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

**2009**

Department of the Treasury  
Internal Revenue Service

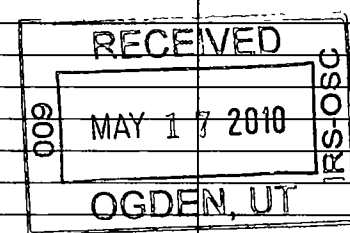
*Note.* The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year **2009**, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

G Check all that apply:  Initial return  Amended return  Initial return of a former public charity  Address change  Final return  Name change

Use the IRS label otherwise, print or type. See Specific Instructions	Name of foundation <b>PEPPERCORN FOUNDATION</b>	A Employer identification number <b>04-3487843</b>
	Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>3400 E LAURELHURST DR NE</b>	B Telephone number <b>(206) 525-7941</b>
	City or town, state, and ZIP code <b>SEATTLE, WA 98105</b>	C If exemption application is pending, check here <input type="checkbox"/> D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ <b>2,947,238.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I	Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(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			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	85,610.	85,610.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-22,054.			
	b Gross sales price for all assets on line 6a <b>1,295,427.</b>				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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)				
	11 Other income				
	12 Total. Add lines 1 through 11	63,556.	85,610.		
	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees <b>STMT 2</b>	2,380.	2,380.		0.
	c Other professional fees <b>STMT 3</b>	110,002.	15,617.		0.
	17 Interest				
	18 Taxes <b>STMT 4</b>	9,854.	169.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses <b>STMT 5</b>	35.	0.		0.
	24 Total operating and administrative expenses Add lines 13 through 23	122,271.	18,166.		0.
	25 Contributions, gifts, grants paid	330,000.			330,000.
	26 Total expenses and disbursements. Add lines 24 and 25	452,271.	18,166.		330,000.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-388,715.			
	b Net investment income (if negative, enter -0-)		67,444.		
	c Adjusted net income (if negative, enter -0-)			N/A	



SCANNED MAY 18 2010

**Part II Balance Sheets**

Attached schedules and amounts in the description column should be for end-of-year amounts only

	Beginning of year (a) Book Value	End of year	
		(b) Book Value	(c) Fair Market Value
<b>Assets</b>			
1 Cash - non-interest-bearing			
2 Savings and temporary cash investments	211,424.	49,817.	49,817.
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			
7 Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶			
8 Inventories for sale or use			
9 Prepaid expenses and deferred charges			
10a Investments - U.S. and state government obligations	300,405.		
b Investments - corporate stock <b>STMT 6</b>	1,771,461.	1,509,064.	2,122,814.
c Investments - corporate bonds <b>STMT 7</b>	406,732.	742,620.	774,607.
11 Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation ▶			
12 Investments - mortgage loans			
13 Investments - other			
14 Land, buildings, and equipment basis ▶ Less accumulated depreciation ▶			
15 Other assets (describe ▶)			
<b>16 Total assets (to be completed by all filers)</b>	<b>2,690,022.</b>	<b>2,301,501.</b>	<b>2,947,238.</b>
<b>Liabilities</b>			
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			
22 Other liabilities (describe ▶)			
<b>23 Total liabilities (add lines 17 through 22)</b>	<b>0.</b>	<b>0.</b>	
<b>Net Assets or Fund Balances</b>			
<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> <input type="checkbox"/>			
24 Unrestricted			
25 Temporarily restricted			
26 Permanently restricted			
<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <input checked="" type="checkbox"/>			
27 Capital stock, trust principal, or current funds	0.	0.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	2,690,022.	2,301,501.	
<b>30 Total net assets or fund balances</b>	<b>2,690,022.</b>	<b>2,301,501.</b>	
<b>31 Total liabilities and net assets/fund balances</b>	<b>2,690,022.</b>	<b>2,301,501.</b>	

**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	2,690,022.
2 Enter amount from Part I, line 27a	2	-388,715.
3 Other increases not included in line 2 (itemize) ▶ <b>NON TAXABLE RECEIPTS</b>	3	194.
4 Add lines 1, 2, and 3	4	2,301,501.
5 Decreases not included in line 2 (itemize) ▶	5	0.
<b>6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	<b>6</b>	<b>2,301,501.</b>

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b	<b>SEE ATTACHED STATEMENTS</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			
	<b>1,295,427.</b>	<b>1,317,481.</b>	<b>-22,054.</b>

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			
			<b>-22,054.</b>

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	<b>-22,054.</b>
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). If (loss), enter -0- in Part I, line 8	3	<b>N/A</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.

1 Enter the appropriate amount in each column for each year; see 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))
2008	<b>490,986.</b>	<b>3,872,294.</b>	<b>.126795</b>
2007	<b>439,539.</b>	<b>4,846,561.</b>	<b>.090691</b>
2006	<b>448,870.</b>	<b>4,771,617.</b>	<b>.094071</b>
2005	<b>434,559.</b>	<b>4,904,673.</b>	<b>.088601</b>
2004	<b>445,068.</b>	<b>5,073,446.</b>	<b>.087725</b>

2	Total of line 1, column (d)	2	<b>.487883</b>
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	<b>.097577</b>
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	<b>2,850,522.</b>
5	Multiply line 4 by line 3	5	<b>278,145.</b>
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	<b>674.</b>
7	Add lines 5 and 6	7	<b>278,819.</b>
8	Enter qualifying distributions from Part XII, line 4 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.	8	<b>330,000.</b>

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)**

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of 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	674.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	674.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		5	674.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	8,400.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	8,400.	
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	7,726.	
11 Enter the amount of line 10 to be: <b>Credited to 2010 estimated tax</b> <input checked="" type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" 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 checked="" 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
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b <i>If "Yes," has it filed a tax return on Form 990-T for this year?</i>		
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	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> <b>MA</b>		
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 2009 or the taxable year beginning in 2009 (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

N/A

**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)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	X		
14	The books are in care of ▶ <u>SILVER BRIDGE ADVISORS, LLC</u> Telephone no. ▶ <u>(617) 526-5800</u> Located at ▶ <u>60 STATE ST, BOSTON, MA</u> ZIP+4 ▶ <u>02109</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

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <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 page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A <input checked="" type="checkbox"/>		1b
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 2009?		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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		2b
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____		
3a	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 2009 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 2009.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b X

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

**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  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)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here  N/A

**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?  Yes  No  
 If "Yes," attach the statement required by Regulations section 53.4945-5(d).  N/A

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
 If "Yes" to 6b, file Form 8870.  N/A

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

**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.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 8		0.	0.	0.

**2** Compensation of five highest-paid employees (other than those included on line 1). 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. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
SANVIL CONSULTING 13014 N DALE MABRY HWY #366, TAMPA, FL 33618	GRANTMAKING AND PROGRAM SERVICES	94,385.

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 GRANTMAKERS FOR EDUCATION (GFE) PARTICIPATION. SEE ATTACHED SCHEDULE FOR FURTHER DESCRIPTION.	14,842.
2 GRANTMAKERS FOR CHILDREN, YOUTH AND FAMILIES (GCYF) PARTICIPATION. SEE ATTACHED SCHEDULE FOR FURTHER DESCRIPTION.	11,433.
3	
4	

**Part IX-B** Summary of Program-Related Investments

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	
<b>Total.</b> Add lines 1 through 3 <span style="float: right;">▶</span>	0.

**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	2,803,217.
b	Average of monthly cash balances	1b	90,714.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	2,893,931.
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	2,893,931.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	43,409.
5	<b>Net value of noncharitable-use assets</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,850,522.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	142,526.

**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	142,526.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	674.
b	Income tax for 2009. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	674.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	141,852.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	141,852.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	141,852.

**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	330,000.
b	Program-related investments - total from Part IX-B	1b	0.
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	330,000.
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	5	674.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	329,326.

**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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				141,852.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	201,620.			
b From 2005	198,747.			
c From 2006	217,419.			
d From 2007	210,199.			
e From 2008	313,541.			
f Total of lines 3a through e	1,141,526.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 330,000.				
a Applied to 2008, 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 2009 distributable amount				141,852.
e Remaining amount distributed out of corpus	188,148.			
5 Excess distributions carryover applied to 2009 (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:	1,329,674.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	201,620.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	1,128,054.			
10 Analysis of line 9:				
a Excess from 2005	198,747.			
b Excess from 2006	217,419.			
c Excess from 2007	210,199.			
d Excess from 2008	313,541.			
e Excess from 2009	188,148.			

**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 2009, 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				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> 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 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).)
- 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:
- 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:







PEPPERCORN FOUNDATION

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a FEDERAL HOME LOAN MORTGAGE ASSN		10/27/06	01/24/09
b AMERICAN EXPRESS COMPANY		06/15/04	03/04/09
c AMGEN INC		01/12/05	03/04/09
d BEST BUY COMPANY INC		08/28/08	03/04/09
e EXXON MOBIL CORP		12/26/78	03/04/09
f JP MORGAN CHASE & COMPANY		08/28/08	03/04/09
g NIKE INC CL B		05/16/06	03/04/09
h QUEST DIAGNOSTICS INC		08/28/08	03/04/09
i SCHLUMBERGER LTD		04/30/08	03/04/09
j TEVA PHARMACEUTICAL-SPONS ADR		01/12/05	03/04/09
k 3M COMPANY		12/26/78	03/04/09
l UNITED HEALTH GROUP INC		01/12/05	03/04/09
m WELLS FARGO & COMPANY		08/28/08	03/04/09
n BANK OF AMERICA CORP		08/28/08	03/04/09
o CISCO SYSTEMS INC		01/28/99	03/04/09

(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 150,000.		149,977.	23.
b 14,220.		53,789.	-39,569.
c 9,335.		12,215.	-2,880.
d 20,952.		33,922.	-12,970.
e 18,547.		868.	17,679.
f 294.		574.	-280.
g 53,487.		50,494.	2,993.
h 30,829.		35,787.	-4,958.
i 5,688.		14,476.	-8,788.
j 68,378.		45,007.	23,371.
k 55,661.		9,419.	46,242.
l 27,497.		66,607.	-39,110.
m 6,342.		19,110.	-12,768.
n 2,263.		19,084.	-16,821.
o 39,578.		68,185.	-28,607.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			23.
b			-39,569.
c			-2,880.
d			-12,970.
e			17,679.
f			-280.
g			2,993.
h			-4,958.
i			-8,788.
j			23,371.
k			46,242.
l			-39,110.
m			-12,768.
n			-16,821.
o			-28,607.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	

PEPPERCORN FOUNDATION

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a INTEL CORP		05/23/03	03/04/09
b INTEL CORP		02/20/03	03/04/09
c IBM CORP		05/23/03	03/04/09
d MICROSOFT CORP		06/26/96	03/04/09
e PEPSICO INC		08/28/08	03/04/09
f PROCTER & GAMBLE COMPANY		03/10/86	03/04/09
g UNITED TECHNOLOGIES CORP		09/11/81	03/04/09
h ARTISAN FDS INC INTL FD INV SHS		04/18/07	03/05/09
i ARTISAN FDS INC INTL FD INV SHS		08/14/07	03/05/09
j ARTISAN FDS INC INTL FD INV SHS		12/19/07	03/05/09
k ARTISAN FDS INC INTL FD INV SHS		12/17/08	03/05/09
l AMGEN INC		01/12/05	07/01/09
m BECTON DICKINSON & COMPANY		08/28/08	07/01/09
n BRISTOL MYERS SQUIBB		08/28/08	07/01/09
o BRISTOL MYERS SQUIBB		03/04/09	07/01/09

(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 22,986.		34,128.	-11,142.
b 15,196.		20,242.	-5,046.
c 18,542.		17,564.	978.
d 83,842.		38,783.	45,059.
e 36,518.		52,541.	-16,023.
f 38,142.		3,414.	34,728.
g 45,087.		3,168.	41,919.
h 44,916.		119,966.	-75,050.
i 9,803.		24,986.	-15,183.
j 8,461.		20,746.	-12,285.
k 2,963.		3,775.	-812.
l 19,077.		23,144.	-4,067.
m 18,074.		22,399.	-4,325.
n 38,618.		41,572.	-2,954.
o 2,401.		2,236.	165.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			-11,142.
b			-5,046.
c			978.
d			45,059.
e			-16,023.
f			34,728.
g			41,919.
h			-75,050.
i			-15,183.
j			-12,285.
k			-812.
l			-4,067.
m			-4,325.
n			-2,954.
o			165.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3

PEPPERCORN FOUNDATION

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a IBM CORP		05/23/03	07/01/09
b JOHNSON & JOHNSON		03/04/09	07/01/09
c JOHNSON & JOHNSON		03/11/85	07/01/09
d MCDONALDS CORP		03/04/09	07/01/09
e MICROSOFT CORP		06/26/96	07/01/09
f QUEST DIAGNOSTICS INC		08/28/08	07/01/09
g QUESTAR CORP		04/17/06	07/01/09
h RESEARCH IN MOTION LIMITED		03/04/09	07/01/09
i TEVA PHARMACEUTICAL-SPONS ADR		01/12/05	07/01/09
j UNITED HEALTH GROUP INC		01/12/05	07/01/09
k IBM CORPORATION GLOBAL		01/29/09	07/13/09
l AMGEN INC		01/12/05	09/03/09
m BRISTOL MYERS SQUIBB		03/04/09	09/03/09
n CVS CORP		08/28/08	09/03/09
o CHESAPEAKE ENERGY CORP		08/28/08	09/03/09

(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 14,756.		11,995.	2,761.
b 11,867.		10,361.	1,506.
c 9,041.		392.	8,649.
d 12,826.		11,708.	1,118.
e 19,304.		6,025.	13,279.
f 6,210.		5,965.	245.
g 18,091.		20,181.	-2,090.
h 11,355.		6,545.	4,810.
i 20,485.		11,905.	8,580.
j 7,108.		12,530.	-5,422.
k 53,556.		53,579.	-23.
l 5,790.		6,429.	-639.
m 4,977.		4,285.	692.
n 14,706.		15,070.	-364.
o 7,920.		17,777.	-9,857.

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

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			2,761.
b			1,506.
c			8,649.
d			1,118.
e			13,279.
f			245.
g			-2,090.
h			4,810.
i			8,580.
j			-5,422.
k			-23.
l			-639.
m			692.
n			-364.
o			-9,857.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 }	3

**Part IV** Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a CHEVRONTEXACO CORP		03/04/09	09/03/09
b CISCO SYSTEMS INC		01/28/99	09/03/09
c COLGATE-PALMOLIVE COMPANY		08/28/08	09/03/09
d IBM CORP		05/23/03	09/03/09
e JOHNSON & JOHNSON		03/11/85	09/03/09
f MCDONALDS CORP		03/04/09	09/03/09
g NIKE INC CL B		05/16/06	09/03/09
h 3M COMPANY		12/26/78	09/03/09
i UNITED TECHNOLOGIES CORP		09/11/81	09/03/09
j ACCENTURE LTD CL A		03/04/09	11/04/09
k ENSO INTERNATIONAL INC		03/04/09	12/24/09
l			
m			
n			
o			

(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 6,138.		5,380.	758.
b 12,499.		15,388.	-2,889.
c 24,065.		26,166.	-2,101.
d 13,904.		10,282.	3,622.
e 10,708.		440.	10,268.
f 5,548.		5,322.	226.
g 6,970.		5,251.	1,719.
h 14,118.		1,525.	12,593.
i 11,856.		556.	11,300.
j 44,531.		32,898.	11,633.
k 19,401.		11,348.	8,053.
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			758.
b			-2,889.
c			-2,101.
d			3,622.
e			10,268.
f			226.
g			1,719.
h			12,593.
i			11,300.
j			11,633.
k			8,053.
l			
m			
n			
o			

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	-22,054.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

FORM 990-PF		DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT		
DIVIDENDS	49,292.	0.	49,292.		
INTEREST	36,318.	0.	36,318.		
TOTAL TO FM 990-PF, PART I, LN 4	85,610.	0.	85,610.		

FORM 990-PF		ACCOUNTING FEES		STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEES	2,380.	2,380.		0.	
TO FORM 990-PF, PG 1, LN 16B	2,380.	2,380.		0.	

FORM 990-PF		OTHER PROFESSIONAL FEES		STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
INVESTMENT MANAGEMENT FEES	15,617.	15,617.		0.	
SANVIL CONSULTING	94,385.	0.		0.	
TO FORM 990-PF, PG 1, LN 16C	110,002.	15,617.		0.	

FORM 990-PF		TAXES		STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAX	169.	169.		0.	
ESTIMATED TAX PAYMENTS	9,685.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	9,854.	169.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FILING FEE	35.	0.			0.
TO FORM 990-PF, PG 1, LN 23	35.	0.			0.

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
SEE ATTACHED SCHEDULE	1,509,064.	2,122,814.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,509,064.	2,122,814.		

FORM 990-PF	CORPORATE BONDS		STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
SEE ATTACHED SCHEDULE	742,620.	774,607.		
TOTAL TO FORM 990-PF, PART II, LINE 10C	742,620.	774,607.		

FORM 990-PF                      PART VIII - LIST OF OFFICERS, DIRECTORS                      STATEMENT      8  
                                          TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ALAN RABINOWITZ 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0.50	0.	0.	0.
ANDREA W. RABINOWITZ 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0.50	0.	0.	0.
HUBERT SAPP 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0.50	0.	0.	0.
MARGOT GIBNEY 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0.50	0.	0.	0.
MARTHA RABINOWITZ 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0.50	0.	0.	0.
RONALD WHITE 3400 E LAURELHURST DR NE SEATTLE, WA 98105	TRUSTEE 0.50	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 9

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
CA CHILDCARE RESOURCE AND REFERRAL NETWORK 111 NEW MONTGOMERY STREET, 7TH FLOOR SAN FRANCISCO, CA 94105	NONE PARENT VOICES	PUBLIC CHARITY	40,000.
CORNELL UNIVERSITY 410 THURSTON AVENUE ITHACA, NY 14850	NONE LINKING ECONOMIC DEVELOPMENT AND CHILD CARE	PUBLIC CHARITY	25,000.
FEDERATION OF CHILD CARE CENTERS OF ALABAMA PO BOX 214 MONTGOMERY, AL 36101	NONE GENERAL SUPPORT	PUBLIC CHARITY	50,000.
FEDERATION OF CHILD CARE CENTERS OF ALABAMA PO BOX 214 MONTGOMERY, AL 36101	NONE FISCAL SPONSOR	PUBLIC CHARITY	20,000.
GRANTMAKERS FOR EDUCATION 720 SW WASHINGTON STREET, SUITE 605 PORTLAND, OR 97205	NONE EDUCATION POLICY WORKING GROUP	PUBLIC CHARITY	40,000.
ALCORN STATE HUMAN SCIENCES AUXILIARY COUNCIL 1000 ASU DRIVE 810 LORMAN, MS 39096	NONE ALCORN STATE U ACADEMY FOR CHILD DEVELOPMENT MENTOR TEACHERS	PUBLIC CHARITY	25,000.
SOUTHERN ECHO PO BOX 9306 JACKSON, MS 39286	NONE EARLY CHILDHOOD LEARNING AND CARE WORKING GROUP	PUBLIC CHARITY	50,000.
SOUTHWESTERN INDIAN POLYTECH INST 9169 COORS BLVD, NW ALBUQUERQUE, NM 87120	NONE EARLY CHILDHOOD EDUCATION TUTOR/MENTOR PROGRAM	PUBLIC CHARITY	40,000.

PEPPERCORN FOUNDATION

04-3487843

WASHINGTON STATE ASSOCIATION OF  
HEAD START AND ECEAP  
841 CENTRAL AVENUE KENT, WA  
98032

NONE  
PARENT AMBASSADORS  
PROGRAM

PUBLIC  
CHARITY

40,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

330,000.

**Asset Detail Section**

**Statement of Value and Activity**

October 1, 2009 - December 31, 2009

**Asset Detail**

<i>Description</i>	<i>Shares/Par Value</i>	<i>Current Price</i>	<i>Tax Cost</i>	<i>Market Value</i>	<i>Current Yield</i>	<i>Estimated Annual Income</i>
<i>Cash &amp; Equivalents</i>						
SEI Daily Income Prime Obl #34	49,535.21	\$1 00	\$49,535 21	\$49,535 21	0 10%	\$49 54
SEI Daily Income Prime Obl #34	0 00	\$1 00	\$0 00	\$0.00	0 00%	\$0.00(i)
Cash				\$281 73		
Total Cash & Equivalents			\$49,535 21	\$49,816 94		\$49 54
<i>Domestic Equities</i>						
<i>Staples/Discretionary</i>						
Colgate Palmolive Co	400.00	\$82 15	\$29,700 07	\$32,860 00	2 14%	\$704 00
CVS Caremark Corp	1,300 00	\$32 21	\$44,785 05	\$41,873 00	0 95%	\$396.50
McDonalds Corp	870.00	\$62 44	\$46,301 31	\$54,322 80	3 52%	\$1,914.00
Nike Inc-Class B	620.00	\$66 07	\$25,044 90	\$40,963 40	1 63%	\$669 60
Philip Morns International	820.00	\$48 19	\$27,627 03	\$39,515 80	4 81%	\$1,902.40
Procter & Gamble Co	870.00	\$60 63	\$3,712 75	\$52,748 10	2 90%	\$1,531 20
Target Corp	700.00	\$48 37	\$37,500 13	\$33,859 00	1 41%	\$476 00
Wal Mart Stores Inc	730.00	\$53 45	\$35,682 11	\$39,018 50	2 04%	\$795 70
			\$250,353 35	\$335,160 60		\$8,389 40
<i>Energy</i>						
Chesapeake Energy Corp	2,340 00	\$25 88	\$47,098 65	\$60,559 20	1.16%	\$702.00
Chevron Corporation	666.00	\$76 99	\$39,813 41	\$51,275 34	3 53%	\$1,811 52
Exxon Mobil Corporation	1,045 00	\$68 19	\$3,249 33	\$71,258 55	2 46%	\$1,755 60
			\$90,161 39	\$183,093 09		\$4,269 12
<i>Financials</i>						
AFLAC Inc	560 00	\$46 25	\$22,350 35	\$25,900 00	2 42%	\$627 20

**Asset Detail Section (continued)**

**Statement of Value and Activity**

October 1, 2009 - December 31, 2009

<i>Description</i>	<i>Shares/Par Value</i>	<i>Current Price</i>	<i>Tax Cost</i>	<i>Market Value</i>	<i>Current Yield</i>	<i>Estimated Annual Income</i>
Bank of New York Mellon Corp	485 00	\$27 97	\$10,771 74	\$13,565 45	1 29%	\$174 60
General Electric Corp	3,854 00	\$15 13	\$4,666 72	\$58,311 02	2 64%	\$1,541 60
JP Morgan Chase & Co	485 00	\$41 67	\$18,556 10	\$20,209 95	0 48%	\$97 00
State Street Corp	340 00	\$43 54	\$7,696 99	\$14,803 60	0 09%	\$13 60
			\$64,041 90	\$132,790 02		\$2,454 00
<i>Health Care</i>						
Amgen Inc	600 00	\$56 57	\$38,574 00	\$33,942 00	0 00%	\$0 00
Becton Dickinson	600 00	\$78 86	\$44,367 73	\$47,316 00	1 88%	\$888 00
Bristol Myers Squibb Co	1,900 00	\$25 25	\$35,396 62	\$47,975 00	5 07%	\$2,432 00
Celgene Corp	785 00	\$55 68	\$33,611 89	\$43,708 80	0 00%	\$0 00
Hologic Inc	2,375 00	\$14 50	\$25,507 50	\$34,437 50	0 00%	\$0 00
Johnson & Johnson	1,020 00	\$64 41	\$2,496 02	\$65,698 20	3 04%	\$1,999 20
			\$179,953 76	\$273,077 50		\$5,319 20
<i>Industrials/Materials</i>						
Emerson Elec Co	980 00	\$42 60	\$26,087 60	\$41,748 00	3 15%	\$1,313 20
Monsanto Co New	430 00	\$81 75	\$32,046 35	\$35,152 50	1 30%	\$455 80
United Technologies Corp	860 00	\$69 41	\$2,389 83	\$59,692 60	2 22%	\$1,324 40
3M Co	365 00	\$82 67	\$2,783 81	\$30,174 55	2 47%	\$744 60
			\$63,307 59	\$166,767 65		\$3,838 00
<i>Information Technology</i>						
Apple Inc	280 00	\$210 73	\$25,869 20	\$59,004 96	0 00%	\$0 00
BMC Software Inc	1,140 00	\$40 10	\$32,729 40	\$45,714 00	0 00%	\$0 00
Cisco Systems Inc	2,250 00	\$23 94	\$49,054 06	\$53,865 00	0 00%	\$0 00
Intel Corp	1,410 00	\$20 40	\$23,984 10	\$28,764 00	2 74%	\$789 60

**Asset Detail Section (continued)**

**Statement of Value and Activity**

October 1, 2009 - December 31, 2009

<i>Description</i>	<i>Shares/Par Value</i>	<i>Current Price</i>	<i>Tax Cost</i>	<i>Market Value</i>	<i>Current Yield</i>	<i>Estimated Annual Income</i>
International Business Machines Corp	435 00	\$130 90	\$37,270 80	\$56,941 50	1.68%	\$957 00
L3 Communications Hldgs Inc Com	420 00	\$86 95	\$26,531 36	\$36,519 00	1.61%	\$588.00
Microsoft Corp	2,050 00	\$30 48	\$15,437 78	\$62,484 00	1.71%	\$1,066 00
			\$210,876 70	\$343,292.46		\$3,400.60
<i>Telecommunication/Utilities</i>						
Venzon Communications	880 00	\$33 13	\$31,195.83	\$29,154 40	5.73%	\$1,672.00
			\$31,195 83	\$29,154 40		\$1,672 00
<i>Mutual Funds/ETFs/Other</i>						
Aston River Rd Sm/Md Cap-I	5,345 09	\$8 11	\$41,000 00	\$43,348 68	0.21%	\$90 87
Champlain Small Co Fd ADV	3,783 98	\$11 73	\$41,000 00	\$44,386 11	0.00%	\$0 00
Powershares DB Agnculture Fund	1,015 00	\$26 44	\$25,212 60	\$26,836 60	0.00%	\$0 00
			\$107,212 60	\$114,571 39		\$90 87
Total Domestic Equities			\$997,103.12	\$1,577,907.11		\$29,433.19
<i>International Equities</i>						
<i>Energy</i>						
Ensco International Spons ADR	960 00	\$39 94	\$53,762 95	\$38,342 40	0.00%	\$0 00
Schlumberger Ltd	555 00	\$65 09	\$55,407 31	\$36,124 95	1.29%	\$466 20
Transocean Ltd	360 00	\$82 80	\$20,429 02	\$29,808 00	0.00%	\$0 00
			\$129,599 28	\$104,275 35		\$466 20
<i>Financials</i>						
ACE Limited	390.00	\$50 40	\$19,572 88	\$19,656 00	2.46%	\$483 60
			\$19,572 88	\$19,656 00		\$483 60

**Asset Detail Section (continued)****Statement of Value and Activity**

October 1, 2009 - December 31, 2009

<b>Description</b>	<b>Shares/Par Value</b>	<b>Current Price</b>	<b>Tax Cost</b>	<b>Market Value</b>	<b>Current Yield</b>	<b>Estimated Annual Income</b>
<b>Health Care</b>						
TEVA Pharmaceutical Inds Ltd ADR	840 00	\$56 18	\$24,390 83	\$47,191 20	0 86%	\$404 88
			\$24,390 83	\$47,191 20		\$404 88
<b>Information Technology</b>						
Research In Motion Limited	700 00	\$67 54	\$28,632 38	\$47,278 00	0 00%	\$0 00
			\$28,632 38	\$47,278 00		\$0 00
<b>Mutual/Funds/ETFs/Other</b>						
Artisan Intl Value Fund-Inv	6,549 08	\$23 10	\$133,487 30	\$151,283 70	1 83%	\$2,776 81
Forward Intl Small Company-In	1,810 70	\$12 16	\$22,000 00	\$22,018 10	1 48%	\$325 93
Harding Loevner Emerg Mkts	571 13	\$42 99	\$22,000 00	\$24,552 96	0 29%	\$71 96
Mainstay International Eq I	10,485 07	\$12 27	\$132,278 00	\$128,651 75	3 10%	\$3,994 81
			\$309,765 30	\$326,506 51		\$7,169 51
Total International Equities			\$511,960 67	\$544,907 06		\$8,524 19
<b>Taxable Fixed Income</b>						
United States Treasury Notes DTD 05/15/2007 4.500% 05/15/2010	100,000 00	\$101 57	\$99,273 44	\$101,566 00	4 43%	\$4,500 00
SBC Communications Inc DTD 03/19/01 6 250% 03/15/2011	150,000 00	\$105 90	\$149,020 50	\$158,845 50	5 90%	\$9,375 00
Kraft Foods Inc DTD 11/02/2001 5 625% 11/01/2011 Non Callable	150,000 00	\$106 21	\$156,810 00	\$159,309 00	5 30%	\$8,437 50

**Asset Detail Section (continued)**

**Statement of Value and Activity**

October 1, 2009 - December 31, 2009

<b>Description</b>	<b>Shares/Par Value</b>	<b>Current Price</b>	<b>Tax Cost</b>	<b>Market Value</b>	<b>Current Yield</b>	<b>Estimated Annual Income</b>
General Electric Medium Term Note DTD 12/06/2002 5.450% 01/15/2013	100,000.00	\$106.31	\$100,901.00	\$106,309.00	5.13%	\$5,450.00
Federal Home Loan Mortgage Corp DTD 07/18/2003 4.500% 07/15/2013 Non Callable	50,000.00	\$107.94	\$54,369.90	\$53,969.00	4.17%	\$2,250.00
Federal Home Loan Bank DTD 11/13/2007 4.750% 12/12/2014 Non Callable	50,000.00	\$108.38	\$51,155.00	\$54,187.50	4.38%	\$2,375.00
Federal National Mortgage Assn DTD 09/12/2005 4.375% 10/15/2015 Non Callable	50,000.00	\$106.38	\$54,138.45	\$53,187.50	4.11%	\$2,187.50
Comcast Corp DTD 11/17/2006 5.875% 02/15/2018 Non Callable	50,000.00	\$106.16	\$51,952.00	\$53,079.00	5.53%	\$2,937.50
Delaware High Yield Opportunities Fund	8,802.82	\$3.88	\$25,000.00	\$34,154.93	8.25%	\$2,816.90
Total Taxable Fixed Income			\$742,620.29	\$774,607.43		\$40,329.40
<b>Total All Assets</b>			<b>\$2,301,219.29</b>	<b>\$2,947,238.54</b>		<b>\$78,336.32</b>

Peppercorn Foundation  
2009 sec. IX-9 Statement

Examples of program related work conducted by “consultant” acting as executive director of the Peppercorn Foundation.

1.) Grantmakers for Education, Co-Chair of the GFE Education Policy Working Group

Representing the Peppercorn Foundation, consultant continued to work with Grantmakers for Education (GFE) on development of an education policy working group. GFE is a national network of over 200 foundations, corporate giving programs, and individual donors working to improve programs, systems and institutions from pre-kindergarten through higher education. The Peppercorn consultant acted as co-chair of the steering committee for the education policy working group planning activities for GFE membership, including planning meetings, webinars, workshops and institutes. Consultant works with the working group coordinator and steering committee on strategic planning, problem solving and fundraising.

Consultant fee: \$12,615  
Travel & Hospitality: \$2,227

2.) Grantmakers for Children, Youth and Families (GCYF), Board member

Consultant represents the Peppercorn Foundation on the Board of GCYF. With over 400 member foundations, the mission of GCYF is to engage funders across all sectors to continually improve their grantmaking on behalf of children, youth, and families. Consultant serves on a Program Committee for the Board and acted as a advisor between the Early Childhood Funders Collaborative (a former program of GCYF), and the Board and staff of GCYF. Consultant duties also included conference calls, meetings, planning sessions, conflict resolution, and recruitment.

Consultant fee: \$9,461.38  
Travel & Hospitality: \$1,972