.065891
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5			4,822,487.
5 Multiply line 4 by line 3			317,758.
6 Enter 1% of net investment income (1% of Part I, line 27b)			822.
7 Add lines 5 and 6			318,580.
8 Enter qualifying distributions from Part XII, line 4			379,532.

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.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see 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	822.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	822.
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	822.
6 Credits/Payments			
a 2008 estimated tax pmts and 2007 overpayment credited to 2008	6 a	1,011.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c	2,492.	
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7		3,503.
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> 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		0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		2,681.
11 Enter the amount of line 10 to be Credited to 2009 estimated tax <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11	2,681.	0.

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 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 Form 1120-POL 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 <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
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 Form 990-T 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, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) <u>DE NY</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)? <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)(13)? If 'Yes', attach schedule (see 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? Website address ▶ N/A	13	X	
14	The books are in care of ▶ <u>PEALE FOUNDATION INC.</u> Telephone no ▶ <u>(914) 855-5000</u> Located at ▶ <u>665 OLD QUAKER HILL ROAD PAWLING NY</u> ZIP + 4 ▶ <u>12564</u>			
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		N/A	▶ <input type="checkbox"/> N/A

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
1 a	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	N/A
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 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. ▶ 20__ , 20__ , 20__ , 20__ .		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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
4 a	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

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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 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 instructions)? 5b N/A

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 6b X

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 7b N/A

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? 7b N/A

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 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
MARGARET P. EVERETT 36 COZIER HILL ROAD SHERMAN, CT 06784	PRES/DIRECTO 0	10,000.	0.	0.
JOHN S. PEALE 211A NORTHWEST 2ND STREET CHARLOTTESVILLE, VA 22902	V. PRES/DIREC 0	10,000.	0.	0.
ELIZABETH PEALE ALLEN 665 OLD QUAKER HILL ROAD PAWLING, NY 12564	SEC/TREA/DIR 0	10,000.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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 0

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 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 ▶ 0

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 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 instructions.	
3	

Total. Add lines 1 through 3 ▶	0.

BAA

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	4,714,028.
b	Average of monthly cash balances	1b	181,898.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	4,895,926.
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	4,895,926.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	73,439.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,822,487.
6	Minimum investment return. Enter 5% of line 5	6	241,124.

Part XI Distributable Amount (see 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	241,124.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	822.
b	Income tax for 2008. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	822.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	240,302.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	240,302.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	240,302.

Part XII Qualifying Distributions (see 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	379,532.
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	379,532.
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 instructions)	5	822.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	378,710.

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 instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				240,302.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			0.	
b Total for prior years: 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2008				
a From 2003	60,625.			
b From 2004	69,609.			
c From 2005	146,588.			
d From 2006	151,189.			
e From 2007	140,650.			
f Total of lines 3a through e	568,661.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ \$ 379,532.				
a Applied to 2007, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2008 distributable amount				240,302.
e Remaining amount distributed out of corpus	139,230.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	707,891.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount – see instructions		0.		
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount – see instructions			0.	
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see instructions)	60,625.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	647,266.			
10 Analysis of line 9.				
a Excess from 2004	69,609.			
b Excess from 2005	146,588.			
c Excess from 2006	151,189.			
d Excess from 2007	140,650.			
e Excess from 2008	139,230.			

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

N/A

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)

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

	Tax year		Prior 3 years		(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
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 organization had \$5,000 or more in assets at any time during the year – see 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).)

NONE

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.

NONE

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 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.

SEE STATEMENT 9

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines:

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 10				
Total				▶ 3a 330,600.
b <i>Approved for future payment</i>				
Total				▶ 3b

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ and 990-PF
▶ See separate instructions.

OMB No 1545-0047

2008

Name of the organization **PEALE FOUNDATION, INC**
C/O ELIZABETH ALLEN

Employer identification number
14-1746478

Organization type (check one).

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(____) (enter number) organization
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
 4947(a)(1) nonexempt charitable trust treated as a private foundation
 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule** (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.)

General Rule –

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II)

Special Rules –

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** answer 'No' on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. These instructions will be issued separately.

Schedule B (Form 990, 990-EZ, or 990-PF) (2008)

Name of organization

Employer identification number

PEALE FOUNDATION, INC

14-1746478

Part I Contributors (see instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	RSP MARITAL TRUST ----- 665 OLD QUAKER HILL ROAD ----- PAWLING, NY 12564, -----	\$ 82,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization PEALE FOUNDATION, INC	Employer identification number 14-1746478
--	---

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. (Complete cols (a) through (e) and the following line entry)

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once – see instructions) ▶ \$ N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

PEALE FOUNDATION, INC
C/O ELIZABETH ALLEN

14-1746478

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STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
ROYALTY INCOME			
TOTAL	\$ 7,503.	\$ 7,503.	\$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TOTAL	\$ 9,100.	\$ 6,825.	\$ 0.	\$ 2,275.

STATEMENT 3
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	\$ 4,788.			\$ 4,788.
FOREIGN TAX ON DIVIDENDS	248.			248.
TOTAL	\$ 5,036.	\$ 0.	\$ 0.	\$ 5,036.

STATEMENT 4
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES	\$ 137.	\$ 34.		\$ 103.
ENTERTAINMENT EXPENSES	3,106.			3,106.
FILING FEES	250.			250.
INVESTMENT MGMT FEES	39,840.	39,840.		
MEETING EXPENSE	20,421.	5,105.		15,316.
OFFICE	462.	116.		346.
TOTAL	\$ 64,216.	\$ 45,095.	\$ 0.	\$ 19,121.

PEALE FOUNDATION, INC
C/O ELIZABETH ALLEN

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STATEMENT 5
FORM 990-PF, PART II, LINE 11
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
LAND	\$ 85,000.		\$ 85,000.	\$ 183,200.
TOTAL	\$ 85,000.	\$ 0.	\$ 85,000.	\$ 183,200.

STATEMENT 6
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

	BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST	\$ 9,810.	\$ 9,810.
PREPAID TAXES	2,756.	2,756.
TOTAL	\$ 12,566.	\$ 12,566.

STATEMENT 7
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

UNREALIZED LOSS ON INVESTMENTS	\$ 301,557.
TOTAL	\$ 301,557.

STATEMENT 8
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	PERSHING/CARRET L/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	583,713.		563,741.	19,972.				\$ 19,972.
2	BEAR STERNS ACCT #218 L/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	189,323.		277,273.	-87,950.				-87,950.
3	BEAR STERNS ACCT #512 L/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	5,334.		5,475.	-141.				-141.
4	BEAR STERNS ACCT #513 L/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	58,525.		103,740.	-45,215.				-45,215.
5	PERSHING/CARRET - S/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	21,294.		20,820.	474.				474.
6	BEAR STERNS ACCT #512 S/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	327,284.		422,922.	-95,638.				-95,638.
7	BEAR STERNS ACCT #513 S/T - SEE ATTACHED	PURCHASED	VARIOUS	VARIOUS	55,437.		95,276.	-39,839.				-39,839.
											TOTAL	\$ -248,337.

PEALE FOUNDATION, INC
C/O ELIZABETH ALLEN

14-1746478

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**STATEMENT 9
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION**

NAME OF GRANT PROGRAM:
NAME: ELIZABETH PEALE ALLEN
CARE OF:
STREET ADDRESS: 665 QUAKER HILL ROAD
CITY, STATE, ZIP CODE: PAWLING, NY 12564
TELEPHONE:
FORM AND CONTENT: MUST BE IN WRITING; NO PRESCRIBED FORMAT
SUBMISSION DEADLINES:
RESTRICTIONS ON AWARDS:

**STATEMENT 10
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR**

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
BLANTON PEALE INSTITUTE 3 WEST 29TH STREET NEW YORK, N.Y. 10001, NY 10001	NONE	CHAR	RELIGIOUS/EDUCA	\$ 60,000.
PITTSBURGH EXPERIMENT 1802 INVESTMENT BLVD PITTSBURGH, PA.15222, PA 15222	NONE	CHAR	RELIGIOUS	15,000.
AMERICAN BIBLE SOCIETY 1865 BROADWAY NEW YORK, N.Y. 10023, NY 10023	NONE	CHAR	RELIGIOUS	10,000.
MARBLE COLLEGIATE CHURCH ONE WEST 29TH STREET NEW YORK, N.Y. 10001, NY 10001	NONE	CHAR	RELIGIOUS	25,000.
LUMONOS (FKA: FAITH AT WORK) 150 S. WASHINGTON ST.#204 FALLS CHURCH, VA. 22046, VA 22046	NONE	CHAR	RELIGIOUS	15,000.
HENRY MEMORIAL PRESBYTER BELLEVUE AVENUE DUBLIN, GA. 31040, GA 31040	NONE	CHAR	RELIGIOUS	1,000.
LAKESIDE PRESBYTERIAN CHU 2690 DIXIE HIGHWAY LAKESIDE PARK, KY. 41014, KY 41014	NONE	CHAR	RELIGIOUS	1,000.

PEALE FOUNDATION, INC
C/O ELIZABETH ALLEN

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STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
STONY BROOK SCHOOL CHAPMAN PARKWAY STONYBROOK, N.Y. 11790, NY 11790	NONE	CHAR	EDUCATIONAL	\$ 1,000.
WESTMINSTER PRESBYTERIAN P.O. BOX 3365, ROGBY ROAD CHARLOTTESVILLE, VA. 22903, VA 22903	NONE	CHAR	RELIGIOUS	1,000.
THE TUTWILER CLINIC 205 ALMA STREET TUTWILER, MS 38963, MS 38963	NONE	CHAR	HEALTH	500.
BREWERS HOPE TEAM 2331 WOOD STREET LANCASTER, PA 17603, PA 17603	NONE	CHAR	HEALTH/ACS	800.
PEALE CENTER 66 EAST MAIN STREET PAWLING, NY 12564, NY 12564	NONE	CHAR	INSPIRATIONAL	25,000.
CHRIST CHURCH ON QUAKER HILL 17 CHURCH ROAD PAWLING, NY 12564, NY 12564	NONE	CHAR	RELIGIOUS	16,500.
THE DREAM CENTER 2301 BELLEVUE AVE, LOS ANGELES, CA 90026	NONE	CHAR	EDUCATIONAL	800.
GUIDEPOSTS, A CHURCH CORPORATI 39 SEMINARY HILL ROAD CARMEL, NY 10512	NONE	CHAR	RELIGIOUS	150,000.
PEALE-WOODS SCHOLARSHIP P.O. BOX 800793 CHARLOTTESVILLE, VA 22908	NONE	CHAR	EDUCATIONAL	7,000.
OLD NORTH CHURCH IN MARBLEHEAD 35 WASHINGTON ST MARBLEHEAD, MA 01945	NONE	CHAR	RELIGIOUS	1,000.

TOTAL \$ 330,600.

Peale Foundation, Inc.
Attachment to 990-PF
Part II, Line 10c
Schedule of Corporate Bonds

<u>Name</u>	<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
AT&T Broadband 8.375%	Market Value	22,068	22,068
J P Morgan Chase & Co 6.625%	Market Value	54,588	54,588
Verizon 6.875%	Market Value	<u>108,762</u>	<u>108,762</u>
		185,418	185,418

Peale Foundation, Inc.
Attachment to 990-PF
Part II, Line 10b
Schedule of Corporate Stocks

Name	Valuation Method	Book Value	Fair Market Value
Alcoa Inc Com	Market Value	78,720	78,720
Anadarko Pete Corp A Pershing Co	Market Value	163,098	163,098
Apache Corp	Market Value	146,928	146,928
Berkshire Hathaway Inc Cl A	Market Value	166,150	166,150
Canadian Natl Ry	Market Value	97,980	97,980
Carpenter Technology	Market Value	58,475	58,475
Church & Dwight Co. Inc.	Market Value	141,850	141,850
Citigroup Inc	Market Value	14,520	14,520
ConocoPhillips	Market Value	124,280	124,280
Consolidated Edison Co NY Inc	Market Value	118,612	118,612
Disney Walt Co	Market Value	41,190	41,190
Du Pont E I De Nemours & Co	Market Value	80,350	80,350
Exxon Mobil Corp	Market Value	208,574	208,574
General Electric Cap Corp	Market Value	49,588	49,588
General Electric Co	Market Value	65,680	65,680
Goldman Sachs Group	Market Value	105,836	105,836
Hewlett Packard	Market Value	119,441	119,441
IBM	Market Value	95,688	95,688
Ishares Inc	Market Value	64,500	64,500
Johnson & Johnson	Market Value	73,068	73,068
JP Morgan Chase & Co	Market Value	87,640	87,640
Kraft Foods Inc	Market Value	107,900	107,900
McDonalds Corp	Market Value	102,726	102,726
Microsoft Corp	Market Value	121,683	121,683
Oracle Corp	Market Value	125,040	125,040
Pepsico	Market Value	117,320	117,320
Principal Finl Group Inc	Market Value	32,868	32,868
Procter & Gamble Co	Market Value	57,920	57,920
United Technologies Corp Del Com	Market Value	109,674	109,674
Washington Real Estate Investment	Market Value	100,800	100,800
American Express Co	Market Value	95,123	95,123
Berkshire Hathaway Inc Cl B	Market Value	99,690	99,690
Comcast Corp Cl A	Market Value	71,107	71,107
CVS Caremark Corp	Market Value	100,501	100,501
General Electric Cap Corp	Market Value	64,793	64,793
Ishares Trust	Market Value	129,823	129,823
Ishares Trust Healthcare	Market Value	90,606	90,606
JP Morgan Chase & Co	Market Value	216,427	216,427

Peale Foundation, Inc.
Attachment to 990-PF
Part II, Line 10b
Schedule of Corporate Stocks

Name	Valuation Method	Book Value	Fair Market Value
Materials Select Sector SPDR Fund	Market Value	49,040	49,040
Proctor & Gamble	Market Value	200,751	200,751
Schwab Charles Corp	Market Value	35,830	35,830
Sector Spider Trust Energy	Market Value	250,944	250,944
Taiwan Semiconductor	Market Value	219	219
Utilities Sector Index	Market Value	63,147	63,147
Vanguard Sector Index Tele	Market Value	73,601	73,601
Yahoo Inc	Market Value	66,645	66,645
Airtran Holdings Inc	Market Value	2,281	2,281
Allegiant Travel Co	Market Value	2,171	2,171
Amkor Technology	Market Value	2,910	2,910
Ampco-Pittsburgh Corp	Market Value	2,499	2,499
Asbury Automotive Group Inc	Market Value	2,473	2,473
Ashland Inc	Market Value	3,458	3,458
Autonation Inc Del	Market Value	2,260	2,260
BE Aerospace Inc	Market Value	3,263	3,263
Berry Petroleum Co-Cl A	Market Value	2,973	2,973
Blackboard Inc	Market Value	2,796	2,796
Blue Nile Inc	Market Value	3,230	3,230
Buffalo Wild Wings Inc	Market Value	2,871	2,871
Carters Inc	Market Value	2,590	2,590
CB Richard Ellis Group	Market Value	2,958	2,958
Celgene Corp	Market Value	2,795	2,795
Cemex S A B DE C V	Market Value	3,359	3,359
Central Garden & Pet Co	Market Value	2,350	2,350
Charlotte Russe Hldg Inc	Market Value	3,028	3,028
Chicos Fas Inc	Market Value	3,081	3,081
Corinthian Colleges Inc	Market Value	2,691	2,691
Cott Corp	Market Value	2,477	2,477
DineEquity Inc	Market Value	2,030	2,030
EV3 Inc	Market Value	2,671	2,671
Ford Motor Co	Market Value	2,747	2,747
Global Industries LTD	Market Value	3,591	3,591
Goldman Sachs Group	Market Value	2,765	2,765
Green Mountain Coffee Roasters	Market Value	2,658	2,658
Group 1 Automotive Inc	Market Value	2,363	2,363
Human Genome Sciences Inc	Market Value	3,124	3,124
LKQ Corporation	Market Value	2,484	2,484

Peale Foundation, Inc.
Attachment to 990-PF
Part II, Line 10b
Schedule of Corporate Stocks

Name	Valuation Method	Book Value	Fair Market Value
NewMarket Corporation	Market Value	2,791	2,791
O Reilly Automotive Inc	Market Value	2,096	2,096
Onyx Pharmaceuticals Inc	Market Value	2,008	2,008
Par Pharmaceuticals Inc	Market Value	3,119	3,119
Pep Boys - Manny Moe & Jack	Market Value	2,315	2,315
Prudential Financial Inc	Market Value	3,094	3,094
Resmed Inc	Market Value	2,712	2,712
Rite Aid Corp	Market Value	3,075	3,075
Ruby Tuesday Inc	Market Value	2,711	2,711
Scotts Miracle-Gro Co	Market Value	2,620	2,620
Smith Micro Software Inc	Market Value	2,657	2,657
Sonic Automotive Inc-CI A	Market Value	2,363	2,363
Stein Mart Inc	Market Value	3,000	3,000
Strayer Education Inc	Market Value	2,394	2,394
Suntech Pwr Hldgs Co LTD	Market Value	2,052	2,052
Tempur Pedic International Inc	Market Value	3,182	3,182
Tessera Technologies Inc	Market Value	2,426	2,426
Thor Industries Inc	Market Value	3,900	3,900
THQ Inc	Market Value	1,997	1,997
Triquint Semiconductor Inc	Market Value	2,964	2,964
Tyson Foods Inc-CI A	Market Value	2,602	2,602
United Therapeutics Corp Del	Market Value	2,743	2,743
Universal Forest Productions Inc	Market Value	2,170	2,170
Valassis Communications Inc	Market Value	5,918	5,918
Warner Music Group Corp	Market Value	2,367	2,367
Western Digital Corp	Market Value	2,922	2,922
XL Capital	Market Value	3,248	3,248
Ishares Trust MSCI Eafe Index	Market Value	114,117	114,117
Ishares Trust MSCI Emerging Markets	Market Value	35,642	35,642
		4,894,502	4,894,502

Peale Foundation, Inc.
Form 990-PF, Part IV, Lines 1a and 1e
Summary of Capital Gain and Losses

Pershing/Carret

<u>Security</u>	<u>Shares</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Gross Proceeds</u>	<u>Cost Basis</u>	<u>Realized Gain/ Loss</u>
SHORT TERM						
Home Depot Inc Com X	800	4/21/2009	9/25/2009	21,294	20,820	474
TOTAL SHORT TERM				<u>21,294</u>	<u>20,820</u>	<u>474</u>
LONG TERM						
BHP Billiton Ltd	600	5/24/2007	12/2/2008	23,550	31,274	(7,724)
CNA Finl Corp	100000	11/29/2004	12/15/2008	100,000	108,300	(8,300)
Intel Corp	1200	3/30/1998	2/18/2009	16,524	23,042	(6,518)
Intel Corp	800	6/22/1999	2/18/2009	11,016	23,328	(12,312)
Disney Walt Co	1500	1/21/1994	3/3/2009	25,658	28,786	(3,128)
Hewlett Packard	500	3/1/1996	3/3/2009	15,200	7,228	7,972
Intel Corp	1000	10/19/2004	6/9/2009	16,455	21,200	(4,745)
Intel Corp	2000	6/28/2006	6/9/2009	32,909	37,210	(4,301)
Berkshire Hathaway Inc Cl A	1	6/4/2002	6/9/2009	90,976	73,545	17,431
AT&T Broadband 8.375%	33000	6/13/2003	7/17/2009	37,620	42,446	(4,826)
Federal Natl Mtg Assn Med	100000	8/7/2007	9/8/2009	100,000	102,046	(2,046)
Anadarko Pete Corp A Pershing Co	400	5/13/2005	9/10/2009	23,004	14,869	8,136
Apache Corp	400	7/26/2004	9/10/2009	35,192	18,724	16,468
Hewlett Packard	500	3/1/1996	9/10/2009	22,930	7,228	15,702
Berkshire Hathaway Inc Cl A	10	6/4/2002	9/25/2009	32,679	24,515	8,164
TOTAL LONG TERM				<u>583,713</u>	<u>563,741</u>	<u>19,972</u>
OVERALL TOTAL				<u>605,007</u>	<u>584,561</u>	<u>20,445</u>

Peale Foundation, Inc.
 Form 990-PF, Part IV, Line 1b
 Summary of Capital Gain and Losses

Bear Sterns Account #218

<u>Security</u>	<u>Shares</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Gross Proceeds</u>	<u>Cost Basis</u>	<u>Realized Gain/ Loss</u>
LONG TERM						
Sector SDR Trust Industrial	686	4/16/07	10/8/08	17,469	24,490	(7,021)
Sector SDR Trust Industrial	3,543	8/3/07	10/8/08	90,222	142,606	(52,384)
Ishares Trust	83	1/17/07	11/5/08	3,287	4,695	(1,408)
Select Sector SPDR Health	3,107	8/3/07	11/18/08	78,346	105,483	(27,137)
TOTAL LONG TERM				<u>189,323</u>	<u>277,273</u>	<u>(87,950)</u>
OVERALL TOTAL				<u>189,323</u>	<u>277,273</u>	<u>(87,950)</u>

Peale Foundation, Inc.
Form 990-PF, Part IV, Lines 1c and 1f
Summary of Capital Gain and Losses

Bear Sterns Account #512

<u>Security</u>	<u>Shares</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Gross Proceeds</u>	<u>Cost Basis</u>	<u>Realized Gain/ Loss</u>
SHORT TERM						
Cleveland Cliffs Inc	61.00	2/5/2008	10/2/2008	2,472	3,049	(578)
Genco Shipping & Trading	101.00	8/1/2008	10/2/2008	2,748	6,398	(3,650)
CF Industries Holdings Inc	42.00	8/1/2008	10/3/2008	2,650	6,384	(3,734)
Terra Industries Inc	121.00	8/1/2008	10/6/2008	2,192	6,296	(4,104)
Encore Acquisition Co	106.00	8/1/2008	10/7/2008	2,877	6,235	(3,358)
Petrohawk Energy Corporation	197.00	8/1/2008	10/7/2008	2,598	6,271	(3,673)
Robbins & Meyers Inc	125.00	8/1/2008	10/7/2008	3,057	6,350	(3,293)
BJ Services Co	210.00	8/1/2008	10/8/2008	2,597	6,271	(3,673)
Flowserve Corp	49.00	8/1/2008	10/8/2008	2,801	6,235	(3,434)
Halliburton Co	143.00	8/1/2008	10/8/2008	2,832	6,305	(3,472)
Research In Motion LTD	55.00	8/1/2008	10/8/2008	3,122	6,381	(3,259)
EnSCO International Inc	90.00	8/1/2008	10/13/2008	3,295	6,275	(2,980)
Cyberonics Inc	229.00	8/1/2008	10/14/2008	2,932	6,258	(3,326)
New York & Co Inc	681.00	8/1/2008	10/14/2008	2,584	6,415	(3,831)
Celestia Inc	772.00	8/1/2008	10/23/2008	2,916	6,384	(3,468)
Lindsay Corporation	71.00	2/5/2008	10/24/2008	2,899	4,202	(1,303)
Wet Seal Inc - CI A	1,310.00	8/1/2008	10/24/2008	2,938	6,326	(3,388)
NN Inc	483.00	8/1/2008	11/5/2008	2,305	6,427	(4,122)
Talbots Inc	447.00	8/1/2008	11/7/2008	2,605	6,589	(3,984)
Concur Technologies Inc	156.00	8/1/2008	11/12/2008	3,588	6,403	(2,815)
CEC Entertainment Inc	176.00	8/1/2008	11/18/2008	2,869	6,330	(3,461)
Big Lots Inc	214.00	8/1/2008	11/20/2008	3,097	6,349	(3,253)
Finish Line Inc - CI A	609.00	8/1/2008	11/20/2008	3,038	6,332	(3,294)
Jo Ann Stores Inc	280.00	8/1/2008	11/21/2008	3,029	6,362	(3,333)
On Assignment Inc	732.00	8/1/2008	12/15/2008	3,007	6,292	(3,286)
Synaptics Inc	204.00	8/1/2008	12/15/2008	3,083	6,320	(3,237)
Axsys Technologies Inc	89.00	2/5/2008	1/23/2009	4,237	3,363	874
CSG Systems International Inc	358.00	8/1/2008	1/23/2009	5,053	6,303	(1,250)
Compass Minerals Intl Inc	92.00	8/1/2008	1/23/2009	5,008	6,407	(1,399)
Cal-Maine Foods Inc	170.00	8/1/2008	1/23/2009	4,519	6,289	(1,770)
Clean Harbors Inc	82.00	8/1/2008	1/23/2009	4,346	6,363	(2,017)
Cryolife Inc	485.00	8/1/2008	1/23/2009	3,741	6,268	(2,527)
Crawford & Co - CI B	272.00	8/1/2008	1/23/2009	2,443	2,910	(468)
Ishares TR Russell Midcap Growth	1,842.00	10/15/2008	1/23/2009	55,720	60,223	(4,503)
Ishares TR Russell Midcap Growth	633.00	11/14/2008	1/23/2009	19,148	19,403	(255)
Ishares TR Russell Midcap Growth	447.00	11/24/2008	1/23/2009	13,522	12,610	912
Southwestern Energy Co	98.00	8/1/2008	1/23/2009	3,089	3,224	(135)
Interwoven Inc	188.00	1/23/2009	3/17/2009	3,046	2,948	98
Schering Plough Corp	157.00	1/23/2009	7/8/2009	3,979	2,941	1,039
Inergy LP	135.00	1/23/2009	7/16/2009	3,715	2,950	765
American Tower Corp	98.00	1/23/2009	7/22/2009	3,198	2,939	259
Aqua America Inc	149.00	1/23/2009	7/22/2009	2,607	2,940	(332)

Péale Foundation, Inc.
Form 990-PF, Part IV, Lines 1c and 1f
Summary of Capital Gain and Losses

Bear Sterns Account #512

Security	Shares	Date Acquired	Date Sold	Gross Proceeds	Cost Basis	Realized Gain/ Loss
Appollo Group Inc	35.00	1/23/2009	7/22/2009	2,413	2,934	(521)
Autozone Inc	22.00	1/23/2009	7/22/2009	3,452	2,933	519
Cubist Pharmaceuticals Inc	133.00	1/23/2009	7/22/2009	2,383	2,942	(559)
California Water Service Group	69.00	1/23/2009	7/22/2009	2,493	2,958	(465)
Corinthian Colleges Inc	14.00	1/23/2009	7/22/2009	231	260	(28)
CH Energy Group Inc	63.00	1/23/2009	7/22/2009	3,098	2,967	130
Chattem Inc	44.00	1/23/2009	7/22/2009	2,945	2,958	(13)
Coca Cola	66.00	1/23/2009	7/22/2009	3,553	2,928	625
Cott Corp	232.00	7/17/2009	7/22/2009	1,643	1,605	37
Continental Airlines Inc-CI B	168.00	1/23/2009	7/22/2009	1,562	2,920	(1,358)
Diamond Foods Inc	117.00	1/23/2009	7/22/2009	3,185	2,962	223
Dollar Tree Inc	69.00	1/23/2009	7/22/2009	3,135	2,943	193
Devry Inc	48.00	1/23/2009	7/22/2009	2,301	2,930	(629)
Express Scripts Inc Common	55.00	1/23/2009	7/22/2009	3,718	2,950	768
Family Dollar Stores Inc	107.00	1/23/2009	7/22/2009	3,296	2,938	358
Green Mountain Coffee Roasters	34.00	7/8/2009	7/22/2009	2,246	1,893	353
Hot Topic Inc	358.00	1/23/2009	7/22/2009	2,693	2,971	(279)
Interdigital Inc	95.00	1/23/2009	7/22/2009	2,569	2,939	(370)
Hansen Natural Corp	89.00	1/23/2009	7/22/2009	2,590	2,962	(372)
Hershey Company	84.00	1/23/2009	7/22/2009	3,266	2,939	327
ITT Educational Services Inc	23.00	1/23/2009	7/22/2009	2,372	2,901	(528)
Insituform Technologies Inc	150.00	1/23/2009	7/22/2009	2,645	2,936	(292)
Jack In The Box Inc	130.00	1/23/2009	7/22/2009	3,055	2,930	125
JetBlue Airways Corp	442.00	1/23/2009	7/22/2009	2,113	2,948	(835)
Maximus Inc	79.00	1/23/2009	7/22/2009	3,365	2,905	460
Mantech International Corp	51.00	1/23/2009	7/22/2009	2,202	2,913	(711)
MedCo Health Solutions Inc	70.00	1/23/2009	7/22/2009	3,386	2,957	429
99 Cents Only Stores	331.00	1/23/2009	7/22/2009	4,720	2,926	1,794
Netflix Com Inc	96.00	1/23/2009	7/22/2009	4,349	2,955	1,393
National Presto Industries Inc	42.00	1/23/2009	7/22/2009	3,231	3,009	222
Pantry Inc	151.00	1/23/2009	7/22/2009	2,557	2,947	(389)
O Reilly Automotive Inc	43.00	1/23/2009	7/22/2009	1,767	1,259	509
Rock-Tenn Co-CI A	104.00	1/23/2009	7/22/2009	4,472	2,924	1,548
Sunoco Inc	70.00	1/23/2009	7/22/2009	1,627	2,932	(1,305)
Scotts Miracle-Gro Co	26.00	1/23/2009	7/22/2009	1,029	888	141
Southwestern Energy Co	92.00	8/1/2008	7/22/2009	3,819	3,027	792
Thoratec Corp	97.00	1/23/2009	7/22/2009	2,421	2,962	(540)
Trex Inc	177.00	1/23/2009	7/22/2009	2,499	2,931	(432)
Valeant Pharmaceuticals Intl	137.00	1/23/2009	7/22/2009	3,302	2,935	367
WMS Industries	123.00	1/23/2009	7/22/2009	4,289	2,940	1,349
Wausau Paper Corp	304.00	1/23/2009	7/22/2009	2,261	2,918	(657)
Crawford & Co - CI B	330.00	8/1/2008	7/22/2009	1,531	3,531	(2,000)
TOTAL SHORT TERM				327,284	422,922	(95,637)

Peale Foundation, Inc.
Form 990-PF, Part IV, Lines 1c and 1f
Summary of Capital Gain and Losses

Bear Sterns Account #512

<u>Security</u>	<u>Shares</u>	<u>Date Acquired</u>	<u>Date Sold</u>	<u>Gross Proceeds</u>	<u>Cost Basis</u>	<u>Realized Gain/ Loss</u>
LONG TERM						
Potash Corp of Saskatchewan	31.00	8/7/2007	10/6/2008	2,511	2,591	(80)
Bucyrus Intl Inc	89.00	8/7/2007	10/7/2008	2,822	2,884	(61)
TOTAL LONG TERM				<u>5,334</u>	<u>5,475</u>	<u>(141)</u>
OVERALL TOTAL				<u>332,618</u>	<u>428,397</u>	<u>(95,779)</u>

Peale Foundation, Inc.
Form 990-PF, Part IV, Lines 1d and 1g
Summary of Capital Gain and Losses

Bear Sterns Account #512

Security	Shares	Bought	Sold	Gross Proceeds	Cost Basis	Realized Gain /Loss
SHORT TERM						
Ishares Inc Hong Kong	221	10/22/2007	10/16/2008	2,416	4,734	(2,318)
Ishares Inc Hong Kong	10	1/18/2008	10/16/2008	109	205	(96)
Ishares Inc Hong Kong	381	7/18/2008	10/16/2008	4,165	6,057	(1,893)
Ishares Inc Italy	33	10/22/2007	10/16/2008	565	1,140	(576)
Ishares Inc Italy	99	1/18/2008	10/16/2008	1,694	3,201	(1,507)
Ishares Inc Italy	14	4/18/2008	10/16/2008	240	431	(192)
Ishares Inc Italy	23	7/18/2008	10/16/2008	393	590	(196)
Ishares Inc Japan	202	10/22/2007	10/16/2008	1,764	2,820	(1,056)
Ishares Inc Japan	302	4/18/2008	10/16/2008	2,638	3,790	(1,152)
Ishares Inc Malaysia	104	7/18/2008	10/16/2008	794	1,036	(242)
Ishares Inc Netherlands	17	10/22/2007	10/16/2008	263	544	(281)
Ishares Inc Netherlands	145	1/18/2008	10/16/2008	2,244	4,046	(1,801)
Ishares Inc Netherlands	66	4/18/2008	10/16/2008	1,022	1,903	(881)
Ishares Inc Germany	52	10/22/2007	10/16/2008	970	1,790	(820)
Ishares Inc South Africa	16	7/18/2008	10/16/2008	517	861	(344)
Ishares Inc South Korea	66	10/22/2007	10/16/2008	2,001	4,443	(2,442)
Ishares Inc South Korea	225	4/18/2008	10/16/2008	6,821	13,042	(6,221)
Ishares Inc South Korea	58	7/18/2008	10/16/2008	1,759	2,764	(1,006)
Ishares Inc Spain	15	1/18/2008	10/16/2008	576	906	(331)
Ishares Inc Sweden	63	4/18/2008	10/16/2008	989	1,911	(922)
Ishares Inc Sweden	8	7/18/2008	10/16/2008	126	197	(71)
Ishares Inc Switzerland	214	1/18/2008	10/16/2008	3,855	5,431	(1,576)
Ishares Inc Tiawan	204	10/22/2007	10/16/2008	1,830	3,460	(1,630)
Ishares Inc Tiawan	4	4/18/2008	10/16/2008	36	67	(31)
Ishares Inc Tiawan	93	7/18/2008	10/16/2008	834	1,188	(354)
Ishares Inc CDA	29	10/22/2007	10/16/2008	543	961	(418)
Ishares Inc CDA	12	1/18/2008	10/16/2008	225	366	(142)
Ishares Inc CDA	142	7/18/2008	10/16/2008	2,657	4,434	(1,777)
Ishares Inc Brazil	40	4/18/2008	10/16/2008	1,475	3,355	(1,879)
Ishares Inc Australia	30	10/22/2007	10/16/2008	460	957	(498)
Ishares Inc Australia	17	1/18/2008	10/16/2008	261	464	(203)
Ishares Inc Turkey	65	7/18/2008	10/16/2008	1,845	2,979	(1,134)
Ishares Inc France	1	4/18/2008	10/16/2008	21	36	(15)
Ishares Inc UK	305	1/18/2008	10/16/2008	3,927	6,795	(2,868)
Ishares Inc UK	314	7/18/2008	10/16/2008	4,044	6,067	(2,023)
Ishares Inc Singapore	14	7/18/2008	10/16/2008	108	169	(61)
Ishares Inc China	45	4/18/2008	10/16/2008	1,253	2,134	(881)
TOTAL SHORT TERM				55,437	95,276	(39,839)

LONG TERM

Ishares Inc Italy	128	8/7/2007	10/16/2008	2,190	4,311	(2,121)
Ishares Inc Japan	1,710	8/7/2007	10/16/2008	14,935	24,368	(9,432)
Ishares Inc Netherlands	52	8/7/2007	10/16/2008	805	1,572	(767)
Ishares Inc Germany	455	8/7/2007	10/16/2008	8,487	14,599	(6,113)
Ishares Inc South Korea	6	8/7/2007	10/16/2008	182	386	(204)
Ishares Inc Spain	48	8/7/2007	10/16/2008	1,843	2,841	(998)
Ishares Inc CDA	177	8/7/2007	10/16/2008	3,313	5,337	(2,024)
Ishares Inc Australia	138	8/7/2007	10/16/2008	2,115	3,836	(1,721)
Ishares Inc France	384	8/7/2007	10/16/2008	7,885	14,196	(6,311)
Ishares Inc UK	1,270	8/7/2007	10/16/2008	16,353	31,613	(15,260)
Ishares Inc China	15	8/7/2007	10/16/2008	418	681	(263)
TOTAL LONG TERM				<u>58,525</u>	<u>103,740</u>	<u>(45,215)</u>

OVERALL TOTAL

	<u>113,962</u>	<u>199,015</u>	<u>(85,055)</u>
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