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990-PF

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

OMB No 1545-0052

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

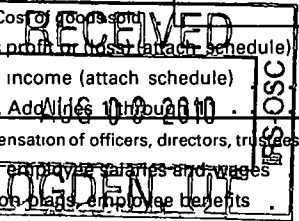
For calendar year 2009, or tax year beginning , 2009, and ending , 20

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

Name of foundation: GRACE RIVER FOUNDATION JH1361
Employer identification number: 04-3562515
Telephone number: (617) 523-6800
City or town, state, and ZIP code: BOSTON, MA 02109
H Check type of organization: Section 501(c)(3) exempt private foundation
J Accounting method: Cash

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Revenue (1-12) and Operating and Administrative Expenses (13-26).

SCANNED AUG 12 2010



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	32,821.	33,717.	33,717.
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			NONE
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule) STMT 7	70,783.	60,386.	63,803.
	b	Investments - corporate stock (attach schedule) STMT 8	156,581.	132,633.	183,583.
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)	12,479.		
	14	Land, buildings, and equipment basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)				
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	272,664.	226,736.	281,103.	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
23	Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	272,664.	226,736.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	272,664.	226,736.		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	272,664.	226,736.		

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)	1 272,664.
2	Enter amount from Part I, line 27a	2 75,619.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3 25.
4	Add lines 1, 2, and 3	4 348,308.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 10	5 121,572.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6 226,736.

Form 990-PF (2009)

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 SEE PART IV DETAIL						
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))			
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any				
a						
b						
c						
d						
e						
2 Capital gain net income or (net capital loss)				2	60,301.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8.					3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	139,671.	290,575.	0.48067108320
2007	139,519.	400,530.	0.34833595486
2006	139,947.	328,278.	0.42630636229
2005	124,512.	316,971.	0.39281827044
2004	99,903.	297,925.	0.33532936142

2 Total of line 1, column (d)	2	1.98346103221
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.39669220644
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	243,753.
5 Multiply line 4 by line 3	5	96,695.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	678.
7 Add lines 5 and 6	7	97,373.
8 Enter qualifying distributions from Part XII, line 4	8	115,817.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)	1	678.
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		
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	
3 Add lines 1 and 2	3	678.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0)	4	NONE
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	678.
6 Credits/Payments		
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	1,300.
b Exempt foreign organizations-tax withheld at source	6b	NONE
c Tax paid with application for extension of time to file (Form 8868)	6c	NONE
d Backup withholding erroneously withheld	6d	
7 Total credits and payments. Add lines 6a through 6d	7	1,300.
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	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	622.
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> 622. Refunded <input checked="" type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file 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 ► \$ _____ (2) On foundation managers ► \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a 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?		
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 page 19 of the instructions) ► _____		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <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 on page 27)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) 11 X

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? 12 X

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X

Website address N/A

14 The books are in care of NICHOLS & PRATT, LLP Telephone no (617) 523-6800
 Located at 50 CONGRESS STREET, BOSTON, MA ZIP + 4 02109

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

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <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)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input 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 <input type="checkbox"/>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions)	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="checkbox"/>		
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)	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)? (see page 22 of the instructions) Yes No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No
- b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Yes No
 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? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d)
- 6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If "Yes" to 6b, file Form 8870
- 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No
- b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

5b		
6b		X
7b		

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 11		1,815.	-0-	-0-

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

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

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

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

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

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	

2	

3	

4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	

2	

All other program-related investments See page 24 of the instructions	
3 NONE	

Total. Add lines 1 through 3	

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

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	210,808.
b	Average of monthly cash balances	1b	36,657.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	247,465.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	247,465.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	3,712.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	243,753.
6	Minimum investment return. Enter 5% of line 5	6	12,188.

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

1	Minimum investment return from Part X, line 6	1	12,188.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	678.
b	Income tax for 2009. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	678.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	11,510.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	11,510.
6	Deduction from distributable amount (see page 25 of the instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	11,510.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	115,817.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	115,817.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	678.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	115,139.

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				11,510.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			NONE	
b Total for prior years 20____, 20____, 20____		NONE		
3 Excess distributions carryover, if any, to 2009				
a From 2004	86,953.			
b From 2005	111,475.			
c From 2006	125,619.			
d From 2007	122,606.			
e From 2008	127,690.			
f Total of lines 3a through e	574,343.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ <u>115,817.</u>				
a Applied to 2008, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)		NONE		
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)	NONE			
d Applied to 2009 distributable amount				11,510.
e Remaining amount distributed out of corpus	104,307.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	678,650.			
b Prior years' undistributed income. Subtract line 4b from line 2b		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions		NONE		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions			NONE	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	NONE			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	86,953.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	591,697.			
10 Analysis of line 9:				
a Excess from 2005	111,475.			
b Excess from 2006	125,619.			
c Excess from 2007	122,606.			
d Excess from 2008	127,690.			
e Excess from 2009	104,307.			

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

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
 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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:
 N/A

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT 13</p>				
Total				▶ 3a 115,000.
<p>b <i>Approved for future payment</i></p>				
Total				▶ 3b

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

2009

Name of the organization GRACE RIVER FOUNDATION JH1361	Employer identification number 04-3562515
---	--

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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 an organization 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 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 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 (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions 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 990-EZ that received from any one contributor, during the year, 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. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization GRACE RIVER FOUNDATION JH1361	Employer identification number 04-3562515
--	---

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	NICHOLS & PRATT MA 02109	\$ 124,606.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" 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.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization GRACE RIVER FOUNDATION JH1361	Employer identification number 04-3562515
--	---

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	600 JOHNSON & JOHNSON SHARES 500 MERCK & CO, INC. SHARES 500 EXXONMOBIL CORP. SHARES 2,000 GENERAL ELECTRIC CORP. SHARES	\$ 124,606.	12/15/2009
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

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

OMB No 1545-0092

2009

Name of estate or trust
GRACE RIVER FOUNDATION JH1361

Employer identification number
04-3562515

Note: Form 5227 filers need to complete *only* Parts I and II.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a SHORT-TERM CAPITAL GAIN DIVIDENDS		STMT 1			1.

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ▶	5	1.

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

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	60,300.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ▶	12	60,300.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2009

Part III Summary of Parts I and II		(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		1.
14	Net long-term gain or (loss):			
a	Total for year	14a		60,300.
b	Unrecaptured section 1250 gain (see line 18 of the wrksh.)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a ▶	15		60,301.

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

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:

a The loss on line 15, column (3) or b \$3,000	16 ()
--	---------------

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

Part V Tax Computation Using Maximum Capital Gains Rates

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

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

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

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

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ▶	21		
22	Subtract line 21 from line 20. If zero or less, enter -0-	22		
23	Subtract line 22 from line 17. If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,300	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23	25		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27		
28	Enter the amount from line 26 (if line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (.15)	30		
31	Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		
32	Add lines 30 and 31	32		
33	Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

FEDERAL CAPITAL GAIN DIVIDENDS
=====

SHORT-TERM CAPITAL GAIN DIVIDENDS

FEDERATED US TREASURY CASH RSV FD-I

1.00

TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS

1.00

=====

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ANALOG DEVICES INC	80.	80.
AUTOMATIC DATA PROCESSING INC	264.	264.
BB&T CORPORATION	310.	310.
BP PLC SPONS ADR	336.	336.
CINTAS CORP	82.	82.
CITIGROUP INC	2.	2.
COCA COLA CO	328.	328.
EMERSON ELEC CO	398.	398.
EXPEDITORS INTL WASH INC	29.	29.
EXXONMOBIL CORP	166.	166.
FHLB	588.	588.
GENERAL ELECTRIC CORP	328.	328.
JOHNSON & JOHNSON	386.	386.
LINEAR TECHNOLOGY CORP	88.	88.
MEDTRONIC INC	94.	94.
MERCK & CO INC	152.	152.
MICROSOFT CORP	52.	52.
FEDERATED US TREASURY CASH RSV FD-I	1.	1.
NOVARTIS AG SPONSORED ADR	257.	257.
PNC FINANCIAL SERVICES GROUP	10.	10.
PEPSICO INC	350.	350.
PROCTER & GAMBLE CO	335.	335.
STATE STREET CORP	54.	54.
SYSCO CORP	288.	288.
U.S. TREASURY NOTES	275.	275.
U.S. TREASURY NOTES	575.	575.
U.S. TREASURY NOTES	488.	488.
U.S. TREASURY NOTES	388.	388.
U.S. TREASURY NOTES	475.	475.
U.S. TREASURY NOTES	475.	475.
WALGREEN CO	50.	50.
WILMINGTON TR CORP	37.	37.

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
TOTAL	7,741.	7,741.

FORM 990PF, PART I - OTHER INCOME
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
TOTALS	2,008.	1,682.

FORM 990PF, PART I - ACCOUNTING FEES
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION FEE (NON-ALLOC	750.			
TOTALS	750.	750.	NONE	NONE

FORM 990PF, PART I - OTHER PROFESSIONAL FEES
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT MGMT FEES-SUBJECT T	82.	82.
TOTALS	82.	82.

FORM 990PF, PART I - TAXES
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	90.	90.
FEDERAL ESTIMATES - INCOME	1,300.	
TOTALS	1,390.	90.

GRACE RIVER FOUNDATION JH1361

04-3562515

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS
=====

DESCRIPTION

DETAILS ON ATTACHED STATEMENT

TOTALS

GRACE RIVER FOUNDATION JH1361

04-3562515

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION

DETAILS ON ATTACHED STATEMENT

TOTALS

Asset Detail

Statement of Value and Activity

December 1, 2009 - December 31, 2009

Asset Detail

Description	Shares/Par Value	Tax Cost	Market Value	Current Yield	Est. Ann. Income	% of Mkt. Val.
Cash & Equivalents						
<i>Money Market Funds</i>						
Federated US Treasury Cash Rsv Fd-I CUSIP: 60934N682	33,717	\$33,716.54	\$33,716.54	0.12%	\$39.11	11.98%
Total Cash & Equivalents						
		\$33,716.54	\$33,716.54		\$39.11	11.98%
Equity						
<i>Consumer Staples</i>						
Coca Cola Co CUSIP: 191216100	200	\$9,389.20	\$11,400.00	2.88%	\$328.00	4.06%
Pepsico Inc CUSIP: 713448108	200	\$9,033.50	\$12,160.00	2.96%	\$360.00	4.33%
Procter & Gamble Co CUSIP: 742718109	195	\$6,198.00	\$11,822.85	2.90%	\$343.20	4.21%
Sysco Corp CUSIP: 871829107	300	\$8,494.20	\$8,382.00	3.58%	\$300.00	2.98%
Walgreen Co CUSIP: 931422109	100	\$4,131.68	\$3,672.00	1.50%	\$55.00	1.31%
		\$37,246.58	\$47,436.85		\$1,386.20	16.89%
Energy						
BP PLC Spons ADR CUSIP: 055622104	100	\$4,291.69	\$5,797.00	5.80%	\$336.00	2.06%
Exxonmobil Corp CUSIP: 30231G102	150	\$27.21	\$10,228.50	2.46%	\$252.00	3.64%
		\$4,318.90	\$16,025.50		\$588.00	5.70%

0013965 - 1200053



Asset Detail (continued)

Statement of Value and Activity

December 1, 2009 - December 31, 2009

Description	Shares/Par Value	Tax Cost	Market Value	Current Yield	Est. Ann. Income	% of Mkt. Val.
Financials						
PNC Financial Services Group CUSIP: 693475105	10	\$7,825.60	\$527.90	0.76%	\$4.00	0.19%
State Street Corp CUSIP: 857477103	200	\$9,997.60	\$8,708.00	0.09%	\$8.00	3.10%
		\$17,823.20	\$9,235.90		\$12.00	3.29%
Health Care						
Abbott Labs CUSIP: 002824100	100	\$5,337.00	\$5,399.00	2.96%	\$160.00	1.92%
Johnson & Johnson CUSIP: 478160104	300	\$901.87	\$19,323.00	3.04%	\$588.00	6.87%
Medtronic Inc CUSIP: 585055106	120	\$5,655.80	\$5,277.60	1.86%	\$98.40	1.88%
Merck & Co Inc CUSIP: 58933Y105	200	\$343.88	\$7,308.00	4.16%	\$304.00	2.60%
Novartis AG Sponsored ADR CUSIP: 66987V109	150	\$8,187.50	\$8,164.50	2.67%	\$218.10	2.90%
		\$20,426.05	\$45,472.10		\$1,368.50	16.17%
Industrials						
Emerson Elec Co CUSIP: 291011104	300	\$8,161.75	\$12,780.00	3.15%	\$402.00	4.55%
Expeditors Intl Wash Inc CUSIP: 302130109	150	\$5,910.75	\$5,215.50	1.09%	\$57.00	1.86%

Asset Detail (continued)

Statement of Value and Activity

December 1, 2009 - December 31, 2009

Description	Shares/Par Value	Tax Cost	Market Value	Current Yield	Est. Ann. Income	% of Mkt. Val.
General Electric Corp CUSIP: 369604103	500	\$48.01	\$7,565.00	2.64%	\$200.00	2.69%
<hr/>						
Technology		\$14,120.51	\$25,560.50		\$659.00	9.10%
Automatic Data Processing Inc CUSIP: 053015103	200	\$9,421.08	\$8,564.00	3.18%	\$272.00	3.05%
Cisco Systems Inc CUSIP: 17275R102	200	\$3,092.00	\$4,788.00	0.00%	\$0.00	1.70%
Fiserv Inc CUSIP: 337738108	75	\$3,237.59	\$3,636.00	0.00%	\$0.00	1.29%
Linear Technology Corp CUSIP: 535678106	200	\$6,357.57	\$6,112.00	2.88%	\$176.00	2.17%
Microsoft Corp CUSIP: 594918104	100	\$2,931.00	\$3,048.00	1.71%	\$52.00	1.08%
<hr/>						
Basic Materials		\$25,039.24	\$26,148.00		\$500.00	9.29%
BHP Billiton Ltd Spons ADR CUSIP: 088606108	50	\$3,635.50	\$3,829.00	2.14%	\$82.00	1.36%
Praxair Inc CUSIP: 74005P104	50	\$4,054.50	\$4,015.50	1.99%	\$80.00	1.43%
Sigma Aldrich Corp CUSIP: 826552101	50	\$2,569.50	\$2,527.50	1.15%	\$29.00	0.90%
<hr/>						
		\$10,279.50	\$10,372.00		\$191.00	3.69%

001396G - 1200053



Asset Detail (continued)

Statement of Value and Activity

December 1, 2009 - December 31, 2009

Description	Shares/Par Value	Tax Cost	Market Value	Current Yield	Est. Ann. Income	% of Mkt. Val.
Utilities						
Southern Company CUSIP: 842587107	100	\$3,379.50	\$3,332.00	5.25%	\$175.00	1.19%
<hr/>						
Total Equity		\$3,379.50	\$3,332.00		\$175.00	1.19%
<hr/>						
Fixed Income						
Government Securities						
United States Treasury Notes DTD 08/15/2000 5.750% 08/15/2010 CUSIP: 9128276J6	10,000	\$10,493.75	\$10,333.20	5.56%	\$575.00	3.68%
Federal Home Loan Bank DTD 02/14/2001 5.875% 02/15/2011 Non Callable CUSIP: 3133MDBT9	10,000	\$10,214.60	\$10,565.60	5.56%	\$587.50	3.76%
United States Treasury Notes DTD 03/31/2006 4.750% 03/31/2011 CUSIP: 912828FA3	10,000	\$10,003.13	\$10,490.60	4.53%	\$475.00	3.73%
United States Treasury Notes DTD 02/15/2002 4.875% 02/15/2012 CUSIP: 9128277L0	10,000	\$9,837.50	\$10,760.20	4.53%	\$487.50	3.83%
United States Treasury Notes DTD 02/15/2003 3.875% 02/15/2013 CUSIP: 912828AU4	10,000	\$9,868.75	\$10,650.00	3.64%	\$387.50	3.79%

Asset Detail (continued)

Statement of Value and Activity

December 1, 2009 - December 31, 2009

Description	Shares/Par Value	Tax Cost	Market Value	Current Yield	Est. Ann. Income	% of Mkt. Val.
United States Treasury Notes DTD 05/15/2004 4.750% 05/15/2014 CUSIP: 912828CJ7	10,000	\$9,968.75	\$11,003.10	4.32%	\$475.00	3.91%
Total Fixed Income		\$60,386.48	\$63,802.70		\$2,987.50	22.70%
Total All Assets		\$226,736.50	\$281,102.09		\$7,906.31	100.00%

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

DESCRIPTION -----	AMOUNT -----
FEDERATED AND ROUNDING	25.
TOTAL	----- 25. =====

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

=====

DESCRIPTION -----	AMOUNT -----
EXCESS OF FMV OVER TAX COST OF GIFT SHAR	
500 MERCK & CO., INC. SHARES RECEIVED 12	18,025.
600 JOHNSON & JOHNSON SHARES RECEIVED 12	37,172.
500 EXXONMOBIL CORP. SHARES RECEIVED 12/	34,754.
2,000 GENERAL ELECTRIC CORP. SHARES RECE	31,621.

TOTAL	121,572.
	=====

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

OFFICER NAME:

RICHARD K NICHOLS

ADDRESS:

NICHOLS & PRATT LLP 50 CONGRESS ST
BOSTON, MA 02109

TITLE:

TRUSTEE

COMPENSATION 1,815.

OFFICER NAME:

WILLIAM B HURD

ADDRESS:

NICHOLS & PRATT LLP 50 CONGRESS ST
BOSTON, MA 02109

TITLE:

TRUSTEE

TOTAL COMPENSATION: 1,815.

=====

=====

RECIPIENT NAME:

AFRICAN WOMENS HEALTH CTR

ADDRESS:

116 HUNTINGTON AVE 5TH FL
BOSTON, MA 02116

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SUPPORT

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 15,000.

RECIPIENT NAME:

NEW ENGLAND LEARNING CTR

ADDRESS:

479 MAIN STREET, P.O. BOX 520
GREENFIELD, MA 01302

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SUPPORT THE CENTER

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 60,000.

RECIPIENT NAME:

PARTNERS IN HEALTH

ADDRESS:

641 HUNTINGTON AVENUE
BOSTON, MA 02115

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SUPPORT PARTNERS IN HEALTH

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 15,000.

=====

RECIPIENT NAME:

WOMEN'S CRISIS CENTER

ADDRESS:

P. O. BOX 933

BRATTLEBORO, VT 05201

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

SUPPORT THE CRISIS CENTER

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 25,000.

RECIPIENT NAME:

THE GRACE RIVER FOUNDATION

C/O NICHOLS & PRATT, LLP

ADDRESS:

50 CONGRESS ST

BOSTON, MA 02109

TOTAL GRANTS PAID: 115,000.

=====

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS					1.	
4.00							08/21/2001	06/24/2009
		.25 AMERICAN INTERNATIONAL GROUP PROPERTY TYPE: SECURITIES 394.00					-390.00	
313.00							05/23/2007	12/17/2009
		11. AMERICAN INTERNATIONAL GROUP PROPERTY TYPE: SECURITIES 16,500.00					-16,187.00	
3,053.00							11/21/2002	12/17/2009
		100. ANALOG DEVICES INC PROPERTY TYPE: SECURITIES 3,121.00					-68.00	
6,369.00							05/20/2003	12/17/2009
		250. BB&T CORPORATION PROPERTY TYPE: SECURITIES 9,038.00					-2,669.00	
5,052.00							05/20/2003	12/17/2009
		175. CINTAS CORP PROPERTY TYPE: SECURITIES 6,997.00					-1,945.00	
628.00							05/26/2006	12/17/2009
		200. CITIGROUP INC PROPERTY TYPE: SECURITIES 9,697.00					-9,069.00	
30,920.00							01/14/1942	12/17/2009
		450. EXXONMOBIL CORP PROPERTY TYPE: SECURITIES 82.00					30,838.00	
29,943.00							05/26/2006	12/17/2009
		1900. GENERAL ELECTRIC CORP PROPERTY TYPE: SECURITIES 12,132.00					17,811.00	
32,136.00							11/06/1985	12/17/2009
		500. JOHNSON & JOHNSON PROPERTY TYPE: SECURITIES 1,503.00					30,633.00	
15,034.00							03/02/1979	12/17/2009
		400. MERCK & CO INC PROPERTY TYPE: SECURITIES 688.00					14,346.00	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
33.00		.78 PNC FINANCIAL SERVICES GROUP PROPERTY TYPE: SECURITIES 663.00					05/20/2002 -630.00	01/15/2009
10,000.00		10000. U.S. TREASURY NOTES 5.500% 5/15 PROPERTY TYPE: SECURITIES 10,397.00					05/22/2002 -397.00	05/15/2009
1,189.00		100. WILMINGTON TR CORP PROPERTY TYPE: SECURITIES 3,162.00					07/14/2003 -1,973.00	12/17/2009
TOTAL GAIN(LOSS)							----- 60,301. =====	

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

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

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

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

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

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

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

Type or print <small>File by the due date for filing your return See instructions</small>	Name of Exempt Organization GRACE RIVER FOUNDATION JH1361	Employer identification number 04-3562515
	Number, street, and room or suite no If a P O box, see instructions. 50 CONGRESS STREET	
	City, town or post office, state, and ZIP code For a foreign address, see instructions BOSTON, MA 02109	

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

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

• The books are in the care of ▶ NICHOLS & PRATT, LLP

Telephone No ▶ (617) 523-6800 FAX No. ▶ _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/16, 2010 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year 2009 or
- ▶ tax year beginning _____ , _____ , and ending _____ , _____ .

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ 678.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ 1,300.
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ _____

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

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