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
SAQUISH FOUNDATION
C/O HUNTER ASSOCIATES

Number and street (or P O box number if mail is not delivered to street address): 75 FEDERAL STREET — Room/suite: 2005

City or town, state, and ZIP code: BOSTON, MA 02110

A Employer identification number: 04-6136550

B Telephone number: (617) 542-8695

C If exemption application is pending, check here ▶ [ ]

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 14,981,716.

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

Part I **Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

	Line	(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	659,707.	620,507.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	20,312.			
	b Gross sales price for all assets on line 6a 3,453,903.				
	7 Capital gain net income (from Part IV, line 2)		20,312.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	680,019.	640,819.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	135,000.	67,500.		67,500.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	8,500.	4,250.		4,250.
	c Other professional fees STMT 3	14,000.	7,000.		7,000.
	17 Interest				
	18 Taxes STMT 4	4,768.	818.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	8,834.	8,584.		0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	171,102.	88,152.		78,750.
	25 Contributions, gifts, grants paid	636,000.			636,000.
	26 **Total expenses and disbursements.** Add lines 24 and 25	807,102.	88,152.		714,750.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-127,083.			
	b **Net investment income** (if negative, enter -0-)		552,667.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

SCANNED APR 20 2010

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923501 02-02-10 LHA **For Privacy Act and Paperwork Reduction Act Notice, see the instructions.** Form **990-PF** (2009)

15520405 757939 070400 2009.03030 SAQUISH FOUNDATION C/O HUNT 070400_1

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			
	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 STMT 8	1,900,022.	900,023.	873,688.
	b	Investments - corporate stock STMT 9	9,508,206.	9,908,829.	9,386,140.
	c	Investments - corporate bonds STMT 10	2,404,085.	2,859,494.	2,559,981.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 11	1,979,535.	2,088,362.	2,161,907.
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	15,791,848.	15,756,708.	14,981,716.
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	15,791,848.	15,756,708.	
	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**	15,791,848.	15,756,708.	
	31	**Total liabilities and net assets/fund balances**	15,791,848.	15,756,708.	

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	15,791,848.
2	Enter amount from Part I, line 27a	2	-127,083.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	95,283.
4	Add lines 1, 2, and 3	4	15,760,048.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 7	5	3,340.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	15,756,708.

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 LIST ATTACHED	P	VARIOUS	VARIOUS
b	SEE LIST ATTACHED	P	VARIOUS	VARIOUS
c	CAPITAL GAINS DIVIDENDS			
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	441,782.		412,682.	29,100.
b	3,024,664.		3,020,909.	3,755.
c	-12,543.			-12,543.
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				29,100.
b				3,755.
c				-12,543.
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** 20,312.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c)
If (loss), enter -0- in Part I, line 8 **3** N/A

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	776,540.	16,110,767.	.048200
2007	750,000.	17,433,655.	.043020
2006	791,505.	16,601,446.	.047677
2005	822,556.	16,993,598.	.048404
2004	800,243.	17,874,663.	.044770

2 Total of line 1, column (d)	2	.232071
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	.046414
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	13,655,018.
5 Multiply line 4 by line 3	5	633,784.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	5,527.
7 Add lines 5 and 6	7	639,311.
8 Enter qualifying distributions from Part XII, line 4	8	714,750.

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 ▶ [X] and enter 1% of Part I, line 27b		1	5,527.
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	5,527.
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	5,527.
6	Credits/Payments			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a 7,052.		
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	7,052.
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	1,525.
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶	1,525. 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)?	1b		X
	*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.*			
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 ▶ HORACE NICHOLS, HUNTER OFFICE Telephone no ▶617-542-8695

Located at ▶75 FEDERAL STREET NO. 2005, BOSTON, MA ZIP+4 ▶02110

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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ 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
HORACE S. NICHOLS 75 FEDERAL STREET, SUITE 2005 BOSTON, MA 02110	TRUSTEE 7.00	90,000.	0.	0.
JOHN WERLY 75 FEDERAL STREET, SUITE 2005 BOSTON, MA 02110	TRUSTEE 7.00	45,000.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
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.

Form **990-PF** (2009)

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02-02-10

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	13,463,731.
b	Average of monthly cash balances		1b	
c	Fair market value of all other assets		1c	399,231.
d	**Total** (add lines 1a, b, and c)		1d	13,862,962.
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	13,862,962.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	207,944.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	13,655,018.
6	**Minimum investment return.** Enter 5% of line 5		6	682,751.

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	682,751.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 5,527.		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	5,527.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	677,224.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	677,224.
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	677,224.

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	714,750.
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	714,750.
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	5,527.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	709,223.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				677,224.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			304,471.	
b Total for prior years ___ , ___ , ___		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 714,750.				
a Applied to 2008, but not more than line 2a			304,471.	
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				410,279.
e Remaining amount distributed out of corpus	0.			
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	0.			
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				266,945.
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	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

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

	Tax year	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 ▶ [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

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

c Any submission deadlines

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

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 12				
Total			▶ 3a	636,000.
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					
4 Dividends and interest from securities			14	659,707.	
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	20,312.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		680,019.	0.

13 Total Add line 12, columns (b), (d), and (e) 13 680,019.

(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)

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

Horace S. Nichols | 4/12/10 | TRUSTEE

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature ▶ Keith P. LaGrove CPA	Date 4-5-10	Check if self-employed ▶ ☐	Preparer's identifying number P00068702
Firm's name (or yours if self-employed), address, and ZIP code ▶ RUSSELL, BRIER & CO. LLP TEN POST OFFICE SQUARE - 6TH FL BOSTON, MA 02109-4689		EIN ▶	Phone no 617-523-7094

Form **990-PF** (2009)

923622 02-02-10

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MORGAN STANLEY-DIVIDEND	320,104.	0.	320,104.
MORGAN STANLEY-INTEREST	294,071.	0.	294,071.
NAM TECHVEST LP DIVIDENDS	6,332.	0.	6,332.
NAM TECHVEST LP LT CAPITAL GAIN	7,388.	7,388.	0.
NAM TECHVEST LP ST CAPITAL GAIN	-20,909.	-20,909.	0.
NON-DIVIDEND DISTRIBUTIONS	39,200.	0.	39,200.
NUVEEN GLOBAL FORM 2439 UNDISTRIBUTED CAPITAL GAINS	978.	978.	0.
TOTAL TO FM 990-PF, PART I, LN 4	647,164.	-12,543.	659,707.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREP	8,500.	4,250.		4,250.
TO FORM 990-PF, PG 1, LN 16B	8,500.	4,250.		4,250.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADMIN FEES	14,000.	7,000.		7,000.
TO FORM 990-PF, PG 1, LN 16C	14,000.	7,000.		7,000.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAXES - 2009 ESTIMATED PAYMENTS	3,950.	0.		0.
FOREIGN TAX	818.	818.		0.
TO FORM 990-PF, PG 1, LN 18	4,768.	818.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INV EXP - NAM TECHVEST LP	428.	428.		0.
MA FORM PC FILING	250.	0.		0.
BANK FEES	300.	300.		0.
PORTFOLIO DEDUCTIONS	7,856.	7,856.		0.
TO FORM 990-PF, PG 1, LN 23	8,834.	8,584.		0.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 6

DESCRIPTION	AMOUNT
UNREALIZED GAIN ON K-1	95,122.
TAX-EXEMPT INCOME	160.
MISCELLANEOUS ADJUSTMENT	1.
TOTAL TO FORM 990-PF, PART III, LINE 3	95,283.

FORM 990-PF OTHER DECREASES IN NET ASSETS OR FUND BALANCES STATEMENT 7

DESCRIPTION	AMOUNT
NONDEDUCTIBLE EXPENSES	17.
MORGAN STANLEY COST BASIS ADJUSTMENT	3,323.
TOTAL TO FORM 990-PF, PART III, LINE 5	3,340.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED	X		900,023.	873,688.
TOTAL U.S. GOVERNMENT OBLIGATIONS			900,023.	873,688.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			900,023.	873,688.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED	9,908,829.	9,386,140.
TOTAL TO FORM 990-PF, PART II, LINE 10B	9,908,829.	9,386,140.

FORM 990-PF CORPORATE BONDS STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED	2,859,494.	2,559,981.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,859,494.	2,559,981.

FORM 990-PF — OTHER INVESTMENTS — STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CASH	COST	5,125.	5,125.
INVESTMENT IN NAM TECHVEST LP	COST	469,468.	472,786.
ACTIVE ASSETS MM TRUST	COST	513,761.	513,761.
CERTIFICATES OF DEPOSIT	COST	1,100,008.	1,170,235.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,088,362.	2,161,907.

FORM 990-PF — GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR — STATEMENT 12

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
BIG RED TRACK (CORNELL UNIVERSITY) 130 E. SENECA ST. STE 400 ITHACA, NY 14850	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	10,000.
BOSTON PUBLIC LIBRARY FOUNDATION 700 BOYLSTON ST. BOSTON, MA 02116	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
BOSTON SYMPHONY ORCHESTRA SYMPHONY HALL, 301 MASS AVE BOSTON, MA 02115	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
BOYS & GIRLS CLUB OF BOSTON 230 W, 6TH STREET BOSTON, MA 02127	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
CAROLINA HILL 728 MAIN STREET MARSHFIELD, MA 02050	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.

CONTRIBUTION RETURNED	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	-12,000.
CORNELL UNIVERSITY PLANTATION 1 PLANTATIONS ROAD ITHACA, NY 14850	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	20,000.
CRANBERRY HOSPICE 36 CORDAGE PARK CIRCLE, #326 PLYMOUTH, MA 02360	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
CROSSROADS FOR KIDS 742 KEENE STREET DUXBURY, MA 02332	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
DUXBURY ART ASSOC-ELLISON CTR 64 ST. GEORGE ST, P.O.BOX 204A DUXBURY, MA 02331	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
DUXBURY BAY MARITIME SCHOOL 31 MATTAKEESETT CT DUXBURY, MA 02332	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
FELLOWSHIP ENDOWMENT (CORNELL UNIVERSITY) 130 E. SENECA ST. STE 400 ITHACA, NY 14850	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	40,000.
FRIENDS OF THE PUBLIC GARDEN AND COMMON 90 VERNON STREET BOSTON, MA 02108	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
HABITAT FOR HUMANITY 28 RIVER STREET BRAINTREE, MA 02184	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
HALE-BARNARD CORPORATION 273 CLARENDON STREET BOSTON, MA 02116	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.

HERITAGE MUSEUMS & GARDENS 67 GROVE STREET SANDWICH, MA 02563	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	12,000.
HISTORIC NEW ENGLAND 141 CAMBRIDGE STREET BOSTON, MA 02114	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
ITHACA COLLEGE 250 ALUMNI HALL ITHACA, NY 14850	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	40,000.
JORDAN HEALTH SYSTEMS, INC. 275 SANDWICH STREET PLYMOUTH, MA 02360	NONE MEDICAL	509(A)(1) PUBLIC CHARITY	12,000.
LEND A HAND SOCIETY 175 FEDERAL STREET BOSTON, MA 02110	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
MARKET MINISTRIES, INC. 60 EIGHTH STREET NEW BEDFORD, MA 02740	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
MASS GENERAL HOSPITAL 100 CHARLES RIVER PL, STE 600 BOSTON, MA 02114	NONE MEDICAL	509(A)(1) PUBLIC CHARITY	12,000.
MASSACHUSETTS AUDUBON SOCIETY 208 SOUTH GREAT ROAD LINCOLN, MA 01773	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	12,000.
MORGAN MEMORIAL GOODWILL INDS. 1010 HARRISON AVENUE BOSTON, MA 02119	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
MSPCC 99 SUMMER STREET BOSTON, MA 02116	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.

MUSEUM OF FINE ARTS 465 HUNTINGTON AVENUE BOSTON, MA 02134	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	12,000.
MUSEUM OF SCIENCE SCIENCE PARK BOSTON, MA 02114	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	12,000.
NEW ENGLAND AQUARIUM CENTRAL WHARF BOSTON, MA 021103399	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	12,000.
NEW ENGLAND BAPTIST HOSPITAL 125 PARKER HILL AVENUE ROXBURY CROSSING, MA 02120	NONE MEDICAL	509(A)(1) PUBLIC CHARITY	12,000.
OLD STURBRIDGE VILLAGE 1 OLD STURBRIDGE VILLAGE ROAD STURBRIDGE, MA 01566	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
PINE STREET INN 444 HARRISON AVENUE BOSTON, MA 021182404	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
PROJECT PLACE 1145 WASHINGTON STREET BOSTON, MA 02118	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
PROJECT PLACE 1145 WASHINGTON STREET BOSTON, MS 02118	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	25,000.
ROSIE'S PLACE 889 HARRISON AVENUE BOSTON, MA 02108	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
SHOALS MARINE 315 MARKET STREET PORTSMOUTH, NH 03801	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	20,000.

SOUTHCOAST HEALTH SYSTEMS 101 PAGE STREET NEW BEDFORD, MA 02740	NONE MEDICAL	509(A)(1) PUBLIC CHARITY	12,000.
SOUTHCOAST HOSPICE 200 MILL ROAD FAIRHAVEN, MA 02719	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	25,000.
ST JOHN THE EVANGELIST 410 WASHINGTON STREET DUXBURY, MA 02332	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
THE HOME FOR LITTLE WANDERERS 271 HUNTINGTON AVENUE BOSTON, MA 02115	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
THE LEARNING PROJECT SCHOOL 107 MARLBOROUGH STREET BOSTON, MA 02116	NONE EDUCATIONAL	509(A)(1) PUBLIC CHARITY	12,000.
THE MCLEAN FUND, MCLEAN HOSPITAL 115 MILL STREET BELMONT, MA 02478	NONE MEDICAL	509(A)(1) PUBLIC CHARITY	12,000.
THE WOMEN'S CENTER 46 PLEASANT STREET CAMBRIDGE, MA 02139	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
TILL 20 EASTBROOK ROAD, #201 DEDHAM, MA 020262056	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
TRUSTEES OF THE RESERVATIONS 572 ESSEX STREET BEVERLY, MA 01915	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
UNITED WAY OF MASSACHUSETTS BAY 51 SLEEPER STREET BOSTON, MA 02110	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.

WGBH 125 WESTERN AVENUE BOSTON, MA 02134	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
WOMEN'S LUNCH PLACE 67 NEWBURY STREET BELMONT, MA 02478	NONE CHARITABLE	509(A)(1) PUBLIC CHARITY	12,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			636,000.

REALIZED GAIN/(LOSS) SUMMARY

This Gain and Loss Summary is provided for informational purposes only. It is important that you consult with a professional tax advisor regarding your individual tax situation, as Morgan Stanley Smith Barney LLC ("Morgan Stanley Smith Barney") cannot provide you with tax advice. Although Morgan Stanley Smith Barney is providing this information as an additional service, we do not guarantee that it is sufficient for tax reporting purposes, and are not liable for your reliance upon or use of this information. The Gain and Loss Summary is not a substitute 1099 form (or any other appropriate tax form), has not been supplied to the IRS and should not be filed with your taxes.

If cost basis information is not available, gain or (loss) will not be reflected on this Summary. For securities not purchased through Morgan Stanley Smith Barney, including securities purchased elsewhere and later transferred to Morgan Stanley Smith Barney, cost basis information may not be provided. To correct any information supplied by Morgan Stanley Smith Barney, please inform your Financial Advisor. To add cost basis information, you may either inform your Financial Advisor or input the data directly yourself through our client-only Web site, ClientServ. Morgan Stanley Smith Barney will adjust cost basis as appropriate in accordance with tax laws. However, Morgan Stanley Smith Barney does not adjust for all events and you should contact your tax advisor to determine the appropriate information to be used in the preparation of your tax return.

Short Term

DESCRIPTION	QUANTITY	DATE ACQUIRED	DATE SOLD	PROCEEDS	TOTAL COST ORIGINAL/ ADJUSTED	REALIZED GAIN/(LOSS)
CIT BANK CD 3 1/4 3-25-13	100,000.000	03/19/2009	09/15/2009	$99,914.75	$100,000 00	$(85 25)
GECC 4 800 5-01-13	50,000.000	04/30/2009	07/08/2009	$50,432.25	$49,551.75	$880.50
METLIFE INC 6 400 12-15-36	225,000.000	07/14/2009	11/03/2009	$191,244.75	$163,130 25	$28,114.50
SAEHAN BANK CD 3 000 4-23-12	100,000.000	04/09/2009	09/15/2009	$100,189.75	$100,000 00	$189 75
Total Short Term				**$441,781.50**		**$29,099.50**

Long Term

DESCRIPTION	SYMBOL	QUANTITY	DATE ACQUIRED	DATE SOLD	PROCEEDS	TOTAL COST ORIGINAL/ ADJUSTED	REALIZED GAIN/(LOSS)	ADDITIONAL INFORMATION
CVS CAREMARK CORP	CVS	3,800.000	01/26/2004	08/27/2009	$138,963.06	$69,768.87	$69,194 19	
CVS CAREMARK CORP	CVS	200.000	01/26/2004	08/27/2009	$7,313.85	$3,677.09	$3,636.76	
EATON VANCE CP	EV	4,000.000	11/29/1999	05/06/2009	$109,250.26	$35,906.00 P	$73,344 26	Adjusted 03/12/2004
EATON VANCE CP	EV	3,000.000	11/29/1999	06/03/2009	$86,020.41	$26,929.50 P	$59,090.91	Adjusted 03/12/2004
EATON VANCE CP	EV	3,000.000	11/29/1999	06/22/2009	$77,270.73	$26,929.50 P	$50,341 23	Adjusted 03/12/2004
EXXON MOBIL CORP	XOM	2,000.000	02/07/2000	01/14/2009	$152,903.88	$80,848 38	$72,055 50	
EXXON MOBIL CORP	XOM	1,000.000	10/02/2003	02/03/2009	$76,185.46	$37,626.60	$38,558 86	
EXXON MOBIL CORP	XOM	800.000	10/02/2003	02/17/2009	$56,709.68	$30,101.28	$26,608 40	
EXXON MOBIL CORP	XOM	1,200 000	10/02/2003	02/17/2009	$85,064 53	$45,145 04	$39,919 49	
FFCB 4 900 2-05-18		200,000.000	01/28/2008	03/06/2009		$200,003.25	($3 25)	
					$200,000 00	$200,000 00	$0 00	
FHLMC MTN 4 1/2 6-15-18		500,000.000	06/16/2003	11/23/2009	$500,000.00	$500,000.00	$0 00	

CONTINUED ON NEXT PAGE

ST 00068352W

REALIZED GAIN/(LOSS) SUMMARY (continued)

DESCRIPTION	SYMBOL	QUANTITY	DATE ACQUIRED	DATE SOLD	PROCEEDS	TOTAL COST ORIGINAL/ ADJUSTED	REALIZED GAIN/(LOSS)	ADDITIONAL INFORMATION
FHLMC MTN 5.000 8-15-21		100,000.000	01/31/2008	12/01/2009	$100,000.00	$100,000 00	$0 00	
FNMA 4 000 1-30-23		200,000 000	02/11/2008	04/30/2009		$200,005.25	($5.25)	
					$200,000.00	$200,000.00	$0.00	
FNMA 5 000 4-10-13		200,000.000	10/03/2007	03/30/2009	$200,000 00	$200,000.00	$0 00	
FNMA 5 000 10-29-12		100,000.000	10/15/2007	01/29/2009		$100,005 25	($5 25)	
					$100,000.00	$100,000.00	$0.00	
MARSH & MCLENNAN COS INC	MMC	5,000.000	11/29/1999	06/25/2009	$99,322 51	$192,600.00 P	$(93,277.49)	Adjusted 03/12/2004
MARSH & MCLENNAN COS INC	MMC	4,000.000	11/29/1999	10/08/2009	$96,698 21	$154,080.00 P	$(57,381 79)	Adjusted 03/12/2004
MARSH & MCLENNAN COS INC	MMC	5,000.000	11/29/1999	11/13/2009	$118,723.20	$192,580.00 P	$(73,856 80)	Adjusted 03/12/2004
MARSH & MCLENNAN COS INC	MMC	5,000.000	11/29/1999	12/02/2009	$109,853 73	$192,580 00 P	$(82,726.27)	Adjusted 03/12/2004
METLIFE INC 6 5000% SER B	MET.B	8,000.000	06/09/2005	07/14/2009	$166,686.44	$200,000.00	$(33,313.56)	
PROCTER & GAMBLE	PG	2,000.000	10/11/2005	08/10/2009	$102,476.98	$113,174.00	$(10,697.02)	
PROCTER & GAMBLE	PG	1,000.000	10/11/2005	08/27/2009	$52,380.80	$56,587 00	$(4,206.20)	
PROCTER & GAMBLE	PG	1,000.000	02/27/2006	08/27/2009	$52,380.80	$62,375.50	$(9,994 70)	
SATURNS DPL 8.000 9-01-31		100 000	04/19/2002	10/29/2009	$2,404 88	$2,500.00	$(95 12)	
SATURNS DPL 8.000 9-01-31		100.000	04/19/2002	10/29/2009	$2,410 16	$2,500 00	$(89.84)	
SATURNS DPL 8 000 9-01-31		1,000.000	04/19/2002	10/29/2009	$24,131.59	$25,000.00	$(868.41)	
SATURNS DPL 8 000 9-01-31		200.000	04/19/2002	10/29/2009	$4,828.32	$5,000 00	$(171.68)	
SATURNS DPL 8 000 9-01-31		2,400.000	04/19/2002	10/29/2009	$58,371 81	$60,000.00	$(1,628.19)	
SATURNS DPL 8 000 9-01-31		200.000	04/19/2002	10/29/2009	$4,866.32	$5,000.00	$(133.68)	
VAN KMPN DYNAMIC CR OPP FUND	VTA	5,000.000	06/26/2007	05/20/2009	$39,446 09	$100,000.00	$(60,553.91)	
Total Long Term					**$3,024,663.70**		**$3,754.94**	
Total Short And Long Term					**$3,466,445.20**		**$32,854.44**	

The "Total Cost" for Unit Trusts, Mortgage-Backed Securities, and Zero Coupon Bonds have been adjusted to reflect any partial return of principal or capital that may have been paid to you, or accreted interest earned, since your purchase date. In the event that the accumulated total return of principal or capital is greater than the provided original costs, the adjusted cost will be "0.00".

P You have provided the trade history for this transaction; it was not available through Morgan Stanley Smith Barney LLC records

MorganStanley SmithBarney

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the period shown above which may not reflect the value that could actually be obtained in the market See "Pricing of Securities" in the Disclosures section at the end of this statement.
Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates Estimated yield reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate
If you hold structured products, please refer to the Special Considerations Regarding Structured Products section of the Disclosure section
Gain / loss information is provided for informational purposes only and should not be used for tax preparation Please refer to the gain / loss section of the disclosures for important information about gain / loss reporting

CASH, DEPOSITS AND MONEY MARKET FUNDS

Description	Value	Estimated Annual Income	7-Day Current Yield %	Annual Percentage Yield %
CASH	$5,125.00			
MS ACTIVE ASSETS MONEY TRUST	513,760.58	51.37	0 010	—

	Percentage of Assets %	Market Value	Estimated Annual Income / Accrued Income
TOTAL CASH, DEPOSITS AND MONEY MARKET FUNDS	3.6%	$518,885.58	$51.37 $0.00

Cash holdings shown exclude cash holdings in custody at another firm for which you receive a separate statement
Money market funds seek to maintain a share price of $1 00, therefore the dollar amounts listed equal the number of shares Additional information concerning these transactions is available upon request For more information about the pricing of Money Market Funds, please see the Disclosures section of the statement.
The money market funds reflected above include the balances in your automatic sweep feature, if any, and may include other money market funds that have been purchased in your account

STOCKS

COMMON STOCKS

Security Description	Trade Date	Quantity	Total Cost	Share Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
ABBOTT LABORATORIES (ABT)	4/7/04	1,000.000	$40,805.59	$53.99	$53,990 00	$13,184 41 LT		
	4/7/04	1,300 000	53,052 08	53 99	70,187 00	17,134 92 LT		
	4/7/04	700 000	28,570 47	53.99	37,793 00	9,222 53 LT		
	7/12/04	3,800 000	153,782 92	53 99	205,162 00	51,379 08 LT		
	7/12/04	1,200.000	48,531 96	53 99	64,788 00	16,256 04 LT		
	11/20/07	2,000 000	111,385 85	53 99	107,980 00	(3,405.85) LT		

CONTINUED

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Total Cost	Share Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
	Total	10,000.000	436,128.87	53.99	**539,900.00**	103,771 13 LT	16,000.00	2 96
Next Dividend Payable 02/10								
ALTRIA GROUP INC (MO)	12/19/08	4,000.000	62,763.45	19 63	78,520.00	15,756 55 LT		
	1/6/09	6,000 000	94,290 18	19 63	117,780 00	23,489 82 ST		
	1/13/09	5,000 000	81,572 87	19.63	98,150 00	16,577 13 ST		
	Total	15,000.000	238,626.50	19 63	**294,450.00**	15,756 55 LT 40,066.95 ST	20,400 00	6.92
Next Dividend Payable 01/11/10								
AT&T INC (T)	6/14/07	5,000.000	202,246 47	28 03	140,150.00	(62,096.47) LT		
	7/3/07	2,000 000	84,298 95	28.03	56,060 00	(28,238 95) LT		
	12/3/07	3,000 000	115,438 02	28 03	84,090 00	(31,348 02) LT		
	1/24/08	3,000 000	106,862 79	28 03	84,090 00	(22,772 79) LT		
	Total	13,000 000	508,846 23	28 03	**364,390.00**	(144,456 23) LT	21,840 00	5 99
Next Dividend Payable 02/10								
BANK OF AMERICA CORP (BAC)	8/10/09	6,000.000	101,201 56	15 06	90,360 00	(10,841 56) ST		
	10/8/09	6,000 000	105,516.42	15.06	90,360 00	(15,156 42) ST		
	11/20/09	6,000 000	97,157.47	15 06	90,360 00	(6,797 47) ST		
	Total	18,000.000	303,875 45	15.06	**271,080.00**	(32,795 45) ST	720 00	0 26
Next Dividend Payable 03/10								
CHEVRON CORP (CVX)	8/27/09	3,000 000	210,636.33	76.99	230,970 00	20,333 67 ST		
	9/15/09	3,000 000	214,885 58	76 99	230,970 00	16,084 42 ST		
	Total	6,000 000	425,521 91	76 99	**461,940.00**	36,418 09 ST	16,320 00	3 53
Next Dividend Payable 03/10								
COCA COLA CO (KO)	9/11/08	2,000.000	109,783 92	57 00	114,000.00	4,216 08 LT		
	5/26/09	1,000 000	47,806 79	57 00	57,000 00	9,193.21 ST		
	Total	3,000 000	157,590 71	57.00	**171,000.00**	4,216 08 LT 9,193.21 ST	4,920 00	2 87
Next Dividend Payable 03/10								
COLGATE PALMOLIVE CO (CL)	4/1/09	3,000 000	174,200.63	82.15	246,450 00	72,249 37 ST		
	5/6/09	1,600 000	98,949 23	82 15	131,440 00	32,490 77 ST		
	Total	4,600 000	273,149 86	82 15	**377,890.00**	104,740.14 ST	8,096.00	2 14
Next Dividend Payable 02/10								

CONTINUED

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Total Cost	Share Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
CONOCOPHILLIPS (COP)	10/21/98	934.000	23,000 00	51.07	47,699 38	24,699 38 LT 2		
	8/28/03	66.000	1,845.69	51 07	3,370 62	1,524 93 LT		
	8/28/03	1,000.000	27,970.02	51.07	51,070.00	23,099 98 LT		
	1/5/04	6,600 000	221,902.89	51 07	337,062.00	115,159.11 LT		
	1/5/04	800 000	26,881.32	51 07	40,856 00	13,974 68 LT		
	1/5/04	600 000	20,162 82	51 07	30,642 00	10,479 18 LT		
	Total	10,000 000	321,762 74	51.07	**510,700.00**	188,937 26 LT	20,000 00	3 91
Next Dividend Payable 03/10								
CVS CAREMARK CORP (CVS)	1/26/04	400 000	7,344 09	32 21	12,884 00	5,539 91 LT		
	1/26/04	1,600.000	29,376 36	32 21	51,536 00	22,159 64 LT		
	2/12/04	5,600.000	107,287.32	32 21	180,376.00	73,088 68 LT		
	2/12/04	400 000	7,664 34	32.21	12,884 00	5,219.66 LT		
	2/17/04	8,000.000	152,127.39	32 21	257,680 00	105,552 61 LT		
	1/12/06	4,000 000	109,088 78	32 21	128,840 00	19,751 22 LT		
	Total	20,000.000	412,888 28	32.21	**644,200.00**	231,311 72 LT	6,100 00	0 94
Next Dividend Payable 02/10								
EATON VANCE CP (EV)	11/29/99	14,000 000	125,671.00	30 41	**425,740.00**	300,069 00 LT 2	8,960 00	2 10
Next Dividend Payable 02/10								
EATON VANCE TAX MGD DIV EQU FD (EXG)	2/22/07	15,000.000	300,000 00	12 33	184,950 00	(115,050 00) LT		
	4/25/08	6,000 000	100,418.81	12 33	73,980.00	(26,438 81) LT		
	Total	21,000 000	400,418.81	12 33	**258,930.00**	(141,488 81) LT	39,900 00	15 40
Next Dividend Payable 02/10								
EXXON MOBIL CORP (XOM)	1/5/04	3,000 000	124,897 40	68.19	204,570 00	79,672 60 LT		
	3/11/04	2,000.000	85,056.89	68 19	136,380 00	51,323 11 LT		
	Total	5,000.000	209,954.29	68.19	**340,950.00**	130,995 71 LT	8,400 00	2 46
Next Dividend Payable 03/10								

CONTINUED

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Total Cost	Share Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
GENERAL ELECTRIC CO (GE)	2/7/00	1,200 000	56,519.75	15 13	18,156 00	(38,363 75) LT		
	12/30/03	8,800 000	272,531.03	15 13	133,144 00	(139,387 03) LT		
	4/27/04	4,400 000	137,051 20	15.13	66,572 00	(70,479 20) LT		
	4/27/04	600 000	18,693.84	15 13	9,078 00	(9,615.84) LT		
	12/2/09	5,000 000	81,220 27	15 13	75,650.00	(5,570.27) ST		
	Total	20,000.000	566,016.09	15.13	**302,600.00**	(257,845 82) LT (5,570.27) ST	8,000.00	2 64
Next Dividend Payable 01/25/10								
JOHNSON & JOHNSON (JNJ)	11/29/99	4,000.000	207,064 00	64 41	257,640 00	50,576 00 LT 2		
	2/7/00	2,000 000	82,230.06	64 41	128,820 00	46,589 94 LT		
	Total	6,000.000	289,294.06	64.41	**386,460.00**	97,165.94 LT	11,760 00	3 04
Next Dividend Payable 03/10								
MARSH & MCLENNAN COS INC (MMC) *Next Dividend Payable 02/10*	11/29/99	80,000 000	3,081,280 00	22.08	**1,766,400.00**	(1,314,880 00) LT 2	64,000 00	3 62
MERCK & CO INC NEW COM (MRK)	1/8/09	3,000.000	89,147.45	36 54	109,620 00	20,472 55 ST		
	2/3/09	2,500.000	74,587.38	36 54	91,350 00	16,762 62 ST		
	3/11/09	3,000 000	66,879 29	36 54	109,620.00	42,740 71 ST		
	6/3/09	2,500 000	69,074.41	36 54	91,350 00	22,275 59 ST		
	Total	11,000.000	299,688.53	36 54	**401,940.00**	102,251.47 ST	16,720 00	4 15
Next Dividend Payable 01/08/10								
MS EMERGING MKTS DOMESTIC DEBT (EDD) *Next Dividend Payable 01/08/10*	4/23/07	6,250 000	125,000.00	13 68	**85,500.00**	(39,500 00) LT	7,500 00	8 77
NORFOLK SOUTHERN CORP (NSC) *Next Dividend Payable 03/10*	11/13/09	2,000 000	104,468.87	52.42	**104,840.00**	371.13 ST	2,720.00	2 59
NUVEEN GBL VLE OPPORT FUND (JGV) *Next Dividend Payable 03/10*	12/13/06	5,000.000	98,688 40	17.53	**87,650.00**	(11,038.40) LT	6,000 00	6 84
PHILIP MORRIS INTL INC (PM)	7/15/03	300.000	6,353.90	48 19	14,457.00	8,103 10 LT		
	7/15/03	700.000	14,826 85	48 19	33,733 00	18,906 15 LT		
	10/2/03	600 000	14,226.98	48.19	28,914 00	14,687 02 LT		

CONTINUED

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Trade Date	Quantity	Total Cost	Share Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
	10/2/03	900.000	21,341 21	48 19	43,371 00	22,029 79 LT		
	10/2/03	2,500 000	59,307 67	48 19	120,475 00	61,167 33 LT		
	1/27/09	3,000 000	124,591 06	48 19	144,570 00	19,978 94 ST		
	Total	8,000 000	240,647 67	48 19	**385,520.00**	124,893 39 LT 19,978 94 ST	18,560 00	4 81
Next Dividend Payable 01/11/10								
PROCTER & GAMBLE (PG)	3/14/06	1,000 000	60,631.78	60 63	60,630 00	(1 78) LT		
	5/3/06	2,000.000	111,542.90	60 63	121,260.00	9,717 10 LT		
	6/15/06	3,000 000	164,817.09	60 63	181,890 00	17,072 91 LT		
	Total	6,000 000	336,991 77	60 63	**363,780.00**	26,788 23 LT	10,560 00	2 90
Next Dividend Payable 02/10								
UNION PACIFIC CORP (UNP)	3/7/08	3,000 000	185,067.74	63 90	191,700 00	6,632 26 LT		
	8/5/08	1,000 000	82,771 66	63 90	63,900 00	(18,871 66) LT		
	4/3/09	1,000 000	46,246.32	63 90	63,900 00	17,653 68 ST		
	4/17/09	1,000 000	48,966 34	63 90	63,900 00	14,933 66 ST		
	Total	6,000 000	363,052.06	63 90	**383,400.00**	(12,239 40) LT 32,587 34 ST	6,480 00	1 69
Next Dividend Payable 01/04/10								
TOTAL COMMON STOCKS			**$9,319,562.10**		**$8,929,260.00**	**$(697,543.65) LT $307,241.55 ST**	**$323,956.00**	**3.63%**

PREFERRED STOCKS

Security Description	Trade Date	Quantity	Total Cost	Share Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
BANK OF AMERICA 8.20% SER H (BAC.H)	10/29/09	4,000 000	$89,266 45	$24 17	**$96,680.00**	$7,413 55 ST	$8,200 00	8.48
Moody BA3 S&P BB, Next Dividend Payable 02/10								
BARCLAYS BK PLC 7.1000 SER 3 (BCS.A)	9/6/07	12,000 000	300,000 00	22 09	**265,080.00**	(34,920 00) LT	21,300 00	8 03
Moody BAA2 (-), Next Dividend Payable 03/10								
ROYAL BK SCOTLND GP 7.25 SER-T (RBS.T)	9/21/07	8,000.000	200,000.00	11 89	**95,120.00**	(104,880 00) LT	14,504 00	15 24
Moody B3 S&P CC, Next Dividend Payable 03/10								
TOTAL PREFERRED STOCKS			**$589,266.45**		**$456,880.00**	**$(139,800.00) LT $7,413.55 ST**	**$44,004.00**	**9.63%**

Holdings

THE SAQUISH FOUNDATION
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	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
TOTAL STOCKS	64.7%	$9,908,828.55	$9,386,140.00	$(837,343.65) LT $314,655.10 ST	$367,960.00 $0.00	3.92%

Watchlist and CreditWatch Indicators (*) = developing/uncertain (+) = On Watchlist/CreditWatch Upgrade (-) = On Watchlist/CreditWatch Downgrade For more information on Watchlist and CreditWatch Indicators, please go to our website at www.morganstanley com/bondratings or contact your financial advisor

CORPORATE FIXED INCOME

CORPORATE BONDS

Security Description	Trade Date	Face Value	Orig. Total Cost / Adj. Total Cost	Unit Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
MORGAN STANLEY CPI/FLOATING RATE	4/15/04	200,000.000	$200,000 00				$1,420 00	0 76
CUSIP 61745ESP7			$200,000.00	$93 22	**$186,442.00**	$(13,558 00) LT	$114 38	
Coupon Rate 0 710%, Matures 05/01/14, Interest Paid Monthly Feb 01, Yield to Maturity 2 365%, Floater, Moody A2 S&P A, Issued 05/03/04								
GENERAL ELECTRIC CAPITAL CORP/CORP	3/8/05	100,000 000	100,000 00				5,750 00	5 70
BOND STEP UP			100,000 00	100.70	**100,704.00**	704 00 LT	1,565 27	
CUSIP 36962GP81								
Coupon Rate 5 750%, Matures 03/23/17, Int Semi-Annually Mar/Sep 23, Callable $100 00 on 03/23/10, Yield to Maturity 5 628%, Stepped, Moody AA2 S&P AA+, Issued 03/23/05								
GOLDMAN SACHS GROUP INC	4/30/09	50,000 000	47,612 25				2,975 00	5 63
CUSIP 38141GFG4			47,612.25	105 60	**52,798.50**	5,186 25 ST	1,347 01	
Coupon Rate 5 950%, Matures 01/18/18, Int Semi-Annually Jan/Jul 18, Yield to Maturity 5 093%, Moody A1 S&P A, Issued 01/18/08								
VERIZON COMMUNICATIONS	4/30/09	50,000.000	52,574 25				3,050 00	5 61
CUSIP 92343VAM6			52,423 65	108 69	**54,345.50**	1,921 85 ST	643 88	
Coupon Rate 6 100%, Matures 04/15/18, Int Semi-Annually Apr/Oct 15, Yield to Maturity 4.815%, Moody A3 S&P A; Issued 04/04/08								
GENERAL ELEC CAP CORP	7/8/09	50,000.000	49,380 25				2,812 50	5 48
CUSIP 36962G3U6			49,380 25	102 47	**51,237.00**	1,856.75 ST	468 75	
Coupon Rate 5 625%, Matures 05/01/18; Int Semi-Annually May/Nov 01, Yield to Maturity 5.253%, Moody AA2 S&P AA+, Issued 04/21/08								
KRAFT FOODS INC	4/30/09	50,000.000	52,501 75				3,062 50	5 80
CUSIP 50075NAV6			52,362.70	105.43	**52,717.50**	354.80 ST	1,088 88	
Coupon Rate 6 125%, Matures 08/23/18, Int Semi-Annually Feb/Aug 23, Yield to Maturity 5 331%, Moody BAA2 (-) S&P BBB+ (-), Issued 05/22/08								
AT&T INC	4/30/09	50,000.000	52,147 75				2,900 00	5 44
CUSIP 00206RAR3			52,034 71	106 60	**53,298.00**	1,263 29 ST	1,095.55	
Coupon Rate 5 800%, Matures 02/15/19, Int Semi-Annually Feb/Aug 15, Yield to Maturity 4.894%, Moody A2 S&P A; Issued 02/03/09								
CVS CAREMARK CORP	4/30/09	50,000 000	54,810 25				3,300 00	6 03
CUSIP 126650BN9			54,560 98	109 43	**54,714.50**	153 52 ST	971 66	
Coupon Rate 6 600%, Matures 03/15/19, Int Semi-Annually Mar/Sep 15, Yield to Maturity 5 291%, Moody BAA2 S&P BBB+; Issued 03/13/09								

CONTINUED

CORPORATE FIXED INCOME

CORPORATE BONDS (CONTINUED)

Security Description	Trade Date	Face Value	Orig. Total Cost / Adj. Total Cost	Unit Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
ALTRIA GROUP INC	4/30/09	50,000 000	58,920 25				4,625 00	7 59
CUSIP 02209SAJ2			58,512 49	121.86	**60,931.50**	2,419.01 ST	1,862 84	
Coupon Rate 9 250%, Matures 08/06/19, Int Semi-Annually Feb/Aug 06, Yield to Maturity 6 193%, Moody BAA1 S&P BBB, Issued 02/06/09								
MORGAN STANLEY	2/21/08	100,000 000	100,005 25				5,500 00	5 82
CUSIP 61745EVA6			100,004 81	94 44	**94,443.00**	(5,561 81) LT	1,802 77	
Coupon Rate 5 500%, Matures 03/03/23, Int Semi-Annually Mar/Sep 03, Callable $100.00 on 03/03/11, Yield to Maturity 6 120%, Stepped; Moody A2 S&P A, Issued 03/03/08								
MORGAN STANLEY	4/28/08	100,000 000	100,000 00					
CUSIP 61745ESZ5			100,000 00	97 22	97,225.00	(2,775 00) LT		
	4/30/08	100,000.000	100,000 00					
			100,000 00	97 22	97,225.00	(2,775.00) LT		
	Total	200,000 000	200,000.00				14,000.00	7 19
			200,000 00	97 22	**194,450.00**	(5,550 00) LT	2,294.44	
Coupon Rate 7 000%, Matures 05/02/28, Int Semi-Annually May/Nov 02, Callable $100 00 on 05/02/11, Yield to Maturity 7 275%, Moody A2 S&P A, Issued 05/02/08								
NEW YORK TELEPHONE CO DEBENTURE GLOBAL NOTE	2/16/06	250,000 000	253,892.75				17,500 00	7 04
CUSIP 650094CB9			253,683.04	99 43	**248,565.00**	(5,118 04) LT	1,458 33	
Coupon Rate 7 000%, Matures 12/01/33, Int Semi-Annually Jun/Dec 01, Callable $100 00 on 12/01/13; Yield to Maturity 7.049%; Moody BAA3 S&P A, Issued 12/01/93								
LINCOLN NATL CORP IND 7.0% FIX ED TO 5/16 FLOATS THEREAFTER	11/3/09	225,000 000	189,567.75				15,750 00	8 43
CUSIP 534187AS8			189,567.75	83.00	**186,750.00**	(2,817 75) ST	1,924 99	
Coupon Rate 7 000%, Matures 05/17/66, Int Semi-Annually May/Nov 17, Yield to Maturity 8 449%, Floater, Moody BA1 S&P BBB, Issued 05/17/06								
TOTAL CORPORATE BONDS			**$1,411,412.50**				**$82,645.00**	**5.94%**
			$1,410,142.63		**$1,391,396.50**	**$(29,083.85) LT**	**$16,638.75**	
						$10,337.72 ST		

FIXED-RATE CAPITAL SECURITIES

Security Description	Trade Date	Face Value	Orig. Total Cost / Adj. Total Cost	Unit Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
FLEET CAP T VIII	11/29/99	3,000.000	$75,000 00				$5,400 00	8 13
CUSIP 33889X203			$75,000.00	$22 13	**$66,390.00**	$(8,610 00) LT 2	—	
Coupon Rate 7.200%, Matures 03/15/32, Interest Paid Quarterly Dec 15, Callable $25 00 on 01/31/10, Moody BAA3 S&P BB								
GENERAL ELEC CAPITAL CORP	6/14/02	8,000.000	200,000 00				13,249 60	6 61
CUSIP 369622527			200,000 00	25 04	**200,320.00**	320 00 LT	—	
Coupon Rate 6 625%, Matures 06/28/32, Interest Paid Quarterly Dec 29, Callable $25 00 on 01/31/10, Moody AA2 S&P AA+								

CONTINUED

CORPORATE FIXED INCOME

FIXED-RATE CAPITAL SECURITIES (CONTINUED)

Security Description	Trade Date	Face Value	Orig. Total Cost / Adj. Total Cost	Unit Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
SATURNS SEARS ROEBUCK ACCEPTANCE CORP	11/29/99	3,000 000	74,783 50					
			74,783 50	13 41	40,218 90	(34,564.60) LT 2		
CUSIP 80411A201	1/16/03	4,000.000	100,000.00					
			100,000 00	13.41	53,625 20	(46,374 80) LT		
	8/20/03	1,000 000	24,781 46					
			24,781 46	13.41	13,406 30	(11,375 16) LT		
	8/20/03	1,000 000	24,786 39					
			24,786 39	13.41	13,406 30	(11,380 09) LT		
	Total	9,000 000	224,351 35				16,312 50	13.51
			224,351 35	13.41	**120,656.70**	(103,694 65) LT	—	
Coupon Rate 7 250%, Matures 06/01/32, Int Semi-Annually Jun/Dec 01, Callable $25 00 on 01/31/10, Moody BA3 S&P BB-								
MORGAN STANLEY CAPITAL TRUST III	2/21/03	2,000 000	50,000 00				3,125 00	7 37
CUSIP 617460209			50,000.00	21 20	**42,400.00**	(7,600 00) LT	—	
Coupon Rate 6 250%, Matures 03/01/33, Interest Paid Quarterly Mar 01, Callable $25 00 on 01/31/10; Moody A3 (-) S&P BBB								
MORGAN STANLEY IV	4/15/03	1,000 000	25,000 00				1,562 50	7 39
CUSIP 617462205			25,000 00	21.12	**21,120.00**	(3,880 00) LT	—	
Coupon Rate 6 250%, Matures 04/01/33, Interest Paid Quarterly Jan 02, Callable $25 00 on 01/31/10, Moody A3 (-) S&P BBB								
NATL CITY CAP TR III 6.6250 05/25/47	5/18/07	4,000.000	100,000.00				6,624 80	7 61
CUSIP 63540X201			100,000 00	21.75	**87,000.00**	(13,000 00) LT	—	
Coupon Rate 6 625%, Matures 05/25/47, Interest Paid Quarterly Nov 25, Callable $25 00 on 05/25/12, Floater; Moody BAA1 (-) S&P BBB								
CBS CORP 6.75% 3/27/2056	3/20/07	5,000 000	125,000 00				8,437 50	8 00
CUSIP 124857400			125,000 00	21.09	**105,450.00**	(19,550 00) LT	—	
Coupon Rate 6 750%, Matures 03/27/56, Interest Paid Quarterly Sep 27; Callable $25 00 on 03/27/12, Moody BAA3 S&P BBB-								
MERRILL LYNCH CAP TR II 6.45% 06/15/2062	4/25/07	4,000 000	100,000 00				6,450 00	8 47
CUSIP 59024T203			100,000 00	19.02	**76,080.00**	(23,920 00) LT	—	
Coupon Rate 6 450%, Matures 06/15/62, Interest Paid Quarterly Sep 15, Callable $25 00 on 06/15/12, Floater, Moody BAA3 S&P BB								
AMERICAN INTL GROUP	12/11/07	4,000.000	100,000.00				7,700.00	12 44
CUSIP 026874859			100,000.00	15 47	**61,880.00**	(38,120.00) LT	—	
Coupon Rate 7 700%, Matures 12/18/62, Interest Paid Quarterly Jun 18, Floater, Moody BA2 S&P BBB								

CONTINUED

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

CORPORATE FIXED INCOME

FIXED-RATE CAPITAL SECURITIES (CONTINUED)

Security Description	Trade Date	Face Value	Orig. Total Cost / Adj. Total Cost	Unit Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
CITIGROUP CAPITAL XV 6.50% 9/15/66 SER	9/7/06	4,000 000	100,000 00				6,500 00	8 72
CUSIP 17310G202			100,000.00	18.63	**74,520.00**	(25,480.00) LT	—	
Coupon Rate 6 500%; Matures 09/15/66, Interest Paid Quarterly Mar 15; Callable $25 00 on 09/15/11; Moody BAA3 (-) S&P B+								
MORGAN STANLEY CAP TRUST	10/5/06	4,000 000	100,000 00				6,600 00	7 52
CUSIP 61750K208			100,000 00	21 94	**87,760.00**	(12,240 00) LT	—	
Coupon Rate 6 600%, Matures 10/15/66, Interest Paid Quarterly Jan 15, Callable $25 00 on 10/15/11, Moody A3 (-) S&P BBB								
NATL CITY CAP TR II 6.625 11/15/66	10/27/06	4,000 000	100,000.00				6,624 80	7 41
CUSIP 63540T200			100,000.00	22 32	**89,288.00**	(10,712 00) LT	—	
Coupon Rate 6 625%, Matures 11/15/66, Interest Paid Quarterly May 15, Callable $25 00 on 11/15/11, Moody BAA1 (-) S&P BBB								
USB CAPITAL XII 6.30% 2/15/2067	1/26/07	2,000 000	50,000 00				3,150 00	6 88
CUSIP 903305209			50,000 00	22 88	**45,760.00**	(4,240 00) LT	—	
Coupon Rate 6 300%, Matures 02/15/67, Interest Paid Quarterly Aug 15, Callable $25.00 on 02/15/12, Moody A1 (-) S&P BBB+								
WELLS FARGO CAP 6.25% 6/15/67	5/18/07	4,000.000	100,000.00				6,250 00	6 94
CUSIP 94979S207			100,000 00	22 49	**89,960.00**	(10,040 00) LT	—	
Coupon Rate 6 250%, Matures 06/15/67, Interest Paid Quarterly Dec 15, Callable $25 00 on 06/15/12, Moody BAA2 S&P A-								
TOTAL FIXED-RATE CAPITAL SECURITIES			**$1,449,351.35**				**$97,986.70**	**8.38%**
			$1,449,351.35		**$1,168,584.70**	**$(280,766.65) LT**	**$0.00**	

	Percentage of Assets %	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
TOTAL CORPORATE FIXED INCOME	**17.6%**	**$2,860,763.85**			**$180,631.70**	**7.06%**
		$2,859,493.98	**$2,559,981.20**	**$(309,850.50) LT**	**$16,638.75**	
				$10,337.72 ST		

Watchlist and CreditWatch Indicators (*) = developing/uncertain (+) = On Watchlist/CreditWatch Upgrade (-) = On Watchlist/CreditWatch Downgrade For more information on Watchlist and CreditWatch Indicators, please go to our website at www.morganstanley.com/bondratings or contact your financial advisor.

MorganStanley SmithBarney

Holdings

THE SAQUISH FOUNDATION
HORACE S NICHOLS TTEE

GOVERNMENT SECURITIES

FEDERAL AGENCIES

Security Description	Trade Date	Face Value	Orig. Total Cost / Adj. Total Cost	Unit Price	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
FED NATL MTG ASSN	2/4/08	200,000.000	$200,000.00				$9,000.00	4 66
CUSIP 3135A1CX3			$200,000.00	$96 50	**$193,000.00**	$(7,000 00) LT	$450.00	
Coupon Rate 4 500%, Matures 02/13/19, Interest Paid Monthly Apr 13, Yield to Maturity 4.982%; Moody AAA S&P AAA; Issued 02/15/08								
FED NATL MTG ASSN STEP - 01/23/11	1/16/08	200,000 000	200,000 00				9,000 00	4 55
04.75			200,000.00	98.87	**197,750.00**	(2,250 00) LT	3,899 99	
CUSIP 3135A1CD7								
Coupon Rate 4 500%, Matures 01/23/20, Int Semi-Annually Jan/Jul 25, Yield to Maturity 4.641%, Moody AAA S&P AAA; Issued 01/25/08								
FED NATL MTG ASSN	2/15/08	100,000.000	100,005.25				5,000 00	5 06
CUSIP 3136F8V85			100,004.78	98 72	**98,719.00**	(1,285 78) LT	1,902 77	
Coupon Rate 5.000%, Matures 02/14/23, Int Semi-Annually Feb/Aug 14, Yield to Maturity 5.135%; Moody AAA S&P AAA; Issued 02/14/08								
FED NATL MTG ASSN	3/26/08	100,000.000	100,003 25				5,000 00	5.15
CUSIP 3136F9DQ3			100,002.98	96 91	**96,906.00**	(3,096.98) LT	1,305 55	
Coupon Rate 5 000%, Matures 03/27/23; Int Semi-Annually Mar/Sep 27; Yield to Maturity 5.328%, Moody AAA S&P AAA, Issued 03/27/08								
FED NATL MTG ASSN STEP - 12/16/12	11/20/09	100,000 000	100,005.25					
04.00			100,005 24	93.87	93,875 00	(6,130 24) ST		
CUSIP 3136FJUK5	11/24/09	100,000 000	100,005.25					
			100,005 24	93 87	93,875 00	(6,130.24) ST		
	Total	200,000 000	200,010 50				7,000 00	3.72
			200,010 48	93.87	**187,750.00**	(12,260 48) ST	291 66	
Coupon Rate 3 500%; Matures 12/16/24; Int Semi-Annually Jun/Dec 16; Yield to Maturity 4.050%, First Coupon 06/16/10, Moody AAA S&P AAA; Issued 12/16/09								
FED NATL MTG ASSN STEP - 12/30/12	12/16/09	100,000 000	100,005.25				3,500 00	3.51
04.00			100,005 25	99.56	**99,563.00**	(442.25) ST	—	
CUSIP 3136FJXC0								
Coupon Rate 3.500%, Matures 12/30/24, Int Semi-Annually Jun/Dec 30, Yield to Maturity 3.538%; First Coupon 06/30/10, Moody AAA S&P AAA; Issued 12/30/09								

	Percentage of Assets %	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Income	Yield %
TOTAL GOVERNMENT SECURITIES	**6.0%**	**$900,024.25**			**$38,500.00**	**4.41%**
		$900,023.49	**$873,688.00**	**$(13,632.76) LT**	**$7,849.97**	
				$(12,702.73) ST		