Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

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

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

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

Name of foundation: Willard C. Tilson Foundation c/o Bayard Waring

Number and street (or P O box number if mail is not delivered to street address): 3 Sandaba Road | Room/suite:

City or town, state, and ZIP code: Rockport, MA 01966

A Employer identification number: 04-6036556

B Telephone number: 1.978.546.7166

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

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

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

I Fair market value of all assets at end of year (*from Part II, col. (c), line 16*) ▶$ 4541570.

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

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc, received				
2 Check ▶ [X] if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	1248.	1248.	1248.	
4 Dividends and interest from securities	127057.	127057.	127057.	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-964046.			
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain			0.	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income	4359.	4359.	4359.	Statement 1
12 **Total.** Add lines 1 through 11	-831382.	132664.	132664.	
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	20000.	10000.	10000.	10000.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees Stmt 2	6500.	5850.	5850.	650.
c Other professional fees Stmt 3	6699.	6078.	6078.	621.
17 Interest				
18 Taxes Stmt 4	6555.	4455.	4455.	0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses Stmt 5	91.	21.	21.	70.
24 **Total operating and administrative expenses.** Add lines 13 through 23	39845.	26404.	26404.	11341.
25 Contributions, gifts, grants paid	201000.			201000.
26 **Total expenses and disbursements.** Add lines 24 and 25	240845.	26404.	26404.	212341.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-1072227.			
b **Net investment income** (if negative, enter -0-)		106260.		
c **Adjusted net income** (if negative, enter -0-)			106260.	

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

		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	7057.	106557.	106557.
	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			
	b Investments - corporate stock Stmt 7	4852505.	3746572.	4435013.
	c Investments - corporate bonds			
	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 ▶)			
	16 **Total assets** (to be completed by all filers)	4859562.	3853129.	4541570.
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			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	4859562.	3853129.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances**	4859562.	3853129.	
	31 **Total liabilities and net assets/fund balances**	4859562.	3853129.	

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	4859562.
2	Enter amount from Part I, line 27a	2	-1072227.
3	Other increases not included in line 2 (itemize) ▶ See Statement 6	3	65794.
4	Add lines 1, 2, and 3	4	3853129.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3853129.

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				
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				-964046.
b				
c				
d				
e				

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

	(i) F M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				-964046.
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	-964046.
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	-575882.

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	231379.	4869429.	.047517
2007	318585.	5651101.	.056376
2006	315495.	5592470.	.056414
2005	334702.	5301964.	.063128
2004	281957.	5018365.	.056185

2	Total of line 1, column (d)	2	.279620
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	.055924
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	3871096.
5	Multiply line 4 by line 3	5	216487.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1063.
7	Add lines 5 and 6	7	217550.
8	Enter qualifying distributions from Part XII, line 4	8	212341.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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 ▶ ☐ and enter 1% of Part I, line 27b			1	2125.
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	2125.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	2125.
6	Credits/Payments				
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2667.		
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	2667.
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	542.
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 542. **Refunded** ▶			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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? *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.*	1b		X
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6		X
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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 ▶ Fiduciary Trust Telephone no. ▶ 1-617-482-5270

Located at ▶ 175 Federal Street, Boston, MA ZIP+4 ▶ 12110

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?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception**. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ______ , ______ , ______ , ______				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______ , ______ , ______ , ______				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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)? N/A | 5b |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

If "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? N/A | 7b |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
Bayard Waring 3 Sandaba Road Rockport, MA 01966	Trustee 10.00	10000.	0.	0.
Philip Waring 3 Evans Road Marblehead, MA 01945	Trustee 10.00	10000.	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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. *Add lines 1 through 3* ▶	0.

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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	3792262.
b	Average of monthly cash balances		1b	137785.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	3930047.
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	3930047.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	58951.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	3871096.
6	**Minimum investment return.** Enter 5% of line 5		6	193555.

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	193555.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 2125.		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	2125.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	191430.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	191430.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	191430.

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	212341.
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	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	212341.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	212341.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				191430.
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 38625.				
b From 2005 90956.				
c From 2006 50475.				
d From 2007 38302.				
e From 2008				
f Total of lines 3a through e	218358.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 212341.				
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				191430.
e Remaining amount distributed out of corpus	20911.			
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:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	239269.			
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	38625.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	200644.			
10 Analysis of line 9:				
a Excess from 2005 90956.				
b Excess from 2006 50475.				
c Excess from 2007 38302.				
d Excess from 2008				
e Excess from 2009 20911.				

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

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 ▶ 12/31/56

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

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
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 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

Bayard Waring, 1.978.283.0643
30 Western Avenue, Gloucester, MA 01930

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

Letter-consult above.

c Any submission deadlines

None

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

Qualifying organizations that operate in Massachusetts.

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment				
Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Statement 8				
Total			▶ 3a	201000.
b *Approved for future payment*				
None				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue.					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1248.	
4 Dividends and interest from securities			14	127057.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	-964046.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a Other income					4359.
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		-835741.	4359.

13 Total. Add line 12, columns (b), (d), and (e) 13 -831382.

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes)
11a	on going operations

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

Bayard D. Waring | 11/1/10 | Trustee

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	Walter V. Gordon, Jr.	Date 10/29/10	Check if self-employed ☒	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code	Walter V. Gordon, Jr., CPA 56 North Main Street Fall River, MA 02720	EIN	
		Phone no 508.674.3114	

923622
02-02-10

Form 990-PF Other Income Statement 1

Description	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other income	4359.	0.	4359.
Total to Form 990-PF, Part I, line 11	4359.	0.	4359.

Form 990-PF Accounting Fees Statement 2

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting	6500.	5850.	5850.	650.
To Form 990-PF, Pg 1, ln 16b	6500.	5850.	5850.	650.

Form 990-PF Other Professional Fees Statement 3

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Custodial	6209.	6078.	6078.	621.
Tax letter fee	490.	0.	0.	0.
Consulting	0.	0.	0.	0.
To Form 990-PF, Pg 1, ln 16c	6699.	6078.	6078.	621.

Form 990-PF Taxes Statement 4

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Foreign taxes	4455.	4455.	4455.	0.
Excise taxes	2100.	0.	0.	0.
To Form 990-PF, Pg 1, ln 18	6555.	4455.	4455.	0.

Form 990-PF Other Expenses Statement 5

Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PC Form	0.	0.	0.	70.
Miscellaneous	91.	21.	21.	0.
To Form 990-PF, Pg 1, ln 23	91.	21.	21.	70.

Form 990-PF Other Increases in Net Assets or Fund Balances Statement 6

Description	Amount
Limited Partnership Distribution and basis adjustment	65794.
Total to Form 990-PF, Part III, line 3	65794.

Form 990-PF Corporate Stock Statement 7

Description	Book Value	Fair Market Value
Corporate Stock	3746572.	4435013.
Total to Form 990-PF, Part II, line 10b	3746572.	4435013.

Form 990-PF Grants and Contributions Paid During the Year Statement 8

Recipient Name and Address	Recipient Relationship and Purpose of Grant	Recipient Status	Amount
Cape Ann YMCA 71 Middle Street Gloucester, MA 01930	On going operations	501(c)(3)	15000.
Gloucester Maritime 23 Harbor Loop Gloucester, MA 01930	On going operations	501(c)(3)	15000.
The Waring School 35 Standley St. Beverly, MA 01915	On going operations	501(c)(3)	50000.
Beverly School for the Deaf 6 Echo Ave. Beverly, MA 01915	On going operations	501(c)(3)	15000.
Gloucester Stage Co 267 East Main Street Gloucester, MA 01930	On going operations	501(c)(3)	20000.
Gloucester Heritage Museum Brunswick Road Gloucester, MA 01930	On going operations	501(c)(3)	10000.
Cambridge College 570 Cottage Street Springfield, MA 01104	On going operations	501(c)(3)	10000.
Pathways for Children 29 Emerson Ave. Gloucester, MA 01930	On going operations	501(c)(3)	10000.

Gloucester YMCA/Rockport Teen Center 32 Poole's Lane Rockport, MA 01966	On going operations	501(c)(3)	10000.
My Brothers Table Organization 98 Willow Street Lynn, MA 01901	On going operations	501(c)(3)	10000.
Rockport Music 21 Broadway Street Rockport, MA 01966	On going operations	501(c)(3)	25000.
Education Fndn for Rockport 72 Rogers Street Gloucester, MA 01930	On going operations	501(c)(3)	2500.
Mill City Youth Football & Cheerleadin 3235 Broadway Lawrence, MA 01843	On going operations	501(c)(3)	4500.
267 East Main Street Gloucester, MA 01930	On going operations	501(c)(3)	4000.
Total to Form 990-PF, Part XV, line 3a			201000.

Account Name:

WILLARD TILSON FOUNDATION

FIDUCIARYTRUST

Account Number: 91098200

Tax I.D. Number: XX-XXX6556

DETAIL OF SHORT-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
	SHORT-TERM SALES REPORTED ON FORM 1099-B					
3,000 000	BURLINGTON NORTHERN SANTA FE	10/20/2008	01/15/2009	185,562 15	247,005 80	-61,443 65
2,000 000	PROCTER & GAMBLE COM	10/16/2008	01/15/2009	113,793 76	131,744 00	-17,950 24
6,719 000	BANK OF AMERICA CORP	08/08/2008	01/20/2009	40,192 83	258,746 34	-218,553 51
3,000 000	COMERICA INC COM	08/28/2008	01/20/2009	39,754 87	82,293 10	-42,538 23
5,000 000	BANK OF AMERICA CORP	10/01/2008	02/03/2009	26,259 85	145,966.56	-119,706 71
2,000 000	NOVARTIS AG ADR	12/30/2008	03/11/2009	68,123.61	102,047 00	-33,923 39
1,000 000	NOVARTIS AG ADR	12/26/2008	04/08/2009	37,103 04	47,834 00	-10,730 96
2,000 000	PERMIAN BASIN ROYALTY TRUST	12/30/2008	04/08/2009	19,536 29	27,074 17	-7,537 88
5,000.000	AMERICAN CAPITAL LTD	01/06/2009	04/14/2009	12,909 66	79,581.00	-66,671 34
1,000 000	BOSTON PROPERTIES INC COM	02/03/2009	04/14/2009	39,532.98	42,386 00	-2,853 02
1,000 000	NOVARTIS AG ADR	10/13/2008	04/14/2009	36,943 04	47,487 00	-10,543 96
2,000 000	NOVARTIS AG ADR	12/10/2008	04/17/2009	73,022 11	93,211 00	-20,188 89
2,000 000	FRONTLINE LTD COM SHS	12/30/2008	04/22/2009	37,539.03	57,095 36	-19,556 33
1,000 000	JOHNSON & JOHNSON COM	01/05/2009	04/29/2009	50,694 69	59,718 00	-9,023 31
1,000 000	BOSTON PROPERTIES INC COM	02/03/2009	06/24/2009	46,245.16	42,386 00	3,859.16
1,000 000	ENCANA CORPORATION	04/23/2009	06/24/2009	48,750 74	45,776 00	2,974 74
2,000 000	GRANITE CONSTRUCTION INC COM	03/09/2009	06/24/2009	68,025 85	71,720 96	-3,695 11
1,000 000	EMERSON ELECTRIC COM	12/30/2008	06/29/2009	33,291 14	35,682 80	-2,391 66
2,000 000	GENERAL ELECTRIC COM	04/14/2009	07/08/2009	21,459 44	21,806 00	-346 56
3,000 000	AT&T INC COM	04/22/2009	08/05/2009	76,894 01	78,624 00	-1,729 99
1,000 000	ALLIANCE RESOURCE PARTNERS L P UNIT	10/20/2008	08/12/2009	35,376.11	32,161 80	3,214 31
1,000 000	DIAMOND OFFSHORE DRILLING INC	01/05/2009	09/02/2009	86,775 76	67,051 20	19,724 56
1,000 000	VERIZON COMMUNICATIONS	04/17/2009	09/15/2009	30,810 88	32,058 00	-1,247 12
2,000 000	VERIZON COMMUNICATIONS	03/16/2009	09/16/2009	60,142 08	57,756 00	2,386 08
1,000 000	INTL BUSINESS MACHINES	08/05/2009	09/22/2009	121,348 27	118,756 00	2,592.27
1,000 000	INTL BUSINESS MACHINES	04/22/2009	09/23/2009	120,828 89	103,714 00	17,114 89
3,000 000	WELLS FARGO CO NEW	07/22/2009	10/08/2009	87,483 74	81,844 00	5,639 74
1,000 000	JOHNSON & JOHNSON COM	01/28/2009	10/23/2009	60,360 44	58,320 00	2,040 44
2,000.000	JOHNSON & JOHNSON COM	04/23/2009	10/29/2009	119,000 93	104,666 00	14,334 93
6,000 000	DRYSHIPS INC COM SHS	09/15/2009	11/25/2009	37,469.02	36,600.00	869 02
	TOTAL SHORT-TERM SALES REPORTED ON 1099-B			1,835,230 37	2,411,112 09	-575,881 72
	TOTAL SHORT-TERM SALES			1,835,230 37	2,411,112 09	-575,881 72

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

XD960 1 000

Account Name:

WILLARD TILSON FOUNDATION

FIDUCIARYTRUST

Account Number: 91098200

Tax I.D. Number: XX-XXX6556

DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
	15% MAXIMUM RATE SALES REPORTED ON FORM 1099-B					
2,000 000	EAGLE BULK SHIPPING INC COM SHS	09/04/2007	01/28/2009	10,919 93	52,625 15	-41,705 22
2,000 000	EAGLE BULK SHIPPING INC COM SHS	12/20/2005	01/30/2009	10,523 94	30,094 98	-19,571 04
2,000 000	ISHARES MSCI BRAZIL INDEX FUND	02/19/2008	03/09/2009	66,327 62	165,873 90	-99,546 28
2,500 000	EAGLE BULK SHIPPING INC COM SHS	12/20/2005	03/17/2009	11,179 93	33,250 73	-22,070.80
500 000	EAGLE BULK SHIPPING INC COM SHS	12/20/2005	04/08/2009	2,070 94	7,523 74	-5,452 80
1,000 000	EMERSON ELECTRIC COM	11/26/2007	04/29/2009	33,043 14	54,979 90	-21,936 76
1,000 000	ISHARES MSCI BRAZIL INDEX FUND	10/18/2007	04/29/2009	44,320 85	80,155 00	-35,834.15
1,000 000	EMERSON ELECTRIC COM	11/26/2007	06/29/2009	33,291 14	54,979 90	-21,688 76
11,000.000	MUTUAL RISK MGMT LTD COM	03/22/2002	07/14/2009	5 49	58,799 40	-58,793 91
144 000	NORTEL NETWORKS CORP	04/22/2008	07/14/2009	8 63	NONE	8 63
6,000 000	PCCW LIMITED HKD ORD	08/11/2000	07/15/2009	1,600 75	60,200 00	-58,599 25
1,000 000	POTASH CORP OF SASKATCHEWAN INC COM	10/20/2008	12/23/2009	109,581 18	79,546.00	30,035 18
	TOTAL 15% MAXIMUM RATE SALES REPORTED ON 1099-B			322,873 54	678,028 70	-355,155 16
	TOTAL LONG-TERM SALES			322,873 54	678,028 70	-355,155.16
	See attached			152,252.00	185,262.00	(33,010.00)
				(		(388,165.16)

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

Account Name:

WILLARD TILSON FOUNDATION

FIDUCIARYTRUST

Account Number: 91098200

Tax I.D. Number: XX-XXX6556

DETAIL OF SALES WITH UNKNOWN COST BASIS AND/OR HOLDING PERIOD

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis
	SALES WITH UNKNOWN COST BASIS REPORTED ON FORM 1099-B.				
3,000 000	KINDER MORGAN ENERGY PARTNERS L P UNIT LTD PARTNERSHIP INT	04/08/2008	06/09/2009	152,252 07	185,262
	TOTAL SALES WITH UNKNOWN COST BASIS REPORTED ON 1099-B			152,252 07	
	Loss				(33,010)

IMPORTANT TAX RETURN DOCUMENT ENCLOSED