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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 2009, and ending

G Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name changeUse the
IRS label.
Otherwise,
print
or type.
See Specific
InstructionsVERVANE, INC.
PO BOX 371
COS COB, CT 06807

A Employer identification number

22-3256829

B Telephone number (see the instructions)

973-808-9500

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. ☒ 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)

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____

Fair market value of all assets at end of year (from Part II, column (c), line 16)

(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)
- 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
- 5a Gross rents
- b Net rental income or (loss)
- 6a Net gain/(loss) from sale of assets not on line 10
- b Gross sales price for all assets on line 6a
- 7 Capital gain net income (from Part IV, line 2)
- 8 Net short-term capital gain
- 9 Income modifications
- 10a Gross sales less returns and allowances
- b Less Cost of goods sold
- c Gross profit/(loss) (att sch)
- 11 Other income (attach schedule)

12 Total. Add lines 1 through 11

ADMINISTRATIVE EXPENSES

- 13 Compensation of officers, directors, trustees, etc.
- 14 Other employee salaries and wages
- 15 Pension plans, employee benefits
- 16a Legal fees (attach schedule) SEE ST 1
- b Accounting fees (attach sch) SEE ST 2
- c Other prof fees (attach sch) SEE ST 3
- 17 Interest
- 18 Taxes (attach schedule)(see instr.) SEE STM 4
- 19 Depreciation (attach sch) and depletion
- 20 Occupancy
- 21 Travel, conferences, and meetings
- 22 Printing and publications
- 23 Other expenses (attach schedule) SEE STATEMENT 5

24 Total operating and administrative expenses. Add lines 13 through 23

25 Contributions, gifts, grants paid PART XV

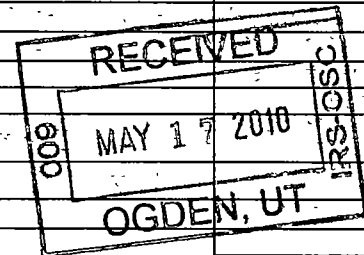
26 Total expenses and disbursements. Add lines 24 and 25

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

b Net investment income (if negative, enter -0-)

c Adjusted net income (if negative, enter -0-)



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	737.	2,724.	2,724.
	2. Savings and temporary cash investments	349,660.	104,472.	104,472.
	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			
	8. Inventories for sale or use			
	9. Prepaid expenses and deferred charges			
	10a. Investments – U.S. and state government obligations (attach schedule)			
	b. Investments – corporate stock (attach schedule)	6,422,333.	6,075,442.	6,043,241.
	c. Investments – corporate bonds (attach schedule)	150,388.	250,888.	269,214.
	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 SEE STATEMENT 6)		1.		
16. Total assets (to be completed by all filers – see instructions. Also, see page 1, item I)	6,923,118.	6,433,527.	6,419,651.	
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 FUND ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.			
	24. Unrestricted			
	25. Temporarily restricted			
	26. Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	☒		
	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	6,923,118.	6,433,527.	
30. Total net assets or fund balances (see the instructions)	6,923,118.	6,433,527.		
31. Total liabilities and net assets/fund balances (see the instructions)	6,923,118.	6,433,527.		

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	6,923,118.
2. Enter amount from Part I, line 27a	2	-489,591.
3. Other increases not included in line 2 (itemize)	3	
4. Add lines 1, 2, and 3	4	6,433,527.
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	6,433,527.

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)
1 a	SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
b	SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
c	SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
d	SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
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 400,491.		450,992.	-50,501.
b 1,330,993.		1,288,916.	42,077.
c 137,415.		203,390.	-65,975.
d 391,207.		446,248.	-55,041.
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(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	
a			-50,501.
b			42,077.
c			-65,975.
d			-55,041.
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	-129,440.
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-	3	-105,542.

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	527,653.	8,001,567.	0.065944
2007	633,845.	10,497,056.	0.060383
2006	593,737.	9,720,924.	0.061078
2005	550,835.	9,244,056.	0.059588
2004	407,686.	8,920,466.	0.045702

2 Total of line 1, column (d)	2	0.292695
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	0.058539
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	5,687,550.
5 Multiply line 4 by line 3	5	332,943.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	814.
7 Add lines 5 and 6	7	333,757.
8 Enter qualifying distributions from Part XII, line 4	8	441,553.

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.)		1	814.
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)			
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	814.
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	814.
6 Credits/Payments:			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	1,000.	
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	1,000.	
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	186.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax ☒ 186. 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		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?		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		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		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		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		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) CT		
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	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		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

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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?	13	X	
Website address <u>203-321-5247 GAIL-CELL</u>				
14	The books are in care of <u>LEAF, SALTZMAN, ET AL. CPA'S</u> Telephone no <u>973-808-9500</u>			
Located at <u>310 PASSAIC AVENUE, FAIRFIELD, NJ</u> ZIP + 4 <u>07004</u>				
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 <u>15</u>		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
1 a 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)? Organizations relying on a current notice regarding disaster assistance check here ☐	1b	N/A
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 <u>20__ , 20__ , 20__ , 20__</u>		
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. <u>20__ , 20__ , 20__ , 20__</u>		
3 a 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
4 a 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

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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

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
JOSEPHINE MERCK P.O. BOX 371 COS COB, CT 06807	PRESIDENT 0	0.	0.	0.
TOM PASSIOS 44 CEDAR CLIFF ROAD RIVERSIDE, CT 06878	SECR./TREAS. 0	0.	0.	0.
OONA COY P.O. BOX 371 COS COB, CT 06807	DIRECTOR 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	5,515,394.
b Average of monthly cash balances	1b	258,768.
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	5,774,162.
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	5,774,162.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	86,612.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,687,550.
6 Minimum investment return. Enter 5% of line 5	6	284,378.

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	284,378.
2a Tax on investment income for 2009 from Part VI, line 5	2a	814.	
b Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c Add lines 2a and 2b	2c	814.	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	283,564.	
4 Recoveries of amounts treated as qualifying distributions	4		
5 Add lines 3 and 4	5	283,564.	
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	283,564.	

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	441,553.
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	441,553.
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	814.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	440,739.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				283,564.
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				
b From 2005	98,230.			
c From 2006	116,943.			
d From 2007	136,126.			
e From 2008	129,499.			
f Total of lines 3a through e	480,798.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 441,553.				
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				283,564.
e Remaining amount distributed out of corpus	157,989.			
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	638,787.			
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)	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	638,787.			
10 Analysis of line 9:				
a Excess from 2005	98,230.			
b Excess from 2006	116,943.			
c Excess from 2007	136,126.			
d Excess from 2008	129,499.			
e Excess from 2009	157,989.			

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	Prior 3 years			(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. 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))

JOSEPHINE MERCK

- 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:

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

- c Any submission deadlines:

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

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE SCHEDULE ATTACHED		EXEMPT	SUSTAINING CONTRIBUTION	422,250.
Total				3a 422,250.
b Approved for future payment				
Total				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514	
	(a) Business code	(b) Amount	(c) Exclu- sion 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	120,596.	
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	-129,440.	
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)				-8,844.	
13 Total. Add line 12, columns (b), (d), and (e)				13	-8,844.

(See worksheet in the instructions for line 13 to verify calculations.)

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

[illegible]

CLIENT VERV6829

VERVANE, INC.

22-3256829

4/20/10

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STATEMENT 1
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SCHUMANN, HANLON, DOHERTY, ET AL .	\$ 1,550.	\$ 1,039.		\$ 511.
TOTAL	<u>\$ 1,550.</u>	<u>\$ 1,039.</u>		<u>\$ 511.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEAF, SALTZMAN ET.AL. CPAS	\$ 4,671.	\$ 3,130.		\$ 1,541.
TOTAL	<u>\$ 4,671.</u>	<u>\$ 3,130.</u>		<u>\$ 1,541.</u>

STATEMENT 3
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
PINNACLE ASSOCIATES, LTD.	\$ 39,228.	\$ 26,283.		\$ 12,945.
STATE STREET BANK & TRUST CO.	4,215.	2,824.		1,391.
TOTAL	<u>\$ 43,443.</u>	<u>\$ 29,107.</u>		<u>\$ 14,336.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX WITHHELD	\$ 2,651.	\$ 1,776.		\$ 875.
TOTAL	<u>\$ 2,651.</u>	<u>\$ 1,776.</u>		<u>\$ 875.</u>

CLIENT VERV6829

VERVANE, INC.

22-3256829

4/20/10

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STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADMINISTRATION FEES	\$ 2,025.	\$ 1,357.		\$ 668.
BANK CUSTODY FEES	3,370.	2,258.		1,112.
ENVIRONMENTAL GRANTMAKERS ASSOC.	720.	482.		238.
POSTAGE	42.	28.		14.
STATE FILING FEE ..	25.	17.		8.
TOTAL	<u>\$ 6,182.</u>	<u>\$ 4,142.</u>		<u>\$ 2,040.</u>

STATEMENT 6
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

	BOOK VALUE	FAIR MARKET VALUE
ROUNDING	\$ 1.	
TOTAL	<u>\$ 1.</u>	<u>\$ 0.</u>

Arts Engine, Inc. 104 West 14th Street, 4th Floor New York, NY 10011 Designated for The City Dark	\$10,000	Environmental Film Festival 1228 ½ 31 st Street, NW Washington, DC 20007	\$10,000
The Authors Guild Foundation 31 East 32nd Street, 7th Floor New York, NY 10016	\$2,500	Fractured Atlas 248 W. 35th Street, Suite 1202 New York, NY 10001 Designated for Behold The Earth	\$10,000
Blue Ocean Institute 250 Lawrence Hill Road Cold Spring Harbor, NY 11724	\$5,000	Global Greengrants 2840 Wilderness Pl., Ste A Boulder, CO 80301	\$10,000
The Center for Food Safety 666 Pennsylvania Ave, S.E, Ste 302 Washington, D.C. 20003	\$5,000	The Land Institute 2440 E. Water Well Road Salina, KS 67401	\$30,000
Center for Reproductive Rights 120 Wall Street New York, NY 10005	\$15,000	Museum of the City of New York 1220 Fifth Avenue New York, NY 10029	\$5,000
Childrens Museum of Austin 201 Colorado St Austin, TX 78701-3922	\$2,500	Milwaukee Montessori School 345 North 95 th Street Milwaukee, WI 53226-4441	\$3,500
City Seed P.O. Box 2056 New Haven, CT 06521	\$1,500	National Campaign for Sustainable Agriculture PO Box 396 Pine Bush, NY 12566	\$5,000
Community Involved in Sustaining Agriculture One Sugarloaf Street Deerfield, MA 01373	\$10,000	National Trust Historic Preservation 1784 Massachusetts Avenue, NW Washington, DC 20036	\$5,000
Connecticut Farmland Trust 77 Buckingham Street, No. 4 Hartford, CT 06106	\$5,000	Natural Resources Defense Council 40 West 20 th Street New York, NY 10011 Campaign for the Earth	\$100,000
Connecticut Fund for the Environment 205 Whitney Avenue, 1 st Floor New Haven, CT 06511 Designated for Peter Cooper Legal Fellow	\$20,000	Natural Resources Defense Council 40 West 20 th Street New York, NY 10011 On-Earth Publication	\$15,000
Connecticut Fund for the Environment 205 Whitney Avenue, 1 st Floor New Haven, CT 06511 Designated for Clean Car Campaign	\$25,000	Neustras Raices 329 Main St. Holyoke, MA 01040	\$5,000
Connecticut League of Conservation Voters Educational Fund 645 Farmington Avenue Hartford, CT 06105	\$25,000	New Dramatists 424 West 44 th Street New York, NY 10036-5298	\$10,000

Box 429, 374 Broad Street
New London, CT 06320

Oakland Institute PO Box 18978 Oakland, CA 94619	\$2,500	Third Sector New England (for) F.R.E.S.H. New London c/o Gemma Moran Box 429, 374 Broad Street New London, CT 06320	\$5,000
Poet's House 72 Spring Street New York, NY 10012	\$5,000		
Resource Generation 218 E. 18th St. New York, NY 10003	\$5,000	The Tides Center The Presidio P.O. Box 29198 San Francisco, CA 94129 Honor The Earth	\$2,500
Riverkeeper E-House 78 North Broadway White Plains, NY 10603	\$5,000	Yale School of Forestry & Environmental Studies 205 Prospect Street New Haven, CT 06511-2106 Gus & Cameron Speth Scholarship	\$9,750
Scenic Hudson One Civic Plaza, Suite 200 Poughkeepsie, NY 12601	\$5,000	Total Grants	<u>422,250</u>
Seed Savers Exchange 2840 Wilderness Pl., Ste A Boulder, CO 80301	\$2,500		
Trust for Public Land - CT 101 Whitney Avenue, No. D New Haven, CT 06510	\$10,000		
The Trust for Public Land 33 Union Street., 4 th Floor Boston, MA 02108 Designated for CT. River Project	\$15,000		
WYNC Public Radio One Centre Street New York, NY 10007	\$10,000		
Waterkeeper Alliance 50 S. Buckhout Street, Suite 302 Irvington , New York 10533	\$5,000		
White Earth Land Recovery PO Box 327 White Earth, MN 56591	\$5,000		

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
159 Vervane Foundation
Acct. # 25d024744768

December 31, 2009

Quantity	Security	Uni Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Cash & Equivalents									
Cash & Equivalents									
	Western Asset Citi Premium US		64,535		64,535	1.1	0.010	6	0.0
	Treas Resrv								
			64,535		64,535	1.1		6	0.0
	Cash & Equivalents Total		64,535		64,535	1.1		6	0.0
Common Stock									
Information Technology									
272	AOL Inc	28.79	7,832	23.28	6,332	0.1	0.000	0	0.0
4,200	Activision Blizzard Inc	11.43	48,016	11.11	46,662	0.8	0.000	0	0.0
9,400	Applied Materials	17.05	160,287	13.94	131,036	2.3	0.240	2,256	1.7
3,500	Cisco Systems	18.73	65,555	23.94	83,790	1.5	0.000	0	0.0
5,000	EMC Corp/Mass	13.12	65,576	17.47	87,350	1.5	0.000	0	0.0
7,000	Intel Corp	25.32	177,212	20.40	142,800	2.5	0.630	4,410	3.1
6,000	Microsoft Corp	33.63	201,809	30.48	182,880	3.2	0.520	3,120	1.7
2,700	Oracle Corp	16.54	44,659	24.53	66,231	1.2	0.200	540	0.8
6,000	Yahoo! Inc	27.84	167,063	16.78	100,680	1.8	0.000	0	0.0
			938,009		847,761			10,326	
Health Care									
5,200	ISIS Pharmaceuticals Inc	15.37	79,949	11.11	57,772	1.0	0.000	0	0.0
7,000	Merck & Co	70.24	491,669	36.54	255,780	4.5	1.520	10,640	4.2
2,000	Quest Diagnostic Inc	52.13	104,268	60.38	120,760	2.1	0.400	800	0.7

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
159 Vervane Foundation
Acct. # 25d024744768

December 31, 2009

Quantity	Security	Uni Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
5,700	Regeneron Pharmaceuticals	15.49	88,319	24.18	137,826	2.4	0.000	0	0.0
6,900	Seattle Genetics Inc	11.92	82,240	10.16	70,104	1.2	0.000	0	0.0
3,500	Unitedhealth Group Inc	39.28	137,465	30.48	106,680	1.9	0.030	105	0.1
			983,910		748,922			11,545	
Energy									
1,400	Devon Energy Corporation	17.28	24,196	73.50	102,900	1.8	0.640	896	0.9
1,400	Hess Corp	53.79	75,306	60.50	84,700	1.5	0.400	560	0.7
1,400	Schlumberger Ltd.	56.38	78,932	65.09	91,126	1.6	0.840	1,176	1.3
2,000	XTO Energy Inc	36.31	72,619	46.53	93,060	1.6	0.500	1,000	1.1
			251,053		371,786			3,632	
Materials									
1,000	Agrium Inc	30.20	30,202	61.50	61,500	1.1	0.110	110	0.2
1,000	CF Industries Holdings Inc	49.22	49,219	90.78	90,780	1.6	0.400	400	0.4
4,500	RTI International Metals	36.01	162,029	25.17	113,265	2.0	0.000	0	0.0
			241,450		265,545	4.7		510	
Financials									
6,000	Bank of America Corp	27.67	166,039	15.06	90,360	1.6	0.040	240	0.3
4,000	Bank of New York Mellon Corp	32.77	131,077	27.97	111,880	2.0	0.360	1,440	1.3
2,500	JPMorgan Chase & Co	42.00	104,996	41.67	104,175	1.8	0.200	500	0.5
4,300	The Charles Schwab	13.79	59,315	18.82	80,926	1.4	0.240	1,032	1.3

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
159 Vervane Foundation
Acct. # 25d024744768

December 31, 2009

Quantity	Security	Uni Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
1,600	Travelers Companies Inc	34.28	54,842	49.86	79,776	1.4	1.320	2,112	2.6
			516,269		467,117			5,324	
Utilities									
2,500	FPL Group Inc	57.82	144,562	52.82	132,050	2.3	1.890	4,725	3.6
4,000	Northeast Utils	24.30	97,181	25.79	103,160	1.8	0.950	3,800	3.7
			241,743		235,210			8,525	
Telecommunication Services									
2,500	Centurytel Inc	35.17	87,925	36.21	90,525	1.6	2.800	7,000	7.7
10,000	Sprint Nextel	8.40	84,045	3.66	36,600	0.6	0.000	0	0.0
2,500	U S Cellular Corp	38.29	95,713	42.41	106,025	1.9	0.000	0	0.0
			267,683		233,150	4.1		7,000	
Industrials									
1,100	Canadian National Railway Co	44.66	49,128	54.36	59,796	1.1	0.906	997	1.7
3,700	Covanta Holding Corp	16.81	62,197	18.09	66,933	1.2	0.000	0	0.0
1,200	Cummins Inc	8.27	9,919	45.86	55,032	1.0	0.700	840	1.5
2,000	Enernoc Inc	28.66	57,329	30.39	60,780	1.1	0.000	0	0.0
5,400	Fuelcell Energy Inc	10.02	54,097	3.76	20,304	0.4	0.000	0	0.0
2,500	Pall Corporation	17.87	44,677	36.20	90,500	1.6	0.580	1,450	1.6
1,200	Precision Castparts	8.52	10,223	110.35	132,420	2.3	0.120	144	0.1
2,900	Republic Services Inc	19.99	57,958	28.31	82,099	1.5	0.760	2,204	2.7
			345,528		567,864			5,635	

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
159 Vervane Foundation
Acct. # 25d024744768

December 31, 2009

Quantity	Security	Uni Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Consumer Discretionary									
6,000	CBS Corp Class B	26.10	156,587	14.05	84,300	1.5	0.200	1,200	1.4
4,000	Cablevision Systems	9.59	38,359	25.82	103,280	1.8	0.400	1,600	1.5
3,300	Comcast Corp Cl A	18.86	62,224	16.86	55,638	1.0	0.378	1,247	2.2
2,000	Discovery	14.47	28,946	30.67	61,340	1.1	0.000	0	0.0
	Communication A								
2,200	Discovery	12.93	28,440	26.52	58,344	1.0	0.000	0	0.0
	Communication C								
13,661	Ford Motor Co (New)	8.78	119,976	10.00	136,610	2.4	0.000	0	0.0
2,300	Genuine Parts Co	23.57	54,214	37.96	87,308	1.5	1.600	3,680	4.2
4,000	Home Depot Inc	37.18	148,715	28.93	115,720	2.0	0.900	3,600	3.1
1,800	Liberty Global Inc C	14.81	26,654	21.86	39,348	0.7	0.000	0	0.0
6,100	MGM Mirage	11.10	67,722	9.12	55,632	1.0	0.000	0	0.0
4,600	Macy's Inc	32.11	147,692	16.76	77,096	1.4	0.200	920	1.2
836	Time Warner Cable Inc	50.60	42,302	41.39	34,602	0.6	0.000	0	0.0
3,000	Time Warner Inc	35.79	107,375	29.14	87,420	1.5	0.750	2,250	2.6
3,000	Viacom Inc Class B	38.46	115,367	29.73	89,190	1.6	0.000	0	0.0
			1,144,573		1,085,828			14,497	
Consumer Staples									
2,700	CVS Caremark Corp	31.49	85,025	32.21	86,967	1.5	0.305	824	0.9
1,700	Coca-Cola Co	44.22	75,171	57.00	96,900	1.7	1.640	2,788	2.9
3,000	Dr Pepper Snapple Group Inc	18.95	56,853	28.30	84,900	1.5	0.600	1,800	2.1
3,000	Kroger Co	21.58	64,736	20.53	61,590	1.1	0.380	1,140	1.9
			281,785		330,357	5.8		6,552	
	Common Stock Total		5,212,006		5,153,540	91.1		73,546	1.4

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
159 Vervane Foundation
Acct. # 25d024744768

December 31, 2009

Quantity	Security	Unl Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
American Depository Receipts (ADRs)									
Energy 3,500	Cie Gen Geophysique Sa - Sp ADR	48.40	169,415	21.25	74,375	1.3	0.000	0	0.0
			169,415		74,375	1.3	0	0.0	
Materials 1,700	Syngenta AG - Spon ADR	49.30	83,811	56.27	95,659	1.7	1.048	1,782	1.9
			83,811		95,659	1.7	1,782	1.9	
American Depository Re Total			253,226		170,034	3.0		1,782	1.0
Corporate Bonds									
100,000	Berkshire Hathaway 4 200% Due 12-15-10	100.25	100,250	103.48	103,484	1.8	4.200	4,200	4.1
50,000	AT&T Inc 4.950% Due 01-15-13	100.28	50,138	106.85	53,424	0.9	4.950	2,475	4.6
100,000	Wellpoint Inc 6.000% Due 02-15-14	100.50	100,500	108.71	108,711	1.9	6.000	6,000	5.5
Accrued Interest					3,595	0.1			
			250,888		269,214			12,675	

TOTAL PORTFOLIO **5,780,654** **5,657,323** **100.0** **88,009** **1.6**

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
159 Vervane Foundation
Acct. # 25d024744768

December 31, 2009

Quantity	Security	Uni Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Special Holdings - Miscellaneous Assets									
10,000	Calvert Foundation	1.00	10,000	1.00	10,000		0.000	0	0.0
			10,000		10,000			0	0.0
GRAND TOTAL			5,790,654		5,667,323			88,009	1.6

Advisory Services are provided by Pinnacle Associates Ltd ("Pinnacle"). Pinnacle is not a pricing source--the information contained herein has been derived from sources which we believe to be reliable but has not been independently verified. Please remember to contact Pinnacle if there are any changes in your financial situation or investment objectives or if you wish to impose, add or modify any reasonable restrictions to your investment management services.

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Cash & Equivalents									
Cash & Equivalents									
	SSGA Tax Free Money Market Fund		29,937		29,937	4.0	0.000	0	0.0
			<u>29,937</u>		<u>29,937</u>	<u>4.0</u>		<u>0</u>	<u>0.0</u>
	Cash & Equivalents Total		<u>29,937</u>		<u>29,937</u>	<u>4.0</u>		<u>0</u>	<u>0.0</u>
Common Stock									
Information Technology									
318	ASML Holding NV - NY Reg	20.30	6,456	34.09	10,841	1.4	0.263	84	0.8
			<u>6,456</u>		<u>10,841</u>	<u>1.4</u>		<u>84</u>	<u>0.8</u>
Health Care									
175	Covidien	44.27	7,748	47.89	8,381	1.1	0.720	126	1.5
			<u>7,748</u>		<u>8,381</u>	<u>1.1</u>		<u>126</u>	<u>1.5</u>
Energy									
195	Schlumberger Ltd.	69.20	13,494	65.09	12,693	1.7	0.840	164	1.3
330	Suncor Energy Inc	24.64	8,132	35.31	11,652	1.6	0.360	119	1.0
			<u>21,626</u>		<u>24,345</u>	<u>3.2</u>		<u>283</u>	<u>1.2</u>
Materials									
200	Arcelor Mittal	24.79	4,958	45.75	9,150	1.2	0.750	150	1.6
			<u>4,958</u>		<u>9,150</u>	<u>1.2</u>		<u>150</u>	<u>1.6</u>

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Financials									
450	Invesco Ltd	18.13	8,158	23.49	10,571	1.4	0.410	185	1.7
675	UBS AG-Registered	17.87	12,065	15.51	10,469	1.4	0.000	0	0.0
			20,223		21,040	2.8		185	0.9
Industrials									
340	Koninklijke Philips Electronics-NY Shr	28.71	9,763	29.44	10,010	1.3	0.937	319	3.2
			9,763		10,010	1.3		319	3.2
Consumer Discretionary									
227	Daimler Ag-Registered Share	49.58	11,256	53.30	12,099	1.6	0.797	181	1.5
500	Royal Caribbean Cruises LTD	9.76	4,882	25.28	12,640	1.7	0.000	0	0.0
			16,138		24,739	3.3		181	0.7
	Common Stock Total		86,912		108,505	14.5		1,326	1.2
American Depository Receipts (ADRs)									
Information Technology									
3,040	Alcatel Lucent ADR	4.20	12,759	3.32	10,093	1.3	0.000	0	0.0
85	Kyocera Corp - Sponsored ADR	69.48	5,906	88.31	7,506	1.0	1.357	115	1.5

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
565	Nidec Corp Sponsored ADR	12.83	7,249	23.21	13,114	1.7	0.139	79	0.6
			25,914		30,713	4.1		194	0.6
Health Care									
410	Doctor Reddy's Lab - ADR	24.58	10,077	24.21	9,926	1.3	0.130	53	0.5
130	Fresenius Medical Care ADR	46.15	6,000	53.01	6,891	0.9	0.787	102	1.5
290	Roche Holdings Ltd Spn ADR	47.03	13,637	42.20	12,238	1.6	1.054	306	2.5
260	Teva Pharmaceutical-Spon ADR	49.49	12,867	56.18	14,607	1.9	0.627	163	1.1
			42,581		43,662	5.8		624	1.4
Energy									
230	Petroleo Brasileiro Sa-ADR	32.00	7,360	47.68	10,966	1.5	0.379	87	0.8
350	Statoil Asa ADR	16.18	5,664	24.91	8,719	1.2	0.692	242	2.8
300	Tenaris SA - ADR	22.17	6,652	42.65	12,795	1.7	0.520	156	1.2
			19,675		32,480	4.3		485	1.5
Materials									
130	BHP Billiton Ltd - Sp ADR	42.85	5,570	76.58	9,955	1.3	1.640	213	2.1
33	Rio Tinto Plc Sponsored ADR	173.51	5,726	215.39	7,108	0.9	5.440	180	2.5

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
340	Vale SA Sponsored ADR	18.72	6,364	29.03	9,870	1.3	0.480	163	1.7
			17,660		26,933	3.6		556	2.1
Financials									
480	Axa-Uap - Sp ADR	18.75	8,998	23.68	11,366	1.5	0.543	261	2.3
884	Cheung Kong Hldg - Unspns ADR	12.65	11,184	12.82	11,333	1.5	0.129	114	1.0
163	China Life Insurance Co - ADR	56.78	9,255	73.35	11,956	1.6	0.506	82	0.7
195	Credit Suisse Group-Spon ADR	53.66	10,463	49.16	9,586	1.3	0.091	18	0.2
55	HDfC Bank Ltd - ADR	73.27	4,030	130.08	7,154	1.0	0.619	34	0.5
185	Reps 3 Shs HSBC Holdings Plc - Spon ADR	26.25	4,855	57.09	10,562	1.4	1.600	296	2.8
610	ING Groep Nv - Spons ADR	9.47	5,778	9.81	5,984	0.8	0.000	0	0.0
438	Itau Unibanco Banco Multiplo SA-ADR	9.85	4,316	22.84	10,004	1.3	0.082	36	0.4
140	KB Financial Group Inc - ADR	52.58	7,361	50.85	7,119	0.9	0.000	0	0.0
50	Mitsubishi Estate - Unspn ADR	181.05	9,053	160.05	8,003	1.1	1.375	69	0.9
1,360	Nomura Holdings Inc - ADR	6.65	9,040	7.40	10,064	1.3	0.183	249	2.5
560	Prudential Plc Adr	9.26	5,184	20.39	11,418	1.5	0.403	226	2.0
			89,518		114,550	15.3		1,384	1.2

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Telecommunication Services									
205	America Movil-ADR	43.59	8,935	46.98	9,631	1.3	0.454	93	1.0
190	Vimpelcom - Sp ADR	19.85	3,772	18.59	3,532	0.5	0.326	62	1.8
400	Vodafone Group Plc- Spons ADR	18.56	7,423	23.09	9,236	1.2	0.895	358	3.9
			20,130		22,399	3.0		513	2.3
Industrials									
540	ABB Ltd - Spon ADR	22.24	12,008	19.10	10,314	1.4	0.000	0	0.0
140	Komatsu Ltd - Spons ADR	50.31	7,043	83.55	11,697	1.6	0.734	103	0.9
			19,052		22,011	2.9		103	0.5
Consumer Discretionary									
170	Desarrolladora Homex-ADR	16.38	2,784	33.62	5,715	0.8	0.000	0	0.0
270	Gafisa SA - ADR	8.76	2,365	32.36	8,737	1.2	0.183	49	0.6
700	Panasonic Corp Spon ADR	13.66	9,564	14.35	10,045	1.3	0.115	81	0.8
200	Sony Corp- Sponsored ADR	27.44	5,488	29.00	5,800	0.8	0.288	58	1.0
			20,201		30,298	4.0		188	0.6
	American Depository Re Total		254,730		323,045	43.1		4,047	1.3

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271

December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
British Equity									
Health Care									
460	Shire Ltd	17.14	7,887	19.54	8,988	1.2	0.109	50	0.6
			7,887		8,988	1.2		50	0.6
Energy									
510	BG Group PLC	19.79	10,092	18.12	9,241	1.2	0.218	111	1.2
660	Tullow Oil Plc	11.33	7,478	21.07	13,909	1.9	0.108	71	0.5
			17,570		23,149	3.1		182	0.8
Financials									
2,070	Barclays PLC	4.53	9,368	4.46	9,226	1.2	0.018	37	0.4
			9,368		9,226	1.2		37	0.4
Consumer Staples									
305	Reckitt Benckiser PLC	53.70	16,379	54.19	16,529	2.2	1.633	498	3.0
1,570	Tesco PLC	6.97	10,945	6.91	10,851	1.4	0.220	346	3.2
			27,324		27,381	3.7		844	3.1
	British Equity Total		62,149		68,744	9.2		1,114	1.6
Danish Equity									
Health Care									
175	Novo-Nordisk A/S-B	68.83	12,046	64.02	11,203	1.5	1.157	202	1.8
			12,046		11,203	1.5		202	1.8

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Industrials									
53	Flsmidth & Co A/S	71.15	3,771	70.76	3,750	0.5	0.000	0	0.0
			3,771		3,750	0.5		0	0.0
Consumer Staples									
140	Danisco A/S	63.91	8,947	67.20	9,408	1.3	1.446	202	2.2
			8,947		9,408	1.3		202	2.2
	Danish Equity Total		24,764		24,361	3.2		405	1.7
Euro Equity									
Health Care									
610	Grifols SA	22.73	13,868	17.51	10,682	1.4	0.552	337	3.2
			13,868		10,682	1.4		337	3.2
Energy									
300	Saipem	17.02	5,105	34.58	10,373	1.4	0.789	237	2.3
			5,105		10,373	1.4		237	2.3
Materials									
200	Thyssenkrupp AG	27.13	5,426	37.88	7,575	1.0	0.430	86	1.1
			5,426		7,575	1.0		86	1.1
Financials									
145	Deutsche Bank AG Reg	64.14	9,301	70.90	10,281	1.4	0.717	104	1.0

Pinnacle Associates Ltd.
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6220 Vervane Foundation Inc- International Growth
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December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
170	Societe Generale-A	54.91	9,334	70.23	11,939	1.6	1.631	277	2.3
			18,635		22,220	3.0		381	1.7
Industrials									
160	Alstom	106.29	17,007	70.39	11,262	1.5	1.607	257	2.3
610	Finmeccanica SPA	31.74	19,360	16.05	9,793	1.3	0.588	359	3.7
130	Hochtief AG	49.90	6,487	76.83	9,988	1.3	2.009	261	2.6
105	Siemens AG - Reg	99.56	10,454	92.12	9,673	1.3	2.296	241	2.5
			53,309		40,717	5.4		1,118	2.7
Consumer Discretionary									
175	Adidas AG	52.44	9,176	54.19	9,483	1.3	0.717	126	1.3
180	Bayerische Motoren Werke AG	36.08	6,495	45.62	8,212	1.1	0.430	77	0.9
95	LVMH Moet Hennessy Louis Vuitton SA	102.06	9,696	112.45	10,683	1.4	2.296	218	2.0
93	Michelin (CGDE) - B	78.64	7,314	76.87	7,149	1.0	1.435	133	1.9
400	SES	17.76	7,105	22.60	9,042	1.2	0.947	379	4.2
			39,786		44,570	5.9		933	2.1
	Euro Equity Total		136,128		136,137	18.2		3,092	2.3
Japanese Equity									
Information Technology									
500	Hoya Corp (#7741 JP)	17.72	8,859	26.42	13,212	1.8	0.322	161	1.2
200	Tokyo Electron Ltd	45.16	9,032	63.59	12,718	1.7	0.086	17	0.1
			17,890		25,931	3.5		178	0.7

Pinnacle Associates Ltd.
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December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
industrials									
1,000	Asahi Glass Y50 (#5201 JP)	8.28	8,277	9.43	9,431	1.3	0.172	172	1.8
500	Mitsubishi Corp First Section (#8058 JP)	14.57	7,287	24.76	12,380	1.7	0.365	183	1.5
			15,564		21,811	2.9		354	1.6
	Japanese Equity Total		33,454		47,742	6.4		533	1.1
Norwegian Equity									
Materials									
100	Yara international ASA	46.56	4,656	45.65	4,565	0.6	0.779	78	1.7
			4,656		4,565	0.6		78	1.7
	Norwegian Equity Total		4,656		4,565	0.6		78	1.7
Swedish Equity									
Consumer Discretionary									
118	Hennes & Mauritz AB - B	62.86	7,417	55.66	6,568	0.9	2.171	256	3.9
			7,417		6,568	0.9		256	3.9
	Swedish Equity Total		7,417		6,568	0.9		256	3.9

Pinnacle Associates Ltd.
PORTFOLIO APPRAISAL
6220 Vervane Foundation Inc- International Growth
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December 31, 2009

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
TOTAL PORTFOLIO			640,148		749,604	100.0		10,851	1.4

Advisory Services are provided by Pinnacle Associates Ltd ("Pinnacle") Pinnacle is not a pricing source--the information contained herein has been derived from sources which we believe to be reliable but has not been independently verified. Please remember to contact Pinnacle if there are any changes in your financial situation or investment objectives or if you wish to impose, add or modify any reasonable restrictions to our investment management services.

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
159 Vervane Foundation
Acct. # 25d024744768
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-17-08	01-14-09	1,500	Biogen Idec Inc	92,290	72,800	-19,490	
03-27-08	01-14-09	300	Biogen Idec Inc	18,980	14,560	-4,420	
03-20-03	01-14-09	3,500	Robert Half Intl	50,022	63,252		13,230
12-28-04	01-28-09	6,000	Active Power Inc	28,336	1,801		-26,536
12-28-04	01-28-09	300	American Superconductr Com	4,532	5,052		520
04-02-07	01-28-09	400	Quest Diagnostic Inc	19,996	20,330		334
12-28-04	01-28-09	300	Fuel Systems Solutions	4,464	7,812		3,348
10-26-01	02-11-09	1,700	EMC Corp/Mass	22,723	20,678		-2,045
08-23-04	02-11-09	1,200	EMC Corp/Mass	13,064	14,596		1,532
06-21-06	02-19-09	700	Unitedhealth Group Inc	30,934	20,193		-10,741
05-05-06	02-20-09	1,700	Constellation Energy Group	92,191	36,369		-55,821
12-06-00	02-20-09	400	ITT Corp	7,142	16,079		8,937
01-19-01	02-20-09	400	ITT Corp	7,489	16,079		8,590
06-21-06	02-20-09	700	Unitedhealth Group Inc	30,934	19,709		-11,225
12-28-04	02-23-09	700	American Superconductr Com	10,575	10,948		373
02-16-06	02-23-09	2,500	American Superconductr Com	26,095	39,100		13,005
12-04-08	02-23-09	1,400	Caterpillar Incorporated	54,278	36,230	-18,048	
04-02-07	02-23-09	500	Quest Diagnostic Inc	24,995	24,962		-33
12-28-04	02-23-09	9,100	Evergreen Solar Inc	35,053	11,648		-23,405
10-04-06	02-23-09	700	Home Depot Inc	25,935	13,251		-12,684
03-24-00	02-23-09	300	Precision Castparts	2,556	17,484		14,928
08-29-08	02-23-09	2,000	Freightcar Amer Inc Com	73,647	32,206	-41,441	
10-04-01	03-06-09	700	Comcast Corp Cl A	18,042	8,345		-9,697
01-10-08	03-27-09	1,300	Genentech Inc	92,620	123,500		30,880
06-19-08	03-27-09	200	Genentech Inc	15,060	19,000	3,940	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
159 Vervane Foundation
Acct. # 25d024744768
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
06-16-04	03-30-09	1	Time Warner Cable Inc	37	18		-18
06-16-04	03-30-09	0	Time Warner Inc	13	7		-6
07-20-05	05-12-09	1,100	Fedex Corp	90,720	60,549		-30,171
10-17-03	06-09-09	1,800	Liberty Global Inc C	27,108	23,015		-4,093
11-03-08	06-23-09	600	Agrium Inc	23,376	23,563	187	
07-28-05	06-23-09	108	Ascent Media Corp A	2,580	2,754		174
08-11-05	06-23-09	87	Ascent Media Corp A	2,160	2,218		59
08-23-05	06-23-09	80	Ascent Media Corp A	2,119	2,040		-79
01-19-01	06-25-09	800	ITT Corp	14,978	34,708		19,730
05-29-09	06-25-09	1,900	Kinross Gold Corp	38,120	35,483	-2,637	
06-01-09	06-25-09	900	Kinross Gold Corp	18,503	16,808	-1,696	
06-03-09	06-25-09	500	Kinross Gold Corp	9,984	9,338	-647	
06-04-09	06-25-09	500	Kinross Gold Corp	9,820	9,338	-482	
11-03-08	07-02-09	100	Agrium Inc	3,896	3,985	89	
11-06-08	07-02-09	100	Agrium Inc	3,635	3,985	350	
11-06-08	08-17-09	300	Agrium Inc	10,905	13,581	2,675	
08-02-00	08-17-09	100	Cummins Inc	827	4,458		3,631
07-28-05	08-17-09	250	Discovery Communication A	3,411	6,030		2,619
11-07-00	08-17-09	100	Devon Energy Corporation	1,728	6,069		4,341
05-17-00	08-17-09	200	Pall Corporation	4,741	5,788		1,047
04-09-97	09-09-09	927	Cablevision Systems	1	22,113		22,112
04-09-97	09-09-09	73	Cablevision Systems	0	1,736		1,736
04-02-07	09-09-09	200	Quest Diagnostic Inc	9,998	10,616		618
04-02-07	09-09-09	300	Quest Diagnostic Inc	14,997	16,067		1,070
07-28-05	09-09-09	250	Discovery Communication C	3,063	6,053		2,990
08-23-04	09-09-09	300	EMC Corp/Mass	3,266	4,860		1,594
03-24-06	09-09-09	300	JPMorgan Chase & Co	12,687	12,829		142
03-24-00	09-09-09	200	Precision Castparts	1,704	18,884		17,180

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
159 Vervane Foundation
Acct. # 25d024744768
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
12-08-08	09-09-09	200	Regeneron Pharmaceuticals	3,183	4,377	1,194	
01-30-07	09-09-09	500	Toll Brothers Inc	16,305	10,870		-5,435
11-06-08	09-23-09	200	Agrium Inc	7,270	10,498	3,228	
11-17-08	09-23-09	100	Agrium Inc	3,138	5,249	2,111	
04-09-97	09-23-09	500	Cablevision Systems	1	12,460		12,459
07-28-05	09-23-09	300	Discovery Communication A	4,093	8,835		4,741
03-24-06	09-23-09	200	JPMorgan Chase & Co	8,458	9,262		804
06-21-06	09-23-09	300	Unitedhealth Group Inc	13,258	8,310		-4,948
11-17-08	10-13-09	200	Agrium Inc	6,276	10,384	4,108	
04-09-97	10-13-09	500	Cablevision Systems	1	11,803		11,802
07-28-05	10-13-09	200	Discovery Communication A	2,729	5,986		3,257
08-23-04	10-13-09	1,000	EMC Corp/Mass	10,887	17,920		7,033
03-24-00	10-13-09	100	Precision Castparts	852	10,157		9,305
08-02-00	10-28-09	300	Cummins Inc	2,480	13,435		10,955
06-25-09	10-28-09	300	Cisco Systems	5,619	6,888	1,269	
07-28-05	10-28-09	300	Discovery Communication C	3,675	7,357		3,681
04-02-09	10-28-09	500	Dr Pepper Snapple Group Inc	9,463	13,750	4,287	
08-23-04	10-28-09	500	EMC Corp/Mass	5,443	8,211		2,768
07-11-07	10-28-09	500	FPL Group Inc	27,622	25,047		-2,575
03-24-06	10-28-09	300	JPMorgan Chase & Co	12,687	12,807		119
08-02-00	10-29-09	500	Cummins Inc	4,133	22,872		18,739
04-09-97	10-30-09	118	Cablevision Systems	0	2,762		2,762
02-10-00	10-30-09	82	Cablevision Systems	689	1,914		1,225
12-28-04	10-30-09	2,000	Fuel Systems Solutions	29,762	67,776		38,014
06-16-08	10-30-09	200	Whole Foods Market Inc	5,439	6,606		1,167
03-24-00	11-03-09	200	Precision Castparts	1,704	19,084		17,380
01-12-09	11-12-09	300	CF Industries Holdings Inc	15,236	23,985	8,749	
02-10-00	11-12-09	97	Cablevision Systems	814	2,386		1,571

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
159 Vervane Foundation
Acct. # 25d024744768
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
03-21-00	11-12-09	60	Cablevision Systems	374	1,468		1,094
05-22-02	11-12-09	644	Cablevision Systems	7,177	15,866		8,689
08-23-04	11-12-09	500	EMC Corp/Mass	5,443	8,345		2,901
03-24-06	11-12-09	200	JPMorgan Chase & Co	8,458	8,698		240
10-17-08	11-12-09	200	Coca-Cola Co	9,141	11,204		2,063
03-06-00	11-12-09	1,000	Microsoft Corp	46,125	29,291		-16,834
03-27-08	11-12-09	700	Northeast Utils	16,979	16,310		-669
05-23-00	11-12-09	500	Pall Corporation	11,530	17,030		5,500
11-06-98	11-12-09	300	Travelers Companies Inc	10,663	16,014		5,351
06-16-04	11-12-09	333	Time Warner Inc	13,259	10,453		-2,806
01-28-09	11-12-09	500	XTO Energy Inc	19,001	21,384	2,383	
08-23-06	11-12-09	300	Yahoo! Inc	8,749	4,803		-3,945
06-16-08	11-18-09	2,500	Whole Foods Market Inc	67,986	65,495		-2,490
06-25-09	11-18-09	500	Whole Foods Market Inc	9,310	13,099	3,789	
01-30-07	12-09-09	3,100	Toll Brothers Inc	101,089	54,142		-46,947
01-31-07	12-09-09	300	Toll Brothers Inc	10,012	5,240		-4,773
02-01-07	12-09-09	400	Toll Brothers Inc	13,695	6,986		-6,709
06-19-08	12-09-09	1,200	Toll Brothers Inc	24,587	20,958		-3,629
11-14-07	12-10-09	500	Cie Gen Geophysique Sa - Sp ADR	31,654	10,720		-20,935
06-16-04	12-10-09	1	AOL Inc	22	18		-3

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
159 Vervane Foundation
Acct. # 25d024744768
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
11-06-98	12-10-09	200	Travelers Companies Inc	7,109	10,101		2,992
TOTAL GAINS						38,358	351,331
TOTAL LOSSES						-88,860	-309,253
TOTAL REALIZED GAIN/LOSS				1,739,908	1,731,484	-50,501	42,077
				-8,424			

This statement may contain positions where Pinnacle has been unable to obtain accurate acquisition costs and may show a position with zero cost. Please verify this statement with your own records to ensure accuracy.

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss	
				Basis	Proceeds	Short Term	Long Term
11-10-08	01-07-09	102,960	Rolls-Royce Group PLC C Shares	162	153	-8	
09-25-08	01-08-09	10	Allianz AG - Reg	1,541	850	-691	
03-19-08	01-09-09	215	Crucell	3,000	4,813	1,813	
03-03-08	01-09-09	75	Crucell	1,024	1,679	654	
08-22-08	01-14-09	50	BNP Paribas	4,345	2,045	-2,300	
09-17-08	01-14-09	50	BNP Paribas	4,183	2,045	-2,138	
11-04-08	01-20-09	200	Deutsche Telekom AG - Spon ADR	3,052	2,683	-369	
10-29-08	01-20-09	185	Deutsche Telekom AG - Spon ADR	2,657	2,482	-175	
11-12-08	01-20-09	15	Deutsche Telekom AG - Spon ADR	207	201	-6	
09-19-08	01-20-09	2,630	Arm Holdings Plc	6,269	3,061	-3,208	
10-09-08	01-20-09	1,990	Arm Holdings Plc	3,157	2,316	-841	
03-25-08	01-21-09	40	Credit Suisse Group-Spon ADR	2,031	862	-1,169	
11-04-08	01-21-09	40	Swiss Re - Reg	1,901	1,280	-621	
07-09-08	01-21-09	10	Societe Generale-A	875	357	-518	
11-04-08	01-22-09	60	Swiss Re - Reg	2,852	1,819	-1,032	
06-12-08	01-22-09	70	Cap Gemini SA	4,434	2,306	-2,128	
06-27-08	01-22-09	30	Cap Gemini SA	1,795	988	-806	
10-14-08	01-22-09	60	Societe Generale-A	4,348	2,214	-2,134	
04-15-08	01-23-09	220	Ubisoft Entertainment SA	10,177	3,111	-7,067	
06-27-08	01-23-09	120	Ubisoft Entertainment SA	5,110	1,697	-3,413	
09-22-08	02-13-09	20	Air Liquide	2,552	1,525	-1,027	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth
A/C# 368236271

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

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-27-09	02-17-09	15	Kyocera Corp - Sponsored ADR	1,042	921	-121	
08-22-08	02-17-09	170	Nokia Corp Spon ADR	4,400	1,895	-2,504	
09-12-08	02-17-09	230	Nokia Corp Spon ADR	4,782	2,564	-2,217	
09-03-08	02-17-09	150	Grifols SA	4,236	2,445	-1,791	
09-12-08	02-17-09	50	Grifols SA	1,362	815	-547	
03-07-08	02-20-09	100	Gafisa SA - ADR	3,664	899	-2,765	
10-14-08	02-20-09	500	Mitsubishi UFJ Financial-ADR	4,031	2,149	-1,882	
08-06-08	02-20-09	200	Amdocs Ltd	6,131	3,569	-2,562	
07-25-08	02-20-09	200	Invesco Ltd	4,548	2,397	-2,151	
08-22-08	02-26-09	80	Novartis AG - Spon ADR	4,427	2,908	-1,519	
09-12-08	02-26-09	20	Novartis AG - Spon ADR	1,094	727	-367	
02-06-09	03-06-09	520	Banco Santander SA - Spons ADR	4,071	2,679	-1,392	
12-17-08	03-17-09	200	Cheung Kong Hldg - Unspons ADR	2,104	1,612	-492	
12-15-08	03-17-09	300	Cheung Kong Hldg - Unspons ADR	3,135	2,418	-717	
07-08-08	03-17-09	160	NTT Docomo Inc-Spon ADR	2,447	2,214	-233	
06-27-08	03-17-09	10	NTT Docomo Inc-Spon ADR	144	138	-5	
03-03-08	03-17-09	40	Teva Pharmaceutical-Spon ADR	1,952	1,790	-163	
03-03-08	03-17-09	25	Julius Baer Holding AG - Reg	1,793	632	-1,161	
03-07-08	03-17-09	80	Julius Baer Holding AG - Reg	5,580	2,023	-3,557	
09-19-08	03-17-09	70	Julius Baer Holding AG - Reg	4,508	1,770	-2,738	
03-03-08	03-18-09	100	Fortum OYJ	4,046	1,952	-2,094	
03-05-08	03-18-09	150	Fortum OYJ	6,022	2,928	-3,094	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth

A/C# 368236271

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

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
03-07-08	03-18-09	115	Fortum OYJ	4,599	2,245		-2,354
03-07-08	03-18-09	150	Shire Ltd	2,948	1,878		-1,070
12-16-08	03-19-09	100	Essilor International	4,577	3,773	-804	
12-10-08	03-19-09	100	Essilor International	4,189	3,773	-416	
03-07-08	03-27-09	190	ABB Ltd - Spon ADR	4,806	2,636		-2,169
03-03-08	03-27-09	130	ABB Ltd - Spon ADR	3,238	1,804		-1,435
06-27-08	03-27-09	340	NTT Docomo Inc-Spon ADR	4,879	4,810	-69	
03-13-09	03-27-09	260	UBS AG-Registered	2,401	2,549	148	
06-16-08	03-27-09	70	Siemens AG - Reg	8,081	4,089	-3,992	
09-18-08	03-27-09	150	AXA-UAP	4,590	1,845	-2,745	
09-17-08	03-27-09	130	AXA-UAP	3,851	1,599	-2,252	
05-30-08	03-27-09	400	Rolls-Royce Group PLC	3,341	1,663	-1,678	
06-17-08	03-27-09	500	Rolls-Royce Group PLC	3,811	2,079	-1,732	
03-03-08	04-03-09	160	Roche Holdings Ltd Spn ADR	7,836	5,365		-2,471
03-03-08	04-03-09	80	Teva Pharmaceutical-Spon ADR	3,905	3,528		-376
03-07-08	04-03-09	10	Teva Pharmaceutical-Spon ADR	478	441		-37
09-12-08	04-07-09	50	Novartis AG - Spon ADR	2,734	1,869	-865	
09-08-08	04-07-09	80	Novartis AG - Spon ADR	4,227	2,991	-1,237	
06-27-08	04-09-09	350	NTT Docomo Inc-Spon ADR	5,023	4,907	-116	
04-04-08	04-09-09	30	Nintendo Co Ltd - ADR	2,014	1,053		-961
03-07-08	04-09-09	75	Nintendo Co Ltd - ADR	4,793	2,631		-2,161
03-03-08	04-09-09	40	Nintendo Co Ltd - ADR	2,470	1,403		-1,066
11-13-08	04-09-09	100	Nintendo Co Ltd - ADR	3,699	3,509	-190	
03-03-08	04-09-09	225	Crucell	3,073	4,424		1,351

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
03-07-08	04-16-09	40	Teva Pharmaceutical-Spon ADR	1,912	1,807		-104
08-06-08	04-16-09	100	Amdocs Ltd	3,065	1,897	-1,168	
06-27-08	04-16-09	60	Cap Gemini SA	3,590	2,041	-1,548	
10-21-08	04-16-09	40	Cap Gemini SA	1,266	1,361	95	
08-06-08	04-17-09	10	Amdocs Ltd	307	190	-116	
09-12-08	04-17-09	120	Amdocs Ltd	3,365	2,281	-1,084	
03-03-08	04-17-09	100	Nestle SA - Regd	4,764	3,298		-1,466
10-21-08	04-17-09	85	Cap Gemini SA	2,690	2,911	221	
01-07-09	04-23-09	1	Itau Unibanco Banco Multiplo SA-ADR old	6	7	0	
11-12-08	04-24-09	180	Deutsche Telekom AG - Spon ADR	2,488	2,110	-379	
10-27-08	04-24-09	210	Deutsche Telekom AG - Spon ADR	2,707	2,461	-245	
03-03-09	04-24-09	200	Deutsche Telekom AG - Spon ADR	2,364	2,344	-20	
08-06-08	04-24-09	80	Fresenius Medical Care ADR	4,606	3,049	-1,556	
07-30-08	04-24-09	30	Fresenius Medical Care ADR	1,687	1,144	-543	
03-07-08	04-24-09	60	Teva Pharmaceutical-Spon ADR	2,868	2,650		-218
09-15-08	04-24-09	210	Unilever Plc-ADR	6,030	3,946	-2,084	
10-06-08	04-24-09	120	Unilever Plc-ADR	3,186	2,255	-932	
01-20-09	04-27-09	130	Telefonica De Esp Ord	2,577	2,508	-69	
04-14-08	04-27-09	115	Groupe Danone	10,358	5,632		-4,725
09-19-08	04-28-09	30	Synthes Inc	4,319	3,052	-1,267	
09-18-08	04-28-09	14	Synthes Inc	1,989	1,424	-565	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth
A/C# 368236271

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

Open Date	Close Date	Quantity	Security	Cost		Proceeds	Gain Or Loss	
				Basis			Short Term	Long Term
01-20-09	04-29-09	170	Telefonica De Esp Ord	3,370		3,297	-73	
03-03-09	04-29-09	100	Telefonica De Esp Ord	1,848		1,939	91	
07-30-08	04-30-09	140	Fresenius Medical Care ADR	7,871		5,419	-2,453	
03-05-08	04-30-09	75	Novo-Nordisk A/S-B	5,186		3,620		-1,567
03-03-08	05-01-09	40	Roche Holdings Ltd Spn ADR	1,959		1,267		-692
03-07-08	05-01-09	60	Roche Holdings Ltd Spn ADR	2,822		1,900		-921
03-07-08	05-01-09	100	Teva Pharmaceutical-Spon ADR	4,779		4,406		-374
03-03-08	05-04-09	60	Adidas AG	3,798		2,319		-1,479
03-07-08	05-04-09	90	Adidas AG	5,526		3,478		-2,047
03-07-08	05-15-09	210	Gafisa SA - ADR	7,694		3,512		-4,182
12-17-08	05-15-09	30	Gafisa SA - ADR	263		502	239	
04-16-09	05-15-09	110	Mindray Medical Intl ADR	2,628		2,407	-221	
04-09-09	05-15-09	40	Mindray Medical Intl ADR	880		875	-5	
09-25-08	05-15-09	17	Allianz AG - Reg	2,620		1,588	-1,033	
09-19-08	05-15-09	13	Allianz AG - Reg	1,999		1,214	-785	
09-19-08	05-20-09	27	Allianz AG - Reg	4,151		2,613	-1,538	
03-05-08	06-05-09	100	Nestle SA - Regd	4,725		3,600		-1,124
10-14-08	06-05-09	100	Vivendi Universal	2,954		2,594	-359	
10-22-08	06-05-09	50	Vivendi Universal	1,329		1,297	-32	
01-16-09	06-05-09	30	Muenchener Rueckver AG Reg	4,330		4,139	-191	
03-05-08	06-08-09	25	Novo-Nordisk A/S-B	1,729		1,282		-447
03-07-08	06-08-09	25	Novo-Nordisk A/S-B	1,721		1,281		-439
11-04-08	06-16-09	45	HDFC Bank Ltd - ADR Reps 3 Shs	3,297		4,606	1,309	
12-03-08	06-23-09	100	SAP AG - Spon ADR	3,404		3,958	554	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth

A/C# 368236271

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

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
03-17-09	06-23-09	60	Merck KGaA	5,189	6,035	846	
01-16-09	06-26-09	15	Muenchener Rueckver AG Reg	2,165	1,950	-215	
04-09-09	06-26-09	30	Muenchener Rueckver AG Reg	3,929	3,901	-29	
05-20-09	06-30-09	100	Solarworld AG	3,245	2,387	-858	
06-05-09	06-30-09	100	Solarworld AG	3,031	2,387	-644	
04-03-09	07-01-09	100	Technip SA	3,761	5,027	1,266	
01-27-09	07-02-09	430	WPP plc	2,547	2,714	167	
01-16-09	07-02-09	470	WPP plc	2,568	2,966	398	
03-27-09	07-02-09	2,000.00	China overseas Land & Invest (688 HK)	3,169	4,602	1,433	
11-05-08	07-02-09	100	Seven & I Holdings Co Ltd (#3382 JP)	3,201	2,400	-801	
04-17-09	07-02-09	300	Seven & I Holdings Co Ltd (#3382 JP)	6,818	7,200	382	
05-19-09	07-16-09	200	Nokia Corp Spon ADR	3,005	2,732	-273	
04-30-09	07-16-09	200	Nokia Corp Spon ADR	2,908	2,732	-176	
06-30-09	07-28-09	100	Deutsche Bank AG Reg	6,342	6,466	124	
04-09-09	07-29-09	150	Mindray Medical Intl ADR	3,300	4,457	1,158	
10-22-08	07-29-09	35	Vivendi Universal	930	870	-60	
10-09-08	07-29-09	190	Vivendi Universal	4,944	4,722	-222	
12-16-08	07-30-09	200	Royal Caribbean Cruises LTD	2,047	2,975	928	
03-05-08	08-12-09	150	Nestle SA - Regd	7,087	5,843	-1,244	
04-07-09	08-17-09	1	Taiwan Semiconductors-Sp ADR	5	5	0	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth

A/C# 368236271

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

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
05-05-08	08-27-09	290	Honda Motor Co Ltd - Spon ADR	9,554	9,257		-297
10-14-08	08-27-09	350	Mitsubishi UFJ Financial-ADR	2,822	2,188	-634	
10-30-08	08-27-09	100	Mitsubishi UFJ Financial-ADR	634	625	-9	
12-11-08	08-27-09	650	Mitsubishi UFJ Financial-ADR	3,435	4,063	628	
06-25-09	08-27-09	100	Nidec Corp Sponsored ADR	1,556	1,795	239	
04-29-09	08-27-09	85	Nidec Corp Sponsored ADR	1,152	1,526	374	
04-07-09	08-27-09	301	Taiwan Semiconductors-Sp ADR	2,872	3,124	252	
07-01-09	08-27-09	19	Taiwan Semiconductors-Sp ADR	181	197	16	
03-07-08	08-27-09	5	Syngenta AG	1,464	1,154		-310
03-05-08	08-27-09	15	Syngenta AG	4,303	3,462		-841
09-22-08	08-27-09	20	Air Liquide	2,552	2,103	-449	
10-29-08	08-27-09	45	Air Liquide	3,729	4,731	1,002	
11-04-08	08-28-09	100	K+S AG	4,586	5,204	618	
12-10-08	09-01-09	60	Total S A Sponsored ADR	3,159	3,342	183	
12-08-08	09-01-09	50	Total S A Sponsored ADR	2,504	2,785	281	
04-09-09	09-01-09	90	Total S A Sponsored ADR	4,396	5,012	617	
03-17-09	09-01-09	7,000.00	Industrial & Comm Bk of China (1398 HK)	3,131	4,782	1,651	
03-07-08	09-02-09	80	Fresenius AG Pref	6,944	4,161		-2,783
01-07-09	09-08-09	1	Itau Unibanco Banco Multiplo SA-ADR	8	12	4	
03-07-08	09-09-09	90	Fresenius AG Pref	7,812	4,836		-2,977
09-19-08	09-15-09	24	Zurich Financial Services	6,683	5,354	-1,328	
10-03-08	09-15-09	6	Zurich Financial Services	1,550	1,339	-212	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
06-30-08	09-15-09	20	Bayer AG	1,701	1,358		-342
08-07-08	09-15-09	60	Bayer AG	5,080	4,075		-1,005
01-15-09	09-15-09	50	Bayer AG	2,864	3,396	532	
06-23-09	09-15-09	55	Bayer AG	2,950	3,735	785	
03-05-08	09-28-09	35	Syngenta AG	10,041	7,865		-2,176
03-24-09	10-05-09	100	Shin-Etsu Chemical(#4063)	5,097	5,707	610	
07-23-09	10-05-09	100	Shin-Etsu Chemical(#4063)	5,047	5,707	660	
07-01-09	10-09-09	240	Taiwan Semiconductors-Sp ADR	2,283	2,392	109	
04-14-08	10-09-09	215	Gamesa Corp Tecnologica SA (New)	10,256	4,388		-5,868
08-07-08	10-09-09	110	Gamesa Corp Tecnologica SA (New)	5,083	2,245		-2,838
09-19-08	10-09-09	100	Gamesa Corp Tecnologica SA (New)	4,045	2,041		-2,005
03-03-08	10-15-09	70	Reckitt Benckiser PLC	3,839	3,519		-320
01-01-50	10-15-09	60	Societe Generale-A RTS 10/20/09	0	212		212
01-01-50	10-15-09	50	Societe Generale-A RTS 10/20/09	0	177		177
01-01-50	10-15-09	60	Societe Generale-A RTS 10/20/09	0	212		212
03-07-08	10-20-09	135	Shire Ltd	2,653	2,238		-416
02-06-09	10-22-09	300	LG Display Co Ltd-ADR	3,237	3,965	728	
02-19-09	10-22-09	200	LG Display Co Ltd-ADR	1,849	2,644	795	
04-27-09	10-27-09	115	Sina Corp	3,373	4,467	1,094	

Pinnacle Associates Ltd.
REALIZED GAINS AND LOSSES
6220 Vervane Foundation Inc- International Growth
A/C# 368236271
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
07-01-09	10-28-09	244	Taiwan Semiconductors-Sp ADR	2,316	2,366	50	
03-12-09	10-28-09	201	Taiwan Semiconductors-Sp ADR	1,749	1,953	204	
03-04-09	10-28-09	302	Taiwan Semiconductors-Sp ADR	2,433	2,930	497	
03-27-09	10-28-09	2,000.00	China overseas Land & Invest (688 HK)	3,169	4,392	1,223	
09-09-09	11-16-09	220	ASML Holding NV - NY Reg	6,347	6,844	497	
04-30-09	11-16-09	82	ASML Holding NV - NY Reg	1,706	2,551	845	
04-20-09	11-17-09	100	Shin-Etsu Chemical(#4063)	5,014	5,232	218	
04-27-09	11-23-09	25	Sina Corp	733	1,130	397	
04-17-09	11-23-09	100	Sina Corp	2,741	4,520	1,779	
10-03-08	11-23-09	16	Zurich Financial Services	4,134	3,587		-547
08-05-09	11-23-09	15	Zurich Financial Services	3,030	3,363	333	
09-16-09	11-25-09	210	Sony Corp- Sponsored ADR	5,765	5,713	-51	
04-27-09	12-04-09	960	Aegon NV	4,002	6,894	2,892	
04-23-09	12-04-09	980	Aegon NV	4,022	7,037	3,016	
03-24-09	12-30-09	90	HSBC Holdings Plc - Spon ADR	2,619	5,139	2,520	
01-07-09	12-30-09	130	Itau Unibanco Banco Multiplo SA-ADR	1,462	2,932	1,471	
TOTAL GAINS						38,943	1,951
TOTAL LOSSES						-93,982	-67,926
TOTAL REALIZED GAIN/LOSS						528,622	-65,975