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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 , 2009, 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

JOSEPH & INEZ E. CARBONE FOUNDATION
5700 HORATIO STREET
UTICA, NY 13502

A Employer identification number: 16-1475079

B Telephone number (see the instructions)

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, column (c), line 16*) ► $ 1,040,406.

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) (see the instructions).)*

	(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 (att sch)	125,000.			
2 Ck ► ☐ if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	18,777.	18,777.	18,777.	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	-15,342.			
b Gross sales price for all assets on line 6a 475,751.				
7 Capital gain net income (from Part IV, line 2)		0.		
8 Net short-term capital gain			2,979.	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit/(loss) (att sch)				
11 Other income (attach schedule)				
12 **Total.** Add lines 1 through 11	128,435.	18,777.	21,756.	
OPERATING AND ADMINISTRATIVE EXPENSES				
13 Compensation of officers, directors, trustees, etc	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch)				
c Other prof fees (attach sch) SEE ST 1	5,553.	5,553.	5,553.	
17 Interest				
18 Taxes (attach schedule)(see instr) SEE STM 2	394.		394.	
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) SEE STATEMENT 3	559.	559.	559.	
24 **Total operating and administrative expenses.** Add lines 13 through 23	6,506.	6,112.	6,506.	
25 Contributions, gifts, grants paid PART XV	55,050.			55,050.
26 **Total expenses and disbursements.** Add lines 24 and 25	61,556.	6,112.	6,506.	55,050.
27 Subtract line 26 from line 12:				
a **Excess of revenue over expenses and disbursements**	66,879.			
b **Net investment income** (if negative, enter -0-)		12,665.		
c **Adjusted net income** (if negative, enter -0-)			15,250.	

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Part II Balance Sheets

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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	1,272.	101,826.	101,826.
	2 Savings and temporary cash investments	40,859.	19,879.	19,879.
	3 Accounts receivable ►			
	Less allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less allowance for doubtful accounts ►	750.		
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	653.	259.	259.
	10a Investments – U S and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule)	855,653.	788,715.	814,746.
	c Investments – corporate bonds (attach schedule)	44,717.	100,104.	103,696.
	11 Investments – land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule)			
	14 Land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►			
	15 Other assets (describe ►)			
	16 **Total assets** (to be completed by all filers – see instructions Also, see page 1, item I)	943,904.	1,010,783.	1,040,406.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	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	943,904.	1,010,783.	
	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, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see the instructions)	943,904.	1,010,783.	
	31 **Total liabilities and net assets/fund balances** (see the instructions)	943,904.	1,010,783.	

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	943,904.
2	Enter amount from Part I, line 27a	2	66,879.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	1,010,783.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,010,783.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	SEE ATTACHED SCHEDULE 1	P	VARIOUS	VARIOUS
b	SEE ATTACHED SCHEDULE 1	P	VARIOUS	VARIOUS
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	305,218.		302,239.	2,979.
b	170,533.		188,854.	-18,321.
c				
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				2,979.
b				-18,321.
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	-15,342.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8	3	2,979.

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 the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2008	45,500.	863,484.	0.052694
2007	69,553.	831,141.	0.083684
2006	52,300.	678,814.	0.077046
2005	47,500.	511,167.	0.092925
2004	39,435.	324,204.	0.121636

2	**Total** of line 1, column (d)	2	0.427985
3	Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.085597
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	919,082.
5	Multiply line 4 by line 3	5	78,671.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	127.
7	Add lines 5 and 6	7	78,798.
8	Enter qualifying distributions from Part XII, line 4	8	55,050.

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 the instructions)

1 a 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 instr.) b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			1	253.
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	253.
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	253.
6 Credits/Payments				
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	489.		
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	489.
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	0.
10 **Overpayment** If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ►			10	236.
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax ► 236. **Refunded** ►			11	0.

Part VII-A Statements Regarding Activities

		Yes	No
1 a 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 the 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
4 a 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?	4b	N/A	
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, column (c), and Part XV*	7	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) ► NY			
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.* SEE STATEMENT 4	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 ► DOMINICK CARBONE Telephone no ►

Located at ► 5700 HORATIO STREET, UTICA NEW YORK ZIP + 4 ► 13502

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** — Check here N/A ► ☐

and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)?	1b	N/A	
	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 ► 20__ , 20__ , 20__ , 20__			
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 the instructions)	2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__			
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.)*	3b	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b		X

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

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

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

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

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

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

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

b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? **5b** N/A

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 (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? **7b** N/A

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

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
DOMINICK D. CARBONE EDMONDS ROAD BOONVILLE, NY 13309	TRUSTEE 0	0.	0.	0.
ALEXANDER CARBONE P.O. BOX 416 NORTH BAY, NY 13213	TRUSTEE 0	0.	0.	0.

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

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

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 – (see instructions). 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** (see instructions)

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

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes				
a Average monthly fair market value of securities			1a	851,160.
b Average of monthly cash balances			1b	81,918.
c Fair market value of all other assets (see instructions)			1c	
d **Total** (add lines 1a, b, and c)			1d	933,078.
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	933,078.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	13,996.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	919,082.
6 **Minimum investment return.** Enter 5% of line 5			6	45,954.

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	45,954.
2a Tax on investment income for 2009 from Part VI, line 5	2a	253.		
b Income tax for 2009 (This does not include the tax from Part VI)	2b			
c Add lines 2a and 2b			2c	253.
3 Distributable amount before adjustments Subtract line 2c from line 1			3	45,701.
4 Recoveries of amounts treated as qualifying distributions			4	
5 Add lines 3 and 4			5	45,701.
6 Deduction from distributable amount (see instructions)			6	
7 **Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	45,701.

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	55,050.
b Program-related investments — total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
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	55,050.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	55,050.

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				45,701.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years: 20___, 20___, 20___		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004 — 23,355.				
b From 2005 — 22,310.				
c From 2006 — 19,443.				
d From 2007 — 28,890.				
e From 2008 — 2,490.				
f **Total** of lines 3a through e	96,488.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► $ 55,050.				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2009 distributable amount				45,701.
e Remaining amount distributed out of corpus	9,349.			
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	105,837.			
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 instructions			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	23,355.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	82,482.			
10 Analysis of line 9				
a Excess from 2005 — 22,310.				
b Excess from 2006 — 19,443.				
c Excess from 2007 — 28,890.				
d Excess from 2008 — 2,490.				
e Excess from 2009 — 9,349.				

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

1a 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**
2a 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 organization had $5,000 or more in assets at any time during the year – see 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))

SEE STATEMENT 5

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 6

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 7				
Total			► 3a	55,050.
b *Approved for future payment*				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (see the instructions)
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	18,777.	
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	-15,342.	
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)				3,435.	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 3,435.

(See worksheet in the instructions for line 13 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) (See the instructions)
N/A	

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

▶ Inez M. Carbone ▶ 5/27/2010

Signature of officer or trustee Date Title

Paid Preparer's Use Only				
Preparer's signature ▶		Date 5/27/10	Check if self-employed ▶ ☐	Preparer's Identifying number (See Signature in the instrs) N/A
Firm's name (or yours if self-employed), address, and ZIP code ▶	RINEHARD, FITZGERALD, DEPIETRO & WOJNAS, CPAS 291 GENESEE STREET UTICA, NY 13501		EIN ▶ 16-1143912	Phone no ▶ (315) 724-2145

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
JOSEPH & INEZ E. CARBONE FOUNDATION

Employer identification number
16-1475079

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)/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 their Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: JOSEPH & INEZ E. CARBONE FOUNDATION

Employer identification number: 16-1475079

Part I Contributors (see instructions)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	CARBONE MANAGEMENT GROUP LLC 5700 HORATIO STREET UTICA, NY 13502	$ 125,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

Name of organization	Employer identification number
JOSEPH & INEZ E. CARBONE FOUNDATION	16-1475079

Part II **Noncash Property** (see instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A	$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization: JOSEPH & INEZ E. CARBONE FOUNDATION

Employer identification number: 16-1475079

Part III *Exclusively* **religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** (Complete cols **(a)** through **(e)** and the following line entry)

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of **$1,000 or less** for the year (Enter this information once – see instructions) ► $ N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

STATEMENT 1
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES	$ 5,553.	$ 5,553.	$ 5,553.	
TOTAL	$ 5,553.	$ 5,553.	$ 5,553.	$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL	$ 394.		$ 394.	
TOTAL	$ 394.	$ 0.	$ 394.	$ 0.

STATEMENT 3
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEE	$ 110.	$ 110.	$ 110.	
FOREIGN TAX	326.	326.	326.	
OFFICE	123.	123.	123.	
TOTAL	$ 559.	$ 559.	$ 559.	$ 0.

STATEMENT 4
FORM 990-PF, PART VII-A, LINE 10
SUBSTANTIAL CONTRIBUTORS DURING THE TAX YEAR

NAME OF SUBSTANTIAL CONTRIBUTOR	ADDRESS OF SUBSTANTIAL CONTRIBUTOR
CARBON MANAGEMENT GROUP LLC	5700 HORATIO STREET UTICA, NY 13502

Strategic Financial Services
PORTFOLIO SUMMARY
Joseph and Inez E. Carbone Foundation,
Dominick D. Carbone & Alexander Carbone, TTEES
90 (M)
December 31, 2009

Schedule of Investments
ID #16-1475079

Security Type	Total Cost	Market Value	Pct. Assets	Cur. Yield	Est.Annual Income
EQUITIES					
COMMON STOCK					
Consumer	251,957.29	281,723.10	30.0	2.0	5,506.49
Industrial	114,441.23	101,965.20	10.9	1.9	1,935.00
Financial	59,536.58	68,549.90	7.3	1.2	812.70
Technology	151,441.04	153,483.48	16.4	1.5	2,300.65
Natural Resources	117,674.21	110,367.80	11.8	2.3	2,486.80
Precious Metals	6,410.58	8,851.50	0.9	0.5	40.50
COMMON STOCK	701,460.94	724,940.98	77.3	1.8	13,082.14
EQUITY EXCH. TRADED FUNDS	17,165.90	18,033.70	1.9	2.2	396.60
EQUITY MUTUAL FUNDS	70,088.92	71,771.27	7.6	1.2	837.46
	788,715.76	814,745.95	86.8	1.8	14,316.20
FIXED INCOME					
CORPORATE BON	29,983.20	31,697.93	3.4	4.4	1,391.25
GOVERNMENT AGENCY BONDS	54,787.90	56,348.44	6.0	3.3	1,881.25
GOVERNMENT BONDS	10,332.91	10,677.33	1.1	2.0	213.96
FIXED INCOME MUTUAL FUNDS	5,000.00	4,972.00	0.5	3.6	180.46
	100,104.01	103,695.70	11.1	3.5	3,666.92
CASH & EQUIVALENTS					
CASH & EQUIVALENTS	19,878.58	19,878.58	2.1	0.0	0.00
	19,878.58	19,878.58	2.1	0.0	0.00
TOTAL PORTFOLIO	**908,698.35**	**938,320.22**	**100.0**	**1.9**	**17,983.12**

Strategic Financial Services

Schedule 1 - REALIZED GAINS AND LOSSES

Joseph and Inez E. Carbone Foundation, ID# 161475079

Dominick D. Carbone & Alexander Carbone, TTEES

90 (M)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
08-18-04	01-02-09	100.000	Becton Dickinson & Co.	4,754 56	6,986 21		2,231 65
06-22-05	01-02-09	45.000	Becton Dickinson & Co	2,372 98	3,143.79		770 81
03-13-06	01-02-09	25 000	Becton Dickinson & Co	1,589 50	1,746 55		157 05
12-27-07	01-02-09	45.000	Becton Dickinson & Co	3,790.35	3,143 79		-646 56
03-19-08	01-02-09	15.000	Becton Dickinson & Co.	1,337 25	1,047.93	-289.32	
06-20-08	01-02-09	35 000	Becton Dickinson & Co.	2,776 20	2,445 17	-331.03	
11-03-08	01-02-09	65.000	Becton Dickinson & Co.	4,506 54	4,541.04	34.50	
12-30-08	01-02-09	115 000	Becton Dickinson & Co	7,801 03	8,034.15	233 12	
09-13-05	01-02-09	50.000	CR Bard Inc.	3,272 29	4,234 36		962 07
03-01-06	01-02-09	50.000	CR Bard Inc.	3,290 61	4,234.37		943.76
12-27-07	01-02-09	30.000	CR Bard Inc	2,834.70	2,540 62		-294.08
03-19-08	01-02-09	10.000	CR Bard Inc	995.20	846 87	-148.33	
06-20-08	01-02-09	15.000	CR Bard Inc	1,324 65	1,270.31	-54.34	
12-30-08	01-02-09	25.000	CR Bard Inc	2,067 50	2,117 18	49.68	
01-03-02	01-02-09	15.000	CVS Caremark Corp.	224 85	438.90		214.05
12-23-03	01-02-09	265.000	CVS Caremark Corp	4,531.50	7,753.85		3,222 35
12-27-07	01-02-09	75 000	CVS Caremark Corp	2,975 25	2.194 49		-780 76
01-30-08	01-02-09	260.000	CVS Caremark Corp.	9,574 37	7,607.55	-1,966.82	
03-19-08	01-02-09	15.000	CVS Caremark Corp.	596.55	438 90	-157 65	
06-20-08	01-02-09	40.000	CVS Caremark Corp.	1,659.60	1,170.39	-489.21	
12-30-08	01-02-09	125 000	CVS Caremark Corp	3,568.75	3.657.48	88 73	
08-31-06	01-02-09	30.000	Church & Dwight Co. Inc.	1.151 94	1,661 04		509 10
12-27-07	01-02-09	75 000	Church & Dwight Co Inc.	4,155 00	4,152.58		-2 42
03-19-08	01-02-09	25.000	Church & Dwight Co. Inc.	1,324 25	1,384.19	59.94	
12-30-08	01-02-09	25.000	Church & Dwight Co. Inc	1,382 88	1,384.20	1.33	
01-03-02	01-02-09	25.000	Colgate Palmolive Co.	1,429 00	1,729.60		300 60
04-29-03	01-02-09	20.000	Colgate Palmolive Co.	1,149 20	1,383.68		234 48
03-08-04	01-02-09	40.000	Colgate Palmolive Co.	2,270.00	2,767 35		497 35
03-13-06	01-02-09	110.000	Colgate Palmolive Co	6,384 40	7,610 26		1.225 86
12-28-06	01-02-09	15 000	Colgate Palmolive Co.	981 45	1,037.76		56 31
12-27-07	01-02-09	50.000	Colgate Palmolive Co	3,950 00	3,459 21		-490 79
03-19-08	01-02-09	15 000	Colgate Palmolive Co	1,169 40	1,037 77	-131 63	
08-31-06	01-02-09	150 000	Nike Inc.	6.039.41	7,970 83		1,931 42
12-27-07	01-02-09	80.000	Nike Inc	5,300 00	4,251 11		-1,048 89
03-19-08	01-02-09	15.000	Nike Inc	942 00	797 08	-144 92	
12-31-08	01-02-09	125 000	Nike Inc	6,318 13	6,642.36	324 24	
11-02-04	01-02-09	55.000	Procter & Gamble Co.	2.809 25	3,446 66		637 41
03-13-06	01-02-09	20.000	Procter & Gamble Co.	1,241.60	1,253.33		11 73
06-15-06	01-02-09	115.000	Procter & Gamble Co	6,330.74	7,206 67		875.93
12-27-07	01-02-09	50.000	Procter & Gamble Co.	3,707.50	3,133 33		-574 17
03-19-08	01-02-09	15.000	Procter & Gamble Co.	1,031 55	940 00	-91 55	
06-20-08	01-02-09	30 000	Procter & Gamble Co	1,919.40	1,880 00	-39 40	
05-11-05	01-02-09	150.000	Yum Brands Inc	3,620 14	4,778.35		1,158 21
03-13-06	01-02-09	40.000	Yum Brands Inc	973 20	1,274 23		301 03
08-31-06	01-02-09	140 000	Yum Brands Inc.	3,428 53	4,459.79		1,031.26
12-27-07	01-02-09	80 000	Yum Brands Inc	3,088 80	2,548 45		-540 35
03-19-08	01-02-09	40 000	Yum Brands Inc.	1,492 80	1,274 23	-218 57	
06-20-08	01-02-09	65.000	Yum Brands Inc.	2,382.25	2,070 62	-311 63	
12-31-08	01-02-09	205.000	Yum Brands Inc	6.407 28	6,530 38	123 11	
12-30-08	02-09-09	175 000	Church & Dwight Co. Inc	9,680.13	9,166 92	-513 21	
03-15-06	02-15-09	5,000	U.S. Treasury Note 4.500% Due 02-15-09	4,973.05	5,000 00		26 96

Strategic Financial Services

Schedule 1 - REALIZED GAINS AND LOSSES

Joseph and Inez E. Carbone Foundation, ID# 16-1475079

Dominick D. Carbone & Alexander Carbone, TTEES

90 (M)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
02-15-06	02-23-09	858 391	Vanguard International Value Fund	31,442 86	16,249 35		-15,193 51
03-15-06	02-23-09	124 230	Vanguard International Value Fund	4,717 02	2,351 67		-2,365 35
12-04-08	02-27-09	250.000	St Jude Medical	7,501.55	8,367 45	865 90	
01-02-09	02-27-09	100 000	St. Jude Medical	3,427 00	3,346.98	-80 02	
08-18-04	02-27-09	40.000	L-3 Communications Inc	2,373 54	2,770 14		396 60
03-13-06	02-27-09	25 000	L-3 Communications Inc	2,096 75	1,731.34		-365 41
01-23-07	02-27-09	50.000	L-3 Communications Inc	4,121 69	3,462.68		-659.01
01-02-09	02-27-09	35.000	L-3 Communications Inc	2,650 55	2,423.88	-226 67	
04-25-08	03-10-09	90 000	Honeywell International Inc	5,418 28	2,243.96	-3,174 32	
07-21-08	03-10-09	105 000	Honeywell International Inc	5,201.65	2,617.96	-2,583.69	
12-23-03	04-07-09	40.000	Zimmer Holdings Inc	2,769 60	1,485 81		-1,283 79
03-08-04	04-07-09	20 000	Zimmer Holdings Inc.	1,617 00	742 91		-874.09
07-31-07	04-07-09	10.000	Zimmer Holdings Inc.	790.83	371.45		-419.38
12-27-07	04-07-09	45.000	Zimmer Holdings Inc.	3,017 25	1,671.54		-1,345 71
01-30-08	04-07-09	150.000	Zimmer Holdings Inc.	11,630.33	5,571.80		-6,058.53
03-19-08	04-07-09	5.000	Zimmer Holdings Inc.	387.05	185 73		-201.32
06-20-08	04-07-09	15.000	Zimmer Holdings Inc.	1,043 55	557.18	-486 37	
01-02-09	04-07-09	90.000	Zimmer Holdings Inc	3,758 40	3,343 08	-415.32	
04-01-09	04-22-09	110.000	Baker Hughes Inc	3,174 93	3,741 97	567 04	
01-02-09	04-22-09	25.000	Baker Hughes Inc	862 75	850.45	-12 30	
06-20-08	05-06-09	10.000	Procter & Gamble Co.	639 80	502 11	-137 69	
12-31-08	05-06-09	210.000	Procter & Gamble Co.	12,943 35	10,544.01	-2,399 34	
08-27-07	05-12-09	75 000	Archer Daniels Midland Co.	2,477.33	1,922 20		-555 13
11-11-08	05-12-09	12 000	McCormick & Co. Inc.	360.46	372 47	12 01	
11-11-08	05-12-09	38.000	McCormick & Co. Inc.	1,141.52	1,179 49	37 97	
11-03-08	05-12-09	50.000	Sysco Corp	1,277 23	1,166.96	-110 27	
12-31-08	05-12-09	75.000	Yum Brands Inc.	2,344.13	2,453.93	109 81	
03-19-07	05-12-09	90.000	ABB Ltd.	1,543.61	1,374 26		-169 35
02-06-08	05-12-09	15.000	Parker-Hannifin Co.	1,006 55	662.23		-344.32
12-03-08	05-12-09	50 000	Pepco Holdings Inc.	868 06	616.48	-251 58	
12-31-08	05-12-09	180.000	Procter & Gamble Co	11,094 30	9,113 17	-1,981.13	
03-11-09	05-14-09	75.000	Apache Corp	4,144 58	5,801 48	1,656.91	
05-14-09	06-01-09	0.630	Harris Stratex Networks, Inc	3 38	3 05	-0.33	
03-19-08	06-11-09	10.000	Colgate Palmolive Co.	779 60	705.12		-74.48
12-30-08	06-11-09	125 000	Colgate Palmolive Co	8,550 63	8,813 90	263 27	
05-14-09	06-25-09	29.180	Harris Stratex Networks, Inc.	156 58	174 30	17 72	
05-14-09	06-25-09	21 116	Harris Stratex Networks, Inc.	113 31	126 13	12 82	
05-14-09	06-25-09	9.937	Harris Stratex Networks. Inc	53 32	59 36	6 04	
05-14-09	06-25-09	2 484	Harris Stratex Networks, Inc.	13 33	14 85	1 52	
05-14-09	06-25-09	18.631	Harris Stratex Networks, Inc	99 98	111 29	11 31	
05-14-09	06-25-09	26 084	Harris Stratex Networks, Inc	139.97	155.81	15 84	
05-14-09	06-25-09	28 568	Harris Stratex Networks, Inc.	153.30	170 64	17 34	
11-03-08	07-01-09	280.000	Sysco Corp	7,152 52	6,343.15	-809 37	
11-25-08	07-01-09	155.000	Sysco Corp	3,574.36	3,511.39	-62 97	
01-02-09	07-01-09	165 000	Sysco Corp	3,946 80	3,737 93	-208.87	
12-30-08	07-07-09	70 000	CVS Caremark Corp	1,998.50	2.174 84	176.34	
12-31-08	07-07-09	35 000	Nike Inc.	1,769 08	1,784 60	15 53	
10-15-07	07-07-09	40 000	Unilever PLC ADR	1,291 08	947.57		-343 51
10-07-08	07-07-09	30 000	Wal-Mart Stores	1,679 12	1,437 86	-241 26	
12-29-05	07-07-09	30 000	T. Rowe Price Group Inc	1,086 45	1,176 86		90 41
10-21-08	07-07-09	25 000	General Dynamics	1,483 50	1,325 96	-157 54	

Strategic Financial Services

Schedule 1 - REALIZED GAINS AND LOSSES

Joseph and Inez E. Carbone Foundation, ID#16-1475079

Dominick D. Carbone & Alexander Carbone, TTEES

90 (M)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
03-08-04	07-07-09	20 000	ConocoPhillips	854 45	800 17		-54 28
01-09-09	07-07-09	10.000	Goldcorp Inc.	266 51	342.39	75 88	
10-02-07	07-07-09	80.000	Corning Inc	2,036 78	1,207.96		-828 82
04-16-09	07-07-09	25 000	EMC Corp	320 88	318.99	-1 89	
11-09-06	07-07-09	15 000	Harris Corp	633 23	419 23		-214 00
03-08-04	07-07-09	20 000	Intel Corp.	556.00	335.19		-220 81
07-19-04	07-07-09	25.000	Intel Corp.	573 13	418 99		-154 14
11-26-08	07-07-09	25.000	Microsoft Corp	509 86	571 73	61 87	
03-04-09	07-07-09	15.000	Oracle Corp	227 17	307.79	80 62	
05-11-09	07-14-09	135.000	CSX Corp.	3,991 41	4,676.94	685 53	
12-31-08	07-14-09	150 000	Yum Brands Inc.	4,688 25	5,407.89	719.64	
05-11-09	07-15-09	130 000	CSX Corp.	3,843.58	4,766 79	923 21	
03-04-09	07-23-09	185 000	Oracle Corp	2,801.71	4,113.64	1,311.93	
03-11-09	07-23-09	15.000	Apache Corp.	828 92	1,179 72	350 81	
07-01-09	07-23-09	70.000	Apache Corp.	5,038 24	5,505.33	467 09	
12-30-08	07-24-09	205.000	CVS Caremark Corp.	5,852 75	6,941 65	1,088.90	
06-19-09	07-27-09	70.000	Lincoln Electric Holdings Inc.	2,623 88	2,942 60	318 72	
04-09-09	08-05-09	145.000	Cisco Systems Inc.	2,608 58	3,197.23	588.65	
01-02-09	08-05-09	155 000	Cisco Systems Inc.	2,629 42	3,417 72	788.30	
01-05-09	09-14-09	140.000	Monsanto Co.	10,452.47	10,870.46	417 99	
05-11-09	09-14-09	25.000	Monsanto Co.	2,143.68	1,941 15	-202.53	
12-31-08	09-30-09	125.000	Nike Inc.	6,318 13	8,069 24	1,751 12	
11-26-08	10-02-09	100.000	Lincoln Electric Holdings Inc	4,445 71	4,456.13	10 42	
12-17-08	10-02-09	55.000	Lincoln Electric Holdings Inc.	2,647 87	2,450 88	-196.99	
01-02-09	10-02-09	45.000	Lincoln Electric Holdings Inc.	2,407.50	2,005 26	-402 24	
06-19-09	10-02-09	15.000	Lincoln Electric Holdings Inc	562 26	668.42	106.16	
04-16-09	10-02-09	575 000	EMC Corp.	7,380 30	9,541.93	2,161 63	
07-01-09	10-02-09	30.000	Apache Corp	2.159 25	2,701.57	542 32	
08-27-07	10-21-09	25.000	Archer Daniels Midland Co	825 78	783 48		-42 30
12-30-08	10-21-09	25.000	CR Bard Inc	2,067.50	1,889.45	-178 05	
03-19-09	10-21-09	70.000	Lowe's Cos.	1,219 45	1,453 86	234 41	
12-31-08	10-21-09	15 000	Nike Inc.	758 18	971 53	213 36	
12-29-05	10-21-09	20.000	T Rowe Price Group Inc	724 30	954 38		230 08
04-07-09	10-28-09	20.000	Baxter International Inc	969.34	1,094 37	125 03	
12-30-08	10-28-09	70 000	Becton Dickinson & Co	4,748 45	4,697.57	-50 88	
12-30-08	10-28-09	20 000	CR Bard Inc.	1,654 00	1,518 96	-135.04	
01-26-09	10-28-09	10 000	Devon Energy Corp	622 44	660 08	37 64	
01-09-09	10-28-09	10 000	Goldcorp Inc.	266 51	373 59	107 08	
02-06-09	10-28-09	70 000	Potash Corp. Saskatchewan	6,365 25	6,580 12	214 87	
03-16-09	10-28-09	35.000	Potash Corp. Saskatchewan	2,694 12	3,290.05	595 93	
07-01-09	10-28-09	180.000	Nucor Corp.	7,956 04	7,242 92	-713 12	
07-23-09	10-28-09	100 000	Nucor Corp.	4,391 74	4,023.85	-367 89	
03-04-09	10-28-09	300.000	Oracle Corp	4,543 32	6,386 84	1,843 52	
04-14-09	10-28-09	235.000	Oracle Corp	4,430 15	5,003 02	572 87	
05-06-09	12-07-09	110 000	Goldcorp Inc	3,313 67	4,550.16	1,236.49	
06-11-09	12-14-09	40 000	SPDR Gold Trust	3,758.53	4,403.89	645 36	
12-03-08	12-16-09	410 000	Pepco Holdings Inc	7,118 05	7,012.79		-105 26
01-02-09	12-16-09	40 000	Pepco Holdings Inc	730.80	684.17	-46 63	

Strategic Financial Services

Schedule 1 - REALIZED GAINS AND LOSSES

Joseph and Inez E. Carbone Foundation, ID# 16-1475079

Dominick D. Carbone & Alexander Carbone, TTEES

90 (M)

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
06-11-09	12-23-09	30 000	SPDR Gold Trust	2,818 89	3,196.76 (1)	377.87	
08-05-09	12-23-09	20.000	SPDR Gold Trust	1,899 44	2,131 18 (1)	231.74	
11-11-09	12-23-09	30.000	SPDR Gold Trust	3,284 82	3,196.76 (1)	-88 06	
10-07-08	12-28-09	110 000	Wal-Mart Stores	6,156.78	5,914 02		-242.76
10-23-08	12-28-09	70.000	Wal-Mart Stores	3,607 63	3,763.47		155.84
TOTAL GAINS						23,588 95	18,172 30
TOTAL LOSSES						-20,609 96	-36,493 28
				491,092.87	**475,750.87**	**2,978.98**	**-18,320.98**

TOTAL REALIZED GAIN/LOSS -15,342 00

Short term - 302,238 69 & (1) 305,217 67

Long Term - 188,854 18 170,533 20

Schedule J 2/4

STATEMENT 5
FORM 990-PF, PART XV, LINE 1A
FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS

DOMINICK D. CARBONE
ALEXANDER CARBONE

STATEMENT 6
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	DOMINICK D. CARBONE
CARE OF:	
STREET ADDRESS:	5700 HORATIO STREET
CITY, STATE, ZIP CODE:	UTICA, NY 13502
TELEPHONE:	
FORM AND CONTENT:	NOTHING SPECIFIED
SUBMISSION DEADLINES:	NONE
RESTRICTIONS ON AWARDS:	NONE

STATEMENT 7
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
THE NATURE CONSERVANCY 4245 N. FAIRFAX DRIVE, SUITE 100 ARLINGTON, VA 22203	NONE	501C3	THE PROMISE PROGRAM	$ 300.
UTICA COLLEGE 1600 BURRSTONE ROAD UTICA, NY 13502	NONE	501C3	SCHOLARSHIP AND UNRESTRICTED USE	11,000.
BOY SCOUTS OF AMERICA 1401 GENESEE ST UTICA, NY 13501	NONE	501C3	FAMILY COUNSELING AND THERAPY	750.
NEW HARTFORD CENTRAL SCHOOL FOUNDATION 33 OXFORD RD NEW HARTFORD, NY 13413	NONE	501C3	THE JACQUE AND TERRY TOLLES FUND	25,000.
ST. ELIZABETH MEDICAL CENTER FOUNDATION 2209 GENESEE STREET UTICA, NY 13501	NONE	501C3	NEW TRAUMA DEPARTMENT	10,000.

STATEMENT 7 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
APRIL TRAINOR 4173 STATE ROUTE 12D BOONVILLE, NY 13309	NONE	INDIVIDUAL	SCHOLARSHIP	$ 2,500.
CASTING FOR RECOVERY P.O. BOX 1123 3738 MAIN STREET MANCHESTER, VT 05254	NONE	501C3	BREAST CANCER RECOVERY	500.
CRAIG DITTL 212 ACADEMY ST BOONVILLE, NY 13309	NONE	INDIVIDUAL	SCHOLARSHIP	2,500.
ALISON LIESCH 40 IRVING RD NEW HARTFORD, NY 13413	NONE	INDIVIDUAL	SCHOLARSHIP	2,500.
			TOTAL	$ 55,050.