Form **990-PF**

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

OMB No 1545-0052

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 change

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

The Gaius Foundation, Inc.
C/O John M Ambielli, 901 Ravine Rd
Califon, NJ 07830-4003

A Employer identification number: 22-3801217

B Telephone number (see the instructions): 908-832-2377

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)* ► $ 2,429,749.

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)				
	2 Ck ► [X] if the foundn is **not** req to att Sch B				
	3 Interest on savings and temporary cash investments	2,269.	2,269.		
	4 Dividends and interest from securities	42,417.	42,417.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	-154,868.			
	b Gross sales price for all assets on line 6a 749,315.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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) See Statement 1	9,384.	18.		
	12 **Total.** Add lines 1 through 11	-100,798.	44,704.	0.	
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)				
	17 Interest	520.	520.		
	18 Taxes (attach schedule)(see instr) See Stm 2	9,188.	552.		
	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	7,016.	7,016.		
	24 **Total operating and administrative expenses.** Add lines 13 through 23	16,724.	8,088.		
	25 Contributions, gifts, grants paid Part XV	241,750.			241,750.
	26 **Total expenses and disbursements.** Add lines 24 and 25	258,474.	8,088.	0.	241,750.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-359,272.			
	b **Net investment income** (if negative enter 0)		36,616.		
	c **Adjusted net income** (if negative, enter 0-)			0.	

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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			
	2	Savings and temporary cash investments	1,753,801.	2,048,355.	2,048,355.
	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	18,636.	10,000.	10,000.
	10a	Investments – U S and state government obligations (attach schedule) Statement 4	177,338.	190,363.	194,894.
	b	Investments – corporate stock (attach schedule) Statement 5	642,309.	94,025.	88,874.
	c	Investments – corporate bonds (attach schedule) Statement 6	134,211.	48,504.	50,068.
	11	Investments – land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach schedule) ►			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) Statement 7	28,463.	27,138.	37,558.
	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)	2,754,758.	2,418,385.	2,429,749.
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 ► See Statement 8)		30,000.	
	23	**Total liabilities** (add lines 17 through 22)	0.	30,000.	
NET 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	2,754,758.	2,388,385.	
	30	**Total net assets or fund balances** (see the instructions)	2,754,758.	2,388,385.	
	31	**Total liabilities and net assets/fund balances** (see the instructions)	2,754,758.	2,418,385.	

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	2,754,758.
2	Enter amount from Part I, line 27a	2	-359,272.
3	Other increases not included in line 2 (itemize) ► See Statement 9	3	1,535.
4	Add lines 1, 2, and 3	4	2,397,021.
5	Decreases not included in line 2 (itemize) ► See Statement 10	5	8,636.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	2,388,385.

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	Securities M Lynch-Multiple Accounts	P	Various	Various
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	749,315.		904,183.	-154,868.
b				
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				-154,868.
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) — If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7	2	-154,868.
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	0.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If 'Yes,' the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see 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	121,882.	2,719,855.	0.044812
2007	140,000.	2,108,567.	0.066396
2006			
2005			
2004			

2	**Total** of line 1, column (d)	2	0.111208
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	0.055604
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	2,496,644.
5	Multiply line 4 by line 3	5	138,823.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	366.
7	Add lines 5 and 6	7	139,189.
8	Enter qualifying distributions from Part XII, line 4	8	241,750.

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

Part VI-A 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 ► [X] and enter 1% of Part I, line 27b			1	366.
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	366.
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	366.
6 Credits/Payments				
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	10,000.		
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	10,000.
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	9,634.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ►	9,634.	**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
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	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	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) ► N/A			
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *Continued*

		Line	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 ► John M. Ambielli Telephone no ► 908-832-2377

Located at ► 901 Ravine Road, Califon, NJ ZIP + 4 ► 07830-4003

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.

			Line	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 [X] 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 [X] No		
(3) Provide a grant to an individual for travel, study, or other similar purposes?	[ ] Yes [X] 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 [X] 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 [X] 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 [X] 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 [X] 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
See Statement 11		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.

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	591,467.
b	Average of monthly cash balances	1b	1,901,078.
c	Fair market value of all other assets (see instructions)	1c	42,119.
d	**Total** (add lines 1a, b, and c)	1d	2,534,664.
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	2,534,664.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	38,020.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V line 4	5	2,496,644.
6	**Minimum investment return.** Enter 5% of line 5	6	124,832.

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	124,832.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 366.		
b	Income tax for 2009 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	366.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	124,466.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	124,466.
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	124,466.

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	241,750.
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	241,750.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	366.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	241,384.

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					124,466.
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					
c From 2006					
d From 2007	53,512.				
e From 2008					
f Total of lines 3a through e		53,512.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► $ 241,750.					
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					124,466.
e Remaining amount distributed out of corpus		117,284.			
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		170,796.			
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		170,796.			
10 Analysis of line 9					
a Excess from 2005					
b Excess from 2006					
c Excess from 2007	53,512.				
d Excess from 2008					
e Excess from 2009	117,284.				

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

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

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

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

None

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

None

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Statement 12				
Total			► **3a**	241,750.
b *Approved for future payment*				
Total			► **3b**	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (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			14	2,269.	
4 Dividends and interest from securities			14	42,417.	
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			14	18.	
8 Gain or (loss) from sales of assets other than inventory			18	-154,868.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a Refund-Federal excise tax			6		9,366.
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				-110,164.	9,366.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -100,798.

(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)
3,4,7	INCOME USED TO DISTRIBUTE MONIES TO UNRELATED CHARITABLE ORGANIZATIONS, WHICH
8	IS THE PURPOSE OF THIS FOUNDATION.

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

► John M Cimfiell Trustee | 11/15/10 | ► Trustee

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only			
Preparer's signature ► Roy S. Tumpowsky	Date 11-12-10	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 ► Joel Popkin & Company, P.C. 1430 Broadway New York, NY 10018		EIN ► N/A	Phone no ► (212) 575-7800

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	$ 18.	$ 18.	
Refund-Federal excise tax	9,366.		
Total	$ 9,384.	$ 18.	$ 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 excise tax	$ 8,636.			
foreign taxes withheld	552.	$ 552.		
Total	$ 9,188.	$ 552.	$ 0.	$ 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
broker account fees	$ 6,465.	$ 6,465.		
Other investment expenses	551.	551.		
Total	$ 7,016.	$ 7,016.	$ 0.	$ 0.

Statement 4
Form 990-PF, Part II, Line 10a
Investments - U.S. and State Government Obligations

U.S. Government Obligations	Valuation Method	Book Value	Fair Market Value
Government Securities-Various	Cost	$ 190,363.	$ 194,894.
		$ 190,363.	$ 194,894.
	Total	$ 190,363.	$ 194,894.

Statement 5
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
250 Uts IShares Barclay TIPS	Cost	$ 23,799.	$ 25,975.
2,485 Uts Fixed Income Shares Ser C	Cost	33,450.	30,292.
3,379 Uts Fixed Income Shares Ser M	Cost	36,776.	32,607.
	Total	$ 94,025.	$ 88,874.

Statement 6
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

Corporate Bonds	Valuation Method	Book Value	Fair Market Value
Corporate Bonds-Various	Cost	$ 48,504.	$ 50,068.
	Total	$ 48,504.	$ 50,068.

Statement 7
Form 990-PF, Part II, Line 13
Investments - Other

Other Securities	Valuation Method	Book Value	Fair Market Value
120 Uts SPDR Gold Trust	Cost	$ 9,991.	$ 12,877.
120 Uts SPDR Gold Trust	Cost	8,748.	12,877.
110 SPDR Gold Trust	Cost	8,399.	11,804.
	Total	$ 27,138.	$ 37,558.

Statement 8
Form 990-PF, Part II, Line 22
Other Liabilities

Loans and exchanges-Due to officer	$ 30,000.
Total	$ 30,000.

Statement 9
Form 990-PF, Part III, Line 3
Other Increases

Book tax timing differences	$ 1,328.
Nontaxable dividend distributions	207.
Total	$ 1,535.

Statement 10
Form 990-PF, Part III, Line 5
Other Decreases

Federal excise tax	$ 8,636.
Total	$ 8,636.

Statement 11
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen-sation	Contri-bution to EBP & DC	Expense Account/ Other
JOHN M. AMBIELLI 901 RAVINE ROAD CALIFON, NJ 07830	President 0	$ 0.	$ 0.	$ 0.
BARBARA AMBIELLI 901 RAVINE ROAD CALIFON, NJ 07830	Vice President 0	0.	0.	0.
KAREN FULLER BOX 3107 EDGARTOWN, MA 02539	Trustee 0	0.	0.	0.
JOHN F. AMBIELLI 901 Ravine Road Califon, NJ 07830	Trustee 0	0.	0.	0.
LAURA A. LANGFORD 3342 Mintonville Point Drive Suffolk, VA 23435	Trustee 0	0.	0.	0.
LYNN C. AMBIELLI-RAMACEK 37 Ladyslipper Lane BAR HARBOR, ME 04609	Trustee 0	0.	0.	0.
SHARON AMBIELLI 7 Buster Branch Road Leicester, NC 28748	Trustee 0	0.	0.	0.
	Total	$ 0.	$ 0.	$ 0.

Statement 12
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
B.I.R.D.Ministries 2086 New Danville Pike Lancaster, PA 17603	NONE	Public	Charitable	$ 5,000.
Emmaus Homeless Shelter PO Box 811 Ellsworth, ME 04605	None	Public	Charitable	15,000.
Family Research Council 801 G Street NW Washington, DC 20001	None	Public	CHARITABLE	11,100.
Focus on the Family Colorado Springs, CO 80995	None	Public	CHARITABLE	10,000.
Food for the Hungry 1224 E. Washington Street Phoenix, AZ 85034	None	Public	Charitable	2,500.
Friendship Center for New Beginnings 162 Main Street Flemington, NJ 08822	None	Public	Charitable	10,000.
Good News Home for Women 33 Bartles Corner Road Flemington, NJ 08822	None	Public	Charitable	5,000.
Kingsway Fellowship Inc. 3707 SW 9th Street Des Moines, IA 50315	None	Public	Charitable	5,000.
Living in Freedom Eternally Inc(L.I.F.E) PO Box 353 New York, NY 10185	None	Public	Charitable	10,000.
Missionary Companion Ministries PO Box 26237 Fayetteville, NC 28314	None	Public	Charitable	15,000.
NJ Family Policy Council PO Box 6011 Parsipanny, NJ 07054	None	Public	Charitable	10,000.
World Challenge Inc. PO Box 260 Lindale, TX 75771	None	Public	Charitable	10,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found-ation Status	Purpose of Grant	Amount
Covenant Love Community School 1768 Dryden Road Freeville, NY 13068	None	Public	Charitable	$ 1,250.
Foodbank of Southeastern Virginia 800 Tidewater Drive Norfolk, VA 23501	None	Public	Charitable	1,000.
MANNA Foodbank 627 Swannanoa River Road Asheville, NC 28805	None	Public	Charitable	2,000.
YWAM Tyler PO Box 3000 Garden Valley, TX 75771	None	Public	Charitable	10,000.
YMCA of South Hampton Roads 5215 Colley Avenue Norwalk, VA 23508	None	Public	Charitable	1,000.
Young Life Plainfield 370 Crosson Place North Plainfield, NJ 07063	None	N/A	Charitable	5,000.
Beth C. Wright Cancer Center PO Box 322 Ellsworth, ME 04605	None	Public	Charitable	1,000.
Garden Harvest Inc. 14045 Mantua Mill Road Glyndon, MD 21071	None	Public	Charitable	500.
Good Shepard Parish Catholic Church 55 School Street Oak Bluffs, MA 02557	None	Public	Charitable	400.
MAOZ Israel Ministies PO Box 535788 Grand Prairie, TX 75053	None	Public	Charitable	5,000.
SPCA of Hancock County 141 Bar Harbor Road Trenton, ME 04605	None	Public	Charitable	1,000.
You've Got A Friend Foundation PO Box 1317 West Tisbury, MA 02575	None	Public	Charitable	400.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
B.I.R.D. Ministries 2086 New Danville Pike Lancaster, PA 17603	None	Public	Charitable	$ 5,000.
Missionary Companion Ministries PO Box 26237 Fayetteville, NC 28314	None	Public	Charitable	15,000.
Emmaus Homeless Shelter PO Box 811 Ellsworth, ME 04605	None	Public	Charitable	15,000.
Focus on the Family Colorado Springs, CO 80995	None	Public	Charitable	10,000.
Food for the Hungry 1224 E Washington Street Phoenix, AZ 85034	None	Public	Charitable	2,500.
Friendship Center for New Beginnings 162 Main Street Flemington, NJ 08822	None	Public	Charitable	10,000.
Good News Home for Women 33 Bartles Corner Road Flemington, NJ 08822	None	Public	Charitable	5,000.
Church of Jesus Christ Latter Day Saints 15 E South Temple Salt Lake City, UT 84150	None	Public	Charitable	5,000.
L.I.F.E. Inc Living In Freedom Eternally PO Box 353 New York, NY 10185	None	Public	Charitable	10,000.
World Challenge Inc. P.O. Box 260 Lindale, TX 75771	None	Public	Charitable	10,000.
Family Research Council 801 G Street NW Washington, DC 20001	None	Public	Charitable	11,100.
Beth C. Wright Cancer Center P.O. Box 322 Ellsworth, ME 04605	None	Public	Charitable	1,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Foundation Status	Purpose of Grant	Amount
Young Lives Plainfield 370 Crosson Place North Plainfield, NJ 07063	None	Public	Charitable	$ 5,000.
			Total	$ 241,750.

EMA Fiscal Statement

THE GAIUS FOUNDATION INC

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Cash and Money Funds						
	CASH		646 50	646 50			
16,038	ML BANK DEPOSIT PROGRAM	01/28/08	16,038.00	16,038 00			64 15
	Total Cash and Money Funds		**16,684.50**	**16,684.50**			**64.15**
	Government Securities						
1,000	FEDERAL NATL MTG ASSOC NOTES 05.000% MAY 11 2017	01/22/08	1,066 68	1,086.25	19 57	6.94	50.00
2,000	FEDERAL NATL MTG ASSOC ORIGINAL UNIT/TOTAL COST 106 1555/2,123 11	04/02/08	2,102 96	2,172.50	69 54	13 89	100 00
4,000	FEDERAL NATL MTG ASSOC NOTES 04 750% DEC 15 2010	12/31/08	4,130 91	4,157 52	26 61	8.44	190.00
1,000	FEDERAL HOME LN MTG CORP NOTES 05.125% JUL 15 2012	05/05/08	1,040 54	1,086.25	45 71	23 63	52 00
2,000	U S TREASURY NOTE 4 000% FEB 15 2015 CUSIP 912828DM9	09/11/09	2,151.69	2,125.62	(26.07)	30.00	80 00
3,000	U S TREASURY NOTE ORIGINAL UNIT/TOTAL COST 107 7186/3,231.56	09/29/09	3,221 42	3,188.43	(32 99)	45 00	120.00

THE GAIUS FOUNDATION INC

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Government Securities						
1,000	U S. TREASURY NOTE ORIGINAL UNIT/TOTAL COST 107 9690/1,079 69	10/30/09	1,077.41	1,062 81	(14 60)	15 00	40 00
7,000	U S. TRSY INFLATION NOTE 3 00% JUL 15 2012 INFL ADJ PRIN 8,415	01/28/08	8,904 56	9,048 50	143 94	96.44	253.00
1,000	U S TRSY INFLATION NOTE INFL ADJ PRIN 1,202 ORIGINAL UNIT/TOTAL COST	09/08/09	1,267 00	1,292 64	25 64	13 78	37 00
2,000	U S TREASURY NOTE 3 125% MAY 15 2019 CUSIP 912828KQ2	09/11/09	1,963 44	1,894 06	(69 38)	7 94	63 00
2,000	U S TREASURY NOTE	10/01/09	1,986.72	1,894 06	(92 66)	7 94	63.00
9,000	U S TRSY INFLATION NOTE 2 375% APR 15 2011 INFL ADJ PRIN 9,801	03/31/09	9,974 29	10,091 25	116 96	45 22	233 00
1,000	U S TRSY INFLATION NOTE INFL ADJ PRIN 1,089 ORIGINAL UNIT/TOTAL COST	10/16/09	1,120 60	1,121.25	0 65	5 02	26 00
7,000	U S. TRSY INFLATIN NTE 2 375% JAN 15 2017 INFL ADJ PRIN 7,503	10/09/08	7,291 67	8,104.39	812.72	76.35	179 00
2,000	U S TREASURY NOTE 4 500% MAY 15 2017 CUSIP 912828GS3	01/22/08	2,131 49	2,137 96	6 47	11 44	90 00

THE GAIUS FOUNDATION INC

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Government Securities						
3,000	U S TREASURY NOTE ORIGINAL UNIT/TOTAL COST 114 9686/3,449 06	03/26/09	3,410 59	3,206 94	(203.65)	17 15	135 00
4,000	U S TREASURY NOTE 4 250% SEP 30 2012 CUSIP 912828HE3	01/22/08	4,173.48	4,292 52	119 04	42.97	170 00
22,000	U S TREASURY NOTE 2 625% JUN 30 2014 CUSIP 912828KY5	08/31/09	22,266 00	22,159 94	(106 06)		578 00
8,000	U S TREASURY NOTE 3 875% FEB 15 2013 CUSIP 912828AU4	07/24/08	8,160 64	8,520.00	359 36	116 25	310 00
9,000	FNMA P745275 05%2036 AMORTIZED FACTOR 0 655020420 AMORTIZED VALUE 5,895	05/16/08	5,808 59	6,061.29	252.70	24.57	295.00
6,000	FNMA P745275 05%2036 AMORTIZED VALUE 3,930	06/04/09	3,996 44	4,040 86	44 42	16 38	197 00
31,473	FNMA P920727 05%2037 AMORTIZED FACTOR 0 660819290 AMORTIZED VALUE 20,797	01/22/08	20,934 46	21,370.99	436 53	86 55	1,040.00
18,000	FHLMC G0 343205 50% 2037 AMORTIZED FACTOR 0 633508440 AMORTIZED VALUE 11,403	02/19/08	11,365.73	11,958 45	592 72	52 20	628 00

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

THE GAIUS FOUNDATION INC

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Government Securities						
10,752	FNMA P968241 05 50%2038 AMORTIZED FACTOR 0 683832380 AMORTIZED VALUE 7,352	01/22/08	7,501 92	7,704 87	202 95	33 65	405 00
10,033	FNMA P257160 05% 2038 AMORTIZED FACTOR 0 829058660 AMORTIZED VALUE 8,317	04/14/08	8,238 67	8,545.34	306.67	34 61	416 00
5,019	FNMA P929311 05 50%2038 AMORTIZED FACTOR 0 691414680 AMORTIZED VALUE 3,470	05/05/08	3,488 65	3,636 48	147 83	15 91	191.00
4,000	FNMA P962989 05 50%2038 AMORTIZED FACTOR 0 765589310 AMORTIZED VALUE 3,062	04/02/08	3,073 84	3,209 09	135 25	14 04	169 00
14,000	FNMA P889579 06%2038 AMORTIZED FACTOR 0 706567190 AMORTIZED VALUE 9,891	10/22/08	10,103.69	10,493 18	389 49	49 42	594 00
18,000	FNMA P889579 06%2038 AMORTIZED VALUE 12,718	11/28/08	12,998 41	13,491 23	492 82	63 54	764 00
21,000	FNMA P889579 06%2038 AMORTIZED VALUE 14,837	01/20/09	15,410 56	15,739.77	329 21	74 13	891 00
	Total Government Securities		**190,363.05**	**194,894.44**	**4,531.39**	**1,048.40**	**8,359.00**

EMA Fiscal Statement

THE GAIUS FOUNDATION INC

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Corporate Bonds						
2,000	AMERICAN EXPRESS GLB 06 150% AUG 28 2017	01/22/08	2,095 11	2,090 20	(4 91)	41 00	123 00
2,000	ASTRAZENECA PLC GLB 05.900% SEP 15 2017	01/22/08	2,126 58	2,222 34	95 76	34 74	118 00
1,000	ABBOTT LABORATORIES GLB 05.875% MAY 15 2016	02/28/08	1,060 41	1,102 99	42 58	7 51	59 00
1,000	AT&T WIRELESS SVCS INC GLB 08 750% MAR 01 2031	01/22/08	1,286 38	1,292.31	5 93	29 17	88 00
2,000	BANK OF AMERICA CORP SUBORDINATED 05 250% DEC 01 2015	01/22/08	2,039 18	2,012.50	(26 68)	8 75	105 00
2,000	BEAR STEARNS CO INC GLB 05 350% FEB 01 2012	01/22/08	1,992 85	2,125 14	132 29	44 58	107 00
2,000	CREDIT SUISSE FB USA INC COMPANY GUARNT GLB 04 875% JAN 15 2015	09/17/09	2,104 06	2,094 24	(9 82)	44 96	98.00
3,000	CITIGROUP INC SUBORDINATED GLB 05.000% SEP 15 2014	01/22/08	2,925 43	2,892 06	(33 37)	44 17	150 00

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

THE GAIUS FOUNDATION INC

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Corporate Bonds						
2,000	CVS CAREMARK CORP GLB 06.250% JUN 01 2027	01/22/08	2,020 75	2,033 90	13 15	10 42	125 00
2,000	COMCAST CORP COMPANY GUARNT GLB 06 300% NOV 15 2017	01/22/08	2,071 18	2,188.44	117 26	16 10	126.00
3,000	DAIMLERCHRYSLER NA HLDG COMPANY GUARNT GLB 06.500% NOV 15 2013	01/22/08	3,182 06	3,288 72	106 66	24 92	195 00
2,000	EXELON CORP 04 900% JUN 15 2015 MOODY'S BAA1 S&P BBB-	01/22/08	1,939 38	2,063.20	123 82	4 36	98 00
2,000	GOLDMAN SACHS GROUP INC GLB 05 125% JAN 15 2015	01/22/08	2,021.61	2,101.50	79 89	47 26	103 00
2,000	JPMORGAN CHASE GLB 04 750% MAR 01 2015	01/22/08	1,971.50	2,079 92	108 42	31 67	95.00
2,000	JOHN DEERE CAPITAL CORP GLB 07 000% MAR 15 2012	01/24/08	2,127 83	2,218.68	90 85	41 22	140 00
2,000	MORGAN STANLEY SUBORDINATED GLB 04 750% APR 01 2014	01/22/08	1,921 11	2,011 50	90 39	23 75	95 00

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

THE GAIUS FOUNDATION INC

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unrealized Gain or (Loss)	Est Accrued Interest	Est Annual Income
	Corporate Bonds						
2,000	MARATHON OIL CORP 06.000% OCT 01 2017 MOODY'S BAA1 S&P BBB+	01/22/08	2,100 74	2,115 60	14 86	30 00	120 00
2,000	PFIZER INC 6 20% DUE 3/15/2019 MOODY'S A1 S&P AA	03/26/09	2,114 38	2,223 24	108 86	36 51	124 00
1,000	UNITED PARCEL SERVICE GLB 05 500% JAN 15 2018	01/24/08	1,028 07	1,077 89	49 82	25 36	55 00
2,000	WACHOVIA BANK NA SUBORDINATED GLB 05 600% MAR 15 2016	01/22/08	2,038 61	2,045 76	7 15	32 98	112 00
1,000	XTO ENERGY INC 06 750% AUG 01 2037 MOODY'S BAA2 S&P BBB	01/23/08	1,095.97	1,177 89	81 92	28 13	68 00
2,000	CATERPILLAR FINANCIAL SE SER MTN 07 150% FEB 15 2019	05/28/09	2,042 83	2,312.78	269 95	54 02	143 00
2,000	HSBC FINANCE CORP GLB 06.375% NOV 27 2012	01/22/08	2,088.10	2,178.06	89 96	12 04	128.00
3,000	GENERAL ELEC CAP CORP SER MTNA GLB 04 750% SEP 15 2014	01/22/08	3,110.23	3,118 70	8 47	41 96	143 00
	Total Corporate Bonds		**48,504.35**	**50,067.56**	**1,563.21**	**715.58**	**2,718.00**

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ► [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print	Name of Exempt Organization The Gaius Foundation, Inc.	**Employer identification number** 22-3801217
File by the extended due date for filing the return See instructions	Number, street, and room or suite number If a P O box, see instructions Joel Popkin & Company, P.C. 1430 Broadway	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions New York, NY 10018	

Check type of return to be filed (File a separate application for each return)

[ ] Form 990	[X] Form 990-PF	[ ] Form 1041-A	[ ] Form 6069
[ ] Form 990-BL	[ ] Form 990-T (section 401(a) or 408(a) trust)	[ ] Form 4720	[ ] Form 8870
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of ► John M. Ambielli

  Telephone No ► 908-832-2377 FAX No ►

- If the organization does not have an office or place of business in the United States, check this box ► [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ► [ ] If it is for part of the group, check this box ► [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15, 20 10

5 For calendar year 2009, or other tax year beginning ______, 20 __, and ending ______, 20 __

6 If this tax year is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension ADDITIONAL INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN HAS NOT YET BEEN RECEIVED FROM THIRD PARTY SOURCES

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	**8a**	$ 2,000.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	**8b**	$ 10,000.
c Balance Due. Subtract line 8b from line 8a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instrs	**8c**	$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete and that I am authorized to prepare this form

Signature ► Title ► Date ►