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

**2009**

Department of the Treasury  
 Internal Revenue Service

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

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

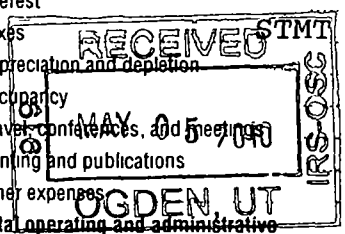
G Check all that apply:  Initial return,  Initial return of a former public charity,  Final return,  Amended return,  Address change,  Name change

<b>Use the IRS label. Otherwise, print or type.</b>	Name of foundation <b>HEARTHSTONE FOUNDATION, INC.</b>	<b>A Employer identification number</b> <b>06-1519014</b>
<b>See Specific Instructions.</b>	Number and street (or P O box number if mail is not delivered to street address) Room/suite <b>2 RAINBOW CT P.O. BOX 839</b>	<b>B Telephone number</b> <b>203-775-9766</b>
	City or town, state, and ZIP code <b>NEW MILFORD, CT 06776</b>	<b>C</b> If exemption application is pending, check here <input type="checkbox"/> <b>D 1.</b> Foreign organizations, check here <input type="checkbox"/> <b>2.</b> Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
<b>H</b> Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	<b>J</b> Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	<b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> <b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
<b>I</b> Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ <b>246,322.</b> (Part I, column (d) must be on cash basis.)		

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>1</b> Contributions, gifts, grants, etc., received	40,000.			
<b>2</b> Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
<b>3</b> Interest on savings and temporary cash investments	61.	61.	61.	<b>STATEMENT 1</b>
<b>4</b> Dividends and interest from securities	10,889.	10,336.	10,889.	<b>STATEMENT 2</b>
<b>5a</b> Gross rents				
<b>b</b> Net rental income or (loss)				
<b>6a</b> Net gain or (loss) from sale of assets not on line 10	573.			
<b>b</b> Gross sales price for all assets on line 6a	573.			
<b>7</b> Capital gain net income (from Part IV, line 2)		573.		
<b>8</b> Net short-term capital gain				
<b>9</b> Income modifications				
<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less: Cost of goods sold				
<b>c</b> Gross profit or (loss)				
<b>11</b> Other income				
<b>12 Total.</b> Add lines 1 through 11	51,523.	10,970.	10,950.	
<b>13</b> Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
<b>14</b> Other employee salaries and wages				
<b>15</b> Pension plans, employee benefits				
<b>16a</b> Legal fees				
<b>b</b> Accounting fees				
<b>c</b> Other professional fees				
<b>17</b> Interest				
<b>18</b> Taxes	75.	75.	0.	0.
<b>19</b> Depreciation and depletion				
<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings				
<b>22</b> Printing and publications				
<b>23</b> Other expenses				
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	75.	75.	0.	0.
<b>25</b> Contributions, gifts, grants paid	10,250.			10,250.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	10,325.	75.	0.	10,250.
<b>27 Subtract line 26 from line 12</b>				
<b>a</b> Excess of revenue over expenses and disbursements	41,198.			
<b>b</b> Net investment income (if negative, enter -0-)		10,895.		
<b>c</b> Adjusted net income (if negative, enter -0-)			10,950.	

SCANNED MAY 19 2009

Operating and Administrative Expenses



**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
<b>Assets</b>				
1 Cash - non-interest-bearing	63,816.	103,777.	103,777.	
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				
b Investments - corporate stock				
c Investments - corporate bonds				
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other <span style="float:right">STMT 4</span>	210,244.	211,324.	142,545.	
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ _____)				
<b>16 Total assets (to be completed by all filers)</b>	<b>274,060.</b>	<b>315,101.</b>	<b>246,322.</b>	
<b>Liabilities</b>				
17 Accounts payable and accrued expenses				
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe ▶ _____)				
<b>23 Total liabilities (add lines 17 through 22)</b>	<b>0.</b>	<b>0.</b>		
<b>Net Assets or Fund Balances</b>				
Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
24 Unrestricted				
25 Temporarily restricted				
26 Permanently restricted				
Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.				
27 Capital stock, trust principal, or current funds	0.	0.		
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	274,060.	315,101.		
<b>30 Total net assets or fund balances</b>	<b>274,060.</b>	<b>315,101.</b>		
<b>31 Total liabilities and net assets/fund balances</b>	<b>274,060.</b>	<b>315,101.</b>		

**Part III Analysis of Changes in Net Assets or Fund Balances**

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	274,060.
2 Enter amount from Part I, line 27a	2	41,198.
3 Other increases not included in line 2 (itemize) ▶ _____	3	0.
4 Add lines 1, 2, and 3	4	315,258.
5 Decreases not included in line 2 (itemize) ▶ <b>FEDERAL EXCISE TAX</b>	5	157.
<b>6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	<b>6</b>	<b>315,101.</b>

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

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a CAPITAL GAINS DIVIDENDS</b>				
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 573.			573.	
b				
c				
d				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV 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			573.	
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	573.
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	0.

**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	10,793.	204,519.	.052773
2007	13,053.	233,860.	.055815
2006	10,900.	200,389.	.054394
2005	9,295.	161,516.	.057548
2004	6,525.	137,825.	.047343
2 Total of line 1, column (d)			2 .267873
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 .053575
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 186,998.
5 Multiply line 4 by line 3			5 10,018.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 109.
7 Add lines 5 and 6			7 10,127.
8 Enter qualifying distributions from Part XII, line 4			8 10,250.

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 <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	109.
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	109.
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	109.
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	
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	0.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	109.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		X
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

**Part VII-A Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► DR. BRIAN ROSENTHAL Telephone no ► 203-775-9766 Located at ► 2 RAINBOW CT P.O. BOX 839, NEW MILFORD, CT ZIP+4 ► 06776			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A			

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	4b	X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here  N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No  
 If "Yes," attach the statement required by Regulations section 53.4945-5(d). N/A

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

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

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

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

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
BRIAN ROSENTHAL 2 RAINBOW CT. P.O. BOX 839 NEW MILFORD, CT 06776	PRESIDENT 0.00	0.	0.	0.
STANLEY NEWMAN 2 RAINBOW CT. P.O. BOX 839 NEW MILFORD, CT 06776	SECRETARY/TREASURER 0.00	0.	0.	0.

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

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
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 <span style="float: right;">▶</span>	0.

**Part X** Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	106,049.
<b>b</b> Average of monthly cash balances	<b>1b</b>	83,797.
<b>c</b> Fair market value of all other assets	<b>1c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	189,846.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	189,846.
<b>4</b> Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	2,848.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	<b>5</b>	186,998.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	9,350.

**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)

<b>1</b> Minimum investment return from Part X, line 6		<b>1</b>	9,350.
<b>2a</b> Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	109.	
<b>b</b> Income tax for 2009 (This does not include the tax from Part VI)	<b>2b</b>		
<b>c</b> Add lines 2a and 2b		<b>2c</b>	109.
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1		<b>3</b>	9,241.
<b>4</b> Recoveries of amounts treated as qualifying distributions		<b>4</b>	0.
<b>5</b> Add lines 3 and 4		<b>5</b>	9,241.
<b>6</b> Deduction from distributable amount (see instructions)		<b>6</b>	0.
<b>7</b> Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		<b>7</b>	9,241.

**Part XII** Qualifying Distributions (see instructions)

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b> Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	<b>1a</b>	10,250.
<b>b</b> Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the		
<b>a</b> Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b> Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	10,250.
<b>5</b> Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	<b>5</b>	109.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	10,141.

**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
<b>1</b> Distributable amount for 2009 from Part XI, line 7				9,241.
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only			0.	
<b>b</b> Total for prior years		0.		
<b>3</b> Excess distributions carryover, if any, to 2009				
<b>a</b> From 2004				
<b>b</b> From 2005				1,410.
<b>c</b> From 2006				1,161.
<b>d</b> From 2007				1,804.
<b>e</b> From 2008				881.
<b>f</b> Total of lines 3a through e	5,256.			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 10,250.				
<b>a</b> Applied to 2008, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2009 distributable amount				9,241.
<b>e</b> Remaining amount distributed out of corpus	1,009.			
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:	6,265.			
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5				
<b>b</b> Prior years' undistributed income Subtract line 4b from line 2b		0.		
<b>c</b> 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.		
<b>d</b> Subtract line 6c from line 6b Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see instr			0.	
<b>f</b> Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	6,265.			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005				1,410.
<b>b</b> Excess from 2006				1,161.
<b>c</b> Excess from 2007				1,804.
<b>d</b> Excess from 2008				881.
<b>e</b> Excess from 2009				1,009.

**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)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
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					
3 Subtract line 2d from line 2c					
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))

BRIAN ROSENTHAL

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

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

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

SEE STATEMENT 5

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







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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

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

OMB No 1545-0047

**2009**

Name of the organization

HEARTHSTONE FOUNDATION, INC.

Employer identification number

06-1519014

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

**General Rule**

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

**Special Rules**

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization <b>HEARTHSTONE FOUNDATION, INC.</b>	Employer identification number <b>06-1519014</b>
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**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	NEWPOL FOUNDATION <hr/> 2 RAINBOW COURT P.O. BOX 839 <hr/> NEW MILFORD, CT 06776	\$ 40,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

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**FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1**


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SOURCE	AMOUNT
FIDELITY INVESTMENTS	61.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	61.

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**FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2**


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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
FIDELITY INVESTMENTS	11,462.	573.	10,889.
TOTAL TO FM 990-PF, PART I, LN 4	11,462.	573.	10,889.

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**FORM 990-PF TAXES STATEMENT 3**


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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES WITHHELD	75.	75.	0.	0.
TO FORM 990-PF, PG 1, LN 18	75.	75.	0.	0.

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**FORM 990-PF OTHER INVESTMENTS STATEMENT 4**


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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
BLACKROCK NA GOVT INC	COST	10,406.	9,270.
DWS HIGH INCOME	COST	12,139.	5,082.
ING PRIME RATE TRUST	COST	18,536.	10,440.
PUTNAM MASTER INTER INCOME	COST	16,050.	12,060.
TEMPLETON GLOBAL INCOME FUND	COST	20,799.	26,458.
AMERICAN STRATEGIC PORTFOLIO II	COST	6,598.	4,395.
EATON VANCE LTD DURATION INCOME FD	COST	18,461.	14,900.
LEXINGTON REALTY	COST	11,502.	3,405.
COLONIAL PPTYS TR DEPOSITARY	COST	12,268.	3,026.
UNITED DOMINION REALTY TR INC	COST	21,543.	15,980.
FELCOR LODGING TR	COST	12,386.	5,435.

HEARTHSTONE FOUNDATION, INC.

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NFJ DIVID INT & PREM STRATEGY FD	COST	13,226.	8,850.
NICHOLAS APPELGATE INTL AND PREM	COST		
STRAT		26,404.	15,480.
AT&T	COST	11,006.	7,764.
TOTAL TO FORM 990-PF, PART II, LINE 13		<u>211,324.</u>	<u>142,545.</u>



FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 6

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AMERICAN CIVIL LIBERTIES UNION	NONE SOCIAL SERVICES	PUBLIC CHARITY	100.
AMERICAN MUSEUM OF NATURAL HISTORY	NONE ARTS	PUBLIC CHARITY	100.
AMERICAN RED CROSS	NONE MEDICAL	PUBLIC CHARITY	100.
AMFAR	NONE MEDICAL	PUBLIC CHARITY	200.
CARE	NONE SOCIAL SERVICES	PUBLIC CHARITY	100.
CONNECTICUT FOOD BANK	NONE SOCIAL SERVICES	PUBLIC CHARITY	200.
DOCTORS WITHOUR BORDERS	NONE MEDICAL	PUBLIC CHARITY	300.
FAIRFIELD COUNTY COMMUNITY FOUNDATION	NONE SOCIAL SERVICES	PUBLIC CHARITY	200.

HEARTHSTONE FOUNDATION, INC.

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FOUNTAIN HOUSE	NONE SOCIAL SERVICES	PUBLIC CHARITY	200.
FRIENDS OF THE Y	NONE ARTS	PUBLIC CHARITY	150.
GLBT NATIONAL HEALTH CENTER	NONE SOCIAL SERVICES	PUBLIC CHARITY	200.
GMHC	NONE SOCIAL SERVICES	PUBLIC CHARITY	1,500.
HENRY STREET SETTLEMENT	NONE ENVIRONMENT	PUBLIC CHARITY	125.
KEEP CONSERVATION FOUNDATION	NONE ENVIRONMENT	PUBLIC CHARITY	1,000.
LAMBDA LEGAL	NONE SOCIAL SERVICES	PUBLIC CHARITY	300.
NATIONAL MS SOCIETY	NONE MEDICAL	PUBLIC CHARITY	1,200.
NATIONAL WILDLIFE FOUNDATION	NONE ENVIRONMENT	PUBLIC CHARITY	225.
OXFAM	NONE SOCIAL SERVICES	PUBLIC CHARITY	300.

HEARTHSTONE FOUNDATION, INC.

06-1519014

PARTNERSHIP FOR THE HOMELESS	NONE SOCIAL SERVICES	PUBLIC CHARITY	150.
PLANNED PARENTHOOD	NONE SOCIAL SERVICES	PUBLIC CHARITY	300.
POLICE ATHLETIC LEAGUE	NONE SOCIAL SERVICES	PUBLIC CHARITY	100.
PROJECT HOPE	NONE SOCIAL SERVICES	PUBLIC CHARITY	100.
SGI-USA	NONE RELIGIOUS	PUBLIC CHARITY	1,500.
SMITHSONIAN	NONE ARTS	PUBLIC CHARITY	200.
STANLEY ISSACS NEIGHBORHOOD CENTER	NONE SOCIAL SERVICES	PUBLIC CHARITY	200.
THE DOE FUND	NONE SOCIAL SERVICES	PUBLIC CHARITY	150.
THE LEGAL AID SOCIETY	NONE SOCIAL SERVICES	PUBLIC CHARITY	200.
THE NATURE CONSERVANCY	NONE ENVIRONMENT	PUBLIC CHARITY	250.

HEARTHSTONE FOUNDATION, INC.

06-1519014

UNICEF	NONE SOCIAL SERVICES	PUBLIC CHARITY	100.
UNITED HOSPITAL FUND	NONE MEDICAL	PUBLIC CHARITY	150.
WNYC FOUNDATION	NONE ARTS	PUBLIC CHARITY	200.
WORLDWIDE WILDLIFE FUND	NONE ENVIRONMENT	PUBLIC CHARITY	150.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			<u>10,250.</u>