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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning,

and ending

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name changeUse the IRS
label.
Otherwise,
print
or type.
See Specific
Instructions.

Name of foundation

THE JOHN AND SHIRLEY DAVIES FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

7754 CAMARGO ROAD

Room/suite

21

City or town, state, and ZIP code

CINCINNATI, OH 45243

A Employer identification number

31-1335126

B Telephone number

(513) 791-6699

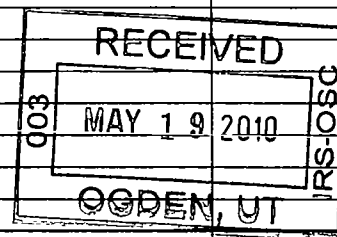
C If exemption application is pending, check here ☐D 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination 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 foundationI Fair market value of all assets at end of year
(from Part II, col. (c), line 16)J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify)

\$ 793,427. (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)) | | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|--|---|------------------------------------|---------------------------|-------------------------|---|
| 1 | Contributions, gifts, grants, etc., received | 22,000. | | N/A | |
| 2 | Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B | | | | |
| 3 | Interest on savings and temporary cash investments | 436. | 298. | | STATEMENT 2 |
| 4 | Dividends and interest from securities | 23,640. | 22,255. | | STATEMENT 3 |
| 5a | Gross rents | | | | |
| b | Net rental income or (loss) | | | | |
| 6a | Net gain or (loss) from sale of assets not on line 10 | <196,409.> | | | STATEMENT 1 |
| b | Gross sales price for all assets on line 6a | 697,184. | | | |
| 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 or (loss) | | | | |
| 11 | Other income | | | | |
| 12 | Total. Add lines 1 through 11 | <150,333.> | 22,553. | | |
| 13 | Compensation of officers, directors, trustees, etc | 18,500. | 0. | | 18,500. |
| 14 | Other employee salaries and wages | | | | |
| 15 | Pension plans, employee benefits | | | | |
| 16a | Legal fees | | | | |
| b | Accounting fees | 3,938. | 3,938. | | 0. |
| c | Other professional fees | 2,801. | 2,801. | | 0. |
| 17 | Interest | | | | |
| 18 | Taxes | 514. | 314. | | 200. |
| 19 | Depreciation and depletion | | | | |
| 20 | Occupancy | 8,604. | 0. | | 0. |
| 21 | Travel, conferences, and meetings | | | | |
| 22 | Printing and publications | | | | |
| 23 | Other expenses | 625. | 0. | | 0. |
| 24 | Total operating and administrative expenses. Add lines 13 through 23 | 34,982. | 7,053. | | 18,700. |
| 25 | Contributions, gifts, grants paid | 101,000. | | | 101,000. |
| 26 | Total expenses and disbursements. Add lines 24 and 25 | 135,982. | 7,053. | | 119,700. |
| 27 | Subtract line 26 from line 12: | | | | |
| a | Excess of revenue over expenses and disbursements | <286,315.> | | | |
| b | Net investment income (if negative, enter -0-) | | 15,500. | | |
| c | Adjusted net income (if negative, enter -0-) | | | N/A | |



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Part II Balance Sheets

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

| | | Beginning of year | End of year | |
|---|--|-------------------|----------------|-----------------------|
| | | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| Assets | 1 Cash - non-interest-bearing | | | |
| | 2 Savings and temporary cash investments | 78,754. | 12,882. | 12,273. |
| | 3 Accounts receivable ▶ | | | |
| | Less: allowance for doubtful accounts ▶ | | | |
| | 4 Pledges receivable ▶ | | | |
| | Less: allowance for doubtful accounts ▶ | | | |
| | 5 Grants receivable | | | |
| | 6 Receivables due from officers, directors, trustees, and other disqualified persons | | | |
| | 7 Other notes and loans receivable ▶ | | | |
| | Less: allowance for doubtful accounts ▶ | | | |
| | 8 Inventories for sale or use | | | |
| | 9 Prepaid expenses and deferred charges | | | |
| | 10a Investments - U.S. and state government obligations | | | |
| | b Investments - corporate stock STMT 8 | 526,670. | 545,798. | 734,037. |
| | c Investments - corporate bonds | 286,688. | | |
| 11 Investments - land, buildings, and equipment basis ▶ | | | | |
| Less: accumulated depreciation ▶ | | | | |
| 12 Investments - mortgage loans | | | | |
| 13 Investments - other STMT 9 | 0. | 47,117. | 47,117. | |
| 14 Land, buildings, and equipment basis ▶ | | | | |
| Less: accumulated depreciation ▶ | | | | |
| 15 Other assets (describe ▶) | | | | |
| 16 Total assets (to be completed by all filers) | 892,112. | 605,797. | 793,427. | |
| Liabilities | 17 Accounts payable and accrued expenses | | | |
| | 18 Grants payable | | | |
| | 19 Deferred revenue | | | |
| | 20 Loans from officers, directors, trustees, and other disqualified persons | | | |
| | 21 Mortgages and other notes payable | | | |
| | 22 Other liabilities (describe ▶) | | | |
| 23 Total liabilities (add lines 17 through 22) | 0. | 0. | | |
| Net Assets or Fund Balances | Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> | | | |
| | and complete lines 24 through 26 and lines 30 and 31. | | | |
| | 24 Unrestricted | 892,112. | 605,797. | |
| | 25 Temporarily restricted | | | |
| | 26 Permanently restricted | | | |
| | Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> | | | |
| | and complete lines 27 through 31. | | | |
| | 27 Capital stock, trust principal, or current funds | | | |
| | 28 Paid-in or capital surplus, or land, bldg., and equipment fund | | | |
| 29 Retained earnings, accumulated income, endowment, or other funds | | | | |
| 30 Total net assets or fund balances | 892,112. | 605,797. | | |
| 31 Total liabilities and net assets/fund balances | 892,112. | 605,797. | | |

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 | 892,112. |
| 2 Enter amount from Part I, line 27a | 2 | <286,315.> |
| 3 Other increases not included in line 2 (itemize) ▶ | 3 | 0. |
| 4 Add lines 1, 2, and 3 | 4 | 605,797. |
| 5 Decreases not included in line 2 (itemize) ▶ | 5 | 0. |
| 6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30 | 6 | 605,797. |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.) | | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo., day, yr.) | (d) Date sold (mo., day, yr.) |
|--|-------------------------------|--|--------------------------------------|----------------------------------|
| 1a | | | | |
| b | SEE ATTACHED STATEMENT | | | |
| 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 | | | |
| b | | | |
| c | | | |
| d | | | |
| e | 697,184. | 887,593. | <190,409.> |

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

| (i) F.M.V. as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) |
|---------------------------|--------------------------------------|---|---|
| a | | | |
| b | | | |
| c | | | |
| d | | | |
| e | | | <190,409.> |

| | | | |
|---|--|---|------------|
| 2 Capital gain net income or (net capital loss) | <div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div> | 2 | <190,409.> |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 | <div> <div>If gain, also enter in Part I, line 8, column (c).</div> <div>If (loss), enter -0- in Part I, line 8</div> </div> | 3 | N/A |

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col. (b) divided by col. (c)) |
|--|--|--|---|
| 2008 | 121,716. | 960,019. | .126785 |
| 2007 | 144,950. | 1,186,444. | .122172 |
| 2006 | 216,750. | 425,850. | .508982 |
| 2005 | 323,988. | 425,126. | .762099 |
| 2004 | 561,582. | 634,427. | .885180 |

| | | |
|---|---|----------|
| 2 Total of line 1, column (d) | 2 | 2.405218 |
| 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 | .481044 |
| 4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 | 4 | 621,539. |
| 5 Multiply line 4 by line 3 | 5 | 298,988. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 155. |
| 7 Add lines 5 and 6 | 7 | 299,143. |
| 8 Enter qualifying distributions from Part XII, line 4 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. | 8 | 119,700. |

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

| | | | |
|--|----|--------|------|
| 1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions) | | | |
| b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b | | 1 | 310. |
| c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b) | | | |
| 2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) | | 2 | 0. |
| 3 Add lines 1 and 2 | | 3 | 310. |
| 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 | 310. |
| 6 Credits/Payments: | | | |
| a 2009 estimated tax payments and 2008 overpayment credited to 2009 | 6a | 1,561. | |
| 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 | 1,561. | |
| 8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached | 8 | | |
| 9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed | 9 | | |
| 10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid | 10 | 1,251. | |
| 11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input type="checkbox"/> 1,251. Refunded <input type="checkbox"/> | 11 | 0. | |

Part VII-A Statements Regarding Activities

| | Yes | No |
|--|-----|----|
| 1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | | X |
| 1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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. | | X |
| 1c 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. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0. | | |
| e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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 |
| 4a 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? | | |
| 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, col (c), and Part XV. | X | |
| 8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> OH | | |
| 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 |

N/A

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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? Website address ► <u>N/A</u> | 13 | X | |
| 14 | The books are in care of ► <u>MS. SHIRLEY A. MORAN</u> Telephone no. ► <u>(513) 791-6699</u> Located at ► <u>7754 CAMARGO ROAD, SUITE 21, CINCINNATI, OH</u> ZIP+4 ► <u>45243</u> | | | |
| 15 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year | | 15 | N/A |

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

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

| | Yes | No |
|---|-----|----|
| 1a During the year did the foundation (either directly or indirectly): | | |
| (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here. <input type="checkbox"/> | 1b | X |
| 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years: _____ | | |
| b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u> | 2b | |
| c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____ | | |
| 3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.) <u>N/A</u> | 3b | |
| 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | X |
| b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009? | 4b | X |

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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)? ☐ 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)?

Organizations relying on a current notice regarding disaster assistance check here

▶ ☐

5b

X

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

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

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

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|--|---|---|---|---------------------------------------|
| ASHLEY DAVIES 7754 CAMARGO ROAD, SUITE 21 CINCINNATI, OH 45243 | PRESIDENT 2.00 | 0. | 0. | 0. |
| DARLA DAVIES 7754 CAMARGO ROAD, SUITE 21 CINCINNATI, OH 45243 | VICE-PRESIDENT 2.00 | 0. | 0. | 0. |
| SHIRLEY MORAN 7754 CAMARGO ROAD, SUITE 21 CINCINNATI, OH 45243 | SECRETARY/TREASURER 15.00 | 18,500. | 0. | 0. |
| | | | | |
| | | | | |

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

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

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

▶ 0

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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 | 606,043. |
| b | Average of monthly cash balances | 1b | 24,961. |
| c | Fair market value of all other assets | 1c | |
| d | Total (add lines 1a, b, and c) | 1d | 631,004. |
| 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 | 631,004. |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 9,465. |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 621,539. |
| 6 | Minimum investment return. Enter 5% of line 5 | 6 | 31,077. |

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 | 31,077. |
| 2a | Tax on investment income for 2009 from Part VI, line 5 | 2a | 310. |
| b | Income tax for 2009. (This does not include the tax from Part VI.) | 2b | |
| c | Add lines 2a and 2b | 2c | 310. |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | 30,767. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | 0. |
| 5 | Add lines 3 and 4 | 5 | 30,767. |
| 6 | Deduction from distributable amount (see instructions) | 6 | 0. |
| 7 | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | 7 | 30,767. |

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 | 119,700. |
| b | Program-related investments - total from Part IX-B | 1b | 0. |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes | 2 | |
| 3 | Amounts set aside for specific charitable projects that satisfy the: | | |
| a | Suitability test (prior IRS approval required) | 3a | |
| b | Cash distribution test (attach the required schedule) | 3b | |
| 4 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 119,700. |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b | 5 | 0. |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 119,700. |

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.

Form 990-PF (2009)

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 | | | | 30,767. |
| 2 Undistributed income, if any, as of the end of 2009 | | | | |
| a Enter amount for 2008 only | | | 0. | |
| b Total for prior years: | | 0. | | |
| 3 Excess distributions carryover, if any, to 2009: | | | | |
| a From 2004 | 530,763. | | | |
| b From 2005 | 306,066. | | | |
| c From 2006 | 197,115. | | | |
| d From 2007 | 86,177. | | | |
| e From 2008 | 74,050. | | | |
| f Total of lines 3a through e | 1,194,171. | | | |
| 4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ | 119,700. | | | |
| 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 | | | | 30,767. |
| e Remaining amount distributed out of corpus | 88,933. | | | |
| 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 | 1,283,104. | | | |
| b Prior years' undistributed income. Subtract line 4b from line 2b | | 0. | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed | | 0. | | |
| d Subtract line 6c from line 6b. Taxable amount - see instructions | | 0. | | |
| e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr. | | | 0. | |
| f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 | | | | 0. |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) | 0. | | | |
| 8 Excess distributions carryover from 2004 not applied on line 5 or line 7 | 530,763. | | | |
| 9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a | 752,341. | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2005 | 306,066. | | | |
| b Excess from 2006 | 197,115. | | | |
| c Excess from 2007 | 86,177. | | | |
| d Excess from 2008 | 74,050. | | | |
| e Excess from 2009 | 88,933. | | | |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co. | | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo., day, yr.) | (d) Date sold (mo., day, yr.) |
|---|------------------------------------|--|--------------------------------------|----------------------------------|
| 1a | CHARLES SCHWAB | P | VARIOUS | VARIOUS |
| b | FIFTH THIRD | P | VARIOUS | VARIOUS |
| c | FIFTH THIRD - BOND FD INSTL SHARES | P | VARIOUS | VARIOUS |
| d | ENRON SECURITY LITIGATION | P | VARIOUS | VARIOUS |
| e | 1907 HIGH RELIEF GOLD COIN | D | | 02/24/09 |
| f | CAPITAL GAINS DIVIDENDS | | | |
| g | | | | |
| h | | | | |
| i | | | | |
| j | | | | |
| k | | | | |
| l | | | | |
| m | | | | |
| n | | | | |
| o | | | | |

| (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 344,605. | | 432,547. | <87,942.> |
| b 99,020. | | 152,358. | <53,338.> |
| c 229,820. | | 286,688. | <56,868.> |
| d 1,738. | | | 1,738. |
| e 22,000. | | 16,000. | 6,000. |
| f 1. | | | 1. |
| g | | | |
| h | | | |
| i | | | |
| j | | | |
| k | | | |
| l | | | |
| m | | | |
| n | | | |
| o | | | |

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

| (i) F.M.V. as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | (l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-") |
|---------------------------|--------------------------------------|---|---|
| a | | | <87,942.> |
| b | | | <53,338.> |
| c | | | <56,868.> |
| d | | | 1,738. |
| e | | | 6,000. |
| f | | | 1. |
| g | | | |
| h | | | |
| i | | | |
| j | | | |
| k | | | |
| l | | | |
| m | | | |
| n | | | |
| o | | | |

| | | |
|---|---|------------|
| 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 | <190,409.> |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8 } | 3 | N/A |

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

| (A) DESCRIPTION OF PROPERTY | (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | MANNER ACQUIRED PURCHASED | DATE ACQUIRED VARIOUS | (F) GAIN OR LOSS |
|--------------------------------|-----------------------------|-------------------------------|---------------------------|---------------------------------|-----------------------------|---------------------|
| CHARLES SCHWAB | 344,605. | 432,547. | 0. | | | <87,942.> |

| (A) DESCRIPTION OF PROPERTY | (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | MANNER ACQUIRED PURCHASED | DATE ACQUIRED VARIOUS | (F) GAIN OR LOSS |
|--------------------------------|-----------------------------|-------------------------------|---------------------------|---------------------------------|-----------------------------|---------------------|
| FIFTH THIRD | 99,020. | 152,358. | 0. | | | <53,338.> |

| (A) DESCRIPTION OF PROPERTY | (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | MANNER ACQUIRED PURCHASED | DATE ACQUIRED VARIOUS | (F) GAIN OR LOSS |
|------------------------------------|-----------------------------|-------------------------------|---------------------------|---------------------------------|-----------------------------|---------------------|
| FIFTH THIRD - BOND FD INSTL SHARES | 229,820. | 286,688. | 0. | | | <56,868.> |

| (A) DESCRIPTION OF PROPERTY | (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) MANNER ACQUIRED PURCHASED | (F) DATE ACQUIRED VARIOUS | DATE SOLD VARIOUS |
|--------------------------------|-----------------------------|-------------------------------|---------------------------|--|------------------------------------|----------------------|
| ENRON SECURITY LITIGATION | 1,738. | 0. | 0. | 0. | 0. | 1,738. |

| (A) DESCRIPTION OF PROPERTY | (B) GROSS SALES PRICE | (C) VALUE AT TIME OF ACQ. | (D) EXPENSE OF SALE | (E) MANNER ACQUIRED DONATED | (F) DATE ACQUIRED | DATE SOLD |
|--------------------------------|-----------------------------|---------------------------------|---------------------------|--------------------------------------|-------------------------|-----------|
| 1907 HIGH RELIEF GOLD COIN | 22,000. | 22,000. | 0. | 0. | 0. | 02/24/09 |

CAPITAL GAINS DIVIDENDS FROM PART IV

1.

TOTAL TO FORM 990-PF, PART I, LINE 6A

<196,409.>

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

| SOURCE | AMOUNT |
|--|--------|
| CHARLES SCHWAB - TAX EXEMPT INTEREST | 138. |
| FIFTH THIRD CHECKING ACCOUNT | 6. |
| FIFTH THIRD INVESTMENT ACCOUNT | 292. |
| TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A | 436. |

| | | | |
|-------------|--|-----------|---|
| FORM 990-PF | DIVIDENDS AND INTEREST FROM SECURITIES | STATEMENT | 3 |
|-------------|--|-----------|---|

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
|---|--------------|----------------------------|----------------------|
| CHARLES SCHWAB | 16,640. | 0. | 16,640. |
| CHARLES SCHWAB - NONDIVIDEND DISTRIBUTIONS | 1,385. | 0. | 1,385. |
| FIFTH THIRD FUND INCOME | 1,980. | 0. | 1,980. |
| FIFTH THIRD INVESTMENT ACCOUNT | 3,636. | 0. | 3,636. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 23,641. | 0. | 23,641. |

FORM 990-PF

ACCOUNTING FEES

STATEMENT

4

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DELOITTE TAX LLP ACCOUNTING SERVICES | 3,938. | 3,938. | | 0. |
| TO FORM 990-PF, PG 1, LN 16B | 3,938. | 3,938. | | 0. |

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT

5

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| FIFTH THIRD INVESTMENT ADVISORY FEES | 2,801. | 2,801. | | 0. |
| TO FORM 990-PF, PG 1, LN 16C | 2,801. | 2,801. | | 0. |

FORM 990-PF

TAXES

STATEMENT

6

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|--------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| TREASURER OF THE STATE OF OHIO | 200. | 0. | | 200. |
| FOREIGN TAX | 314. | 314. | | 0. |
| TO FORM 990-PF, PG 1, LN 18 | 514. | 314. | | 200. |

FORM 990-PF

OTHER EXPENSES

STATEMENT

7

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|-----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| MISC EXPENSES | 625. | 0. | | 0. |
| TO FORM 990-PF, PG 1, LN 23 | 625. | 0. | | 0. |

FORM 990-PF

CORPORATE STOCK

STATEMENT

8

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|------------|----------------------|
| VARIOUS COMMON STOCK | 545,798. | 734,037. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 545,798. | 734,037. |

FORM 990-PF

OTHER INVESTMENTS

STATEMENT

9

| DESCRIPTION | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
|--|---------------------|------------|----------------------|
| MONEY MARKET | COST | 47,117. | 47,117. |
| TOTAL TO FORM 990-PF, PART II, LINE 13 | | 47,117. | 47,117. |

Charles SCHWAB
INSTITUTIONAL

Schwab One® Account of
THE JOHN AND SHIRLEY DAVIES
FOUNDATION

Account Number
8947-5320

Report Period

**March 5 - December 31,
2009**

STATEMENT 10

2009 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss)

Accounting Method: High Cost

| Short-Term | Quantity/Par | Acquired/ Opened | Sold/ Closed | Total Proceeds | Cost Basis | Realized Gain or (Loss) |
|------------------------------|--------------|---------------------|-----------------|----------------|--------------------------|----------------------------|
| A T & T INC NEW: T | 480.0000 | 03/19/09 | 03/25/09 | \$12,604.60 | \$16,247.98 ^a | (\$3,643.38) |
| Security Subtotal | | | | \$12,604.60 | \$16,247.98 | (\$3,643.38) |
| ABBOTT LABORATORIES. ABT | 187.0000 | 03/19/09 | 03/25/09 | \$8,520.00 | \$9,400.20 ^a | (\$880.20) |
| Security Subtotal | | | | \$8,520.00 | \$9,400.20 | (\$880.20) |
| ACCENTURE LTD CL A F: ACN | 325.0000 | 03/23/09 | 03/25/09 | \$10,174.34 | \$12,381.98 ^a | (\$2,207.64) |
| Security Subtotal | | | | \$10,174.34 | \$12,381.98 | (\$2,207.64) |
| APACHE CORP: APA | 133.0000 | 03/19/09 | 03/25/09 | \$9,002.74 | \$16,705.03 ^a | (\$7,702.29) |
| Security Subtotal | | | | \$9,002.74 | \$16,705.03 | (\$7,702.29) |
| BANK OF NY MELLON CP NEW: BK | 380.0000 | 03/19/09 | 03/25/09 | \$10,112.32 | \$11,963.88 ^a | (\$1,851.56) |
| Security Subtotal | | | | \$10,112.32 | \$11,963.88 | (\$1,851.56) |
| BECTON DICKINSON & CO: BDX | 165.0000 | 03/19/09 | 03/25/09 | \$11,040.26 | \$13,886.40 ^a | (\$2,846.14) |
| Security Subtotal | | | | \$11,040.26 | \$13,886.40 | (\$2,846.14) |
| C V S CAREMARK CORP: CVS | 396.0000 | 03/19/09 | 03/25/09 | \$11,520.81 | \$12,670.97 ^a | (\$1,150.16) |
| Security Subtotal | | | | \$11,520.81 | \$12,670.97 | (\$1,150.16) |

* Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report

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Schwab One® Account of
THE JOHN AND SHIRLEY DAVIES
FOUNDATION

Report Period
March 5 - December 31,
2009
Account Number
8947-5320

2009 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

| Accounting Method: High Cost | | | | | | |
|------------------------------|--------------|---------------------|-----------------|----------------|--------------------------|----------------------------|
| Short-Term (continued) | Quantity/Par | Acquired/ Opened | Sold/ Closed | Total Proceeds | Cost Basis | Realized Gain or (Loss) |
| CELGENE CORP: CELG | 200.0000 | 03/19/09 | 03/25/09 | \$9,129.34 | \$11,322.05 ^a | (\$2,192.71) |
| Security Subtotal | | | | \$9,129.34 | \$11,322.05 | (\$2,192.71) |
| CHUBB CORPORATION: CB | 64.0000 | 03/19/09 | 03/25/09 | \$2,591.78 | \$3,310.03 ^a | (\$718.25) |
| CHUBB CORPORATION: CB | 66.0000 | 03/19/09 | 03/25/09 | \$2,672.77 | \$3,413.47 ^a | (\$740.70) |
| CHUBB CORPORATION: CB | 100.0000 | 03/19/09 | 03/25/09 | \$4,049.79 | \$5,171.93 ^a | (\$1,122.14) |
| Security Subtotal | | | | \$9,314.34 | \$11,895.43 | (\$2,581.09) |
| COCA COLA COMPANY: KO | 85.0000 | 03/19/09 | 03/25/09 | \$3,784.98 | \$4,679.83 ^a | (\$894.85) |
| COCA COLA COMPANY: KO | 100.0000 | 03/19/09 | 03/25/09 | \$4,452.99 | \$5,505.69 ^a | (\$1,052.70) |
| COCA COLA COMPANY: KO | 100.0000 | 03/19/09 | 03/25/09 | \$4,453.03 | \$5,505.69 ^a | (\$1,052.66) |
| Security Subtotal | | | | \$12,691.00 | \$15,691.21 | (\$3,000.21) |
| DANAHER CORP DEL: DHR | 100.0000 | 03/19/09 | 03/25/09 | \$5,558.26 | 5,211.01 | N/A |
| Security Subtotal | | | | \$5,558.26 | N/A | N/A |
| EM C CORP MASS: EMC | 970.0000 | 03/19/09 | 03/25/09 | \$11,155.90 | \$16,232.50 ^a | (\$5,076.60) |
| Security Subtotal | | | | \$11,155.90 | \$16,232.50 | (\$5,076.60) |

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report.

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THE JOHN AND SHIRLEY DAVIES
FOUNDATIONReport Period
March 5 - December 31,
2009
Account Number
8947-5320**2009 Year-End Schwab Gain/Loss Report****Realized Gain or (Loss) (continued)**

| | | | | | Accounting Method: High Cost | |
|------------------------------|--------------|---------------------|-----------------|----------------|------------------------------|----------------------------|
| Short-Term (continued) | Quantity/Par | Acquired/ Opened | Sold/ Closed | Total Proceeds | Cost Basis | Realized Gain or (Loss) |
| GOOGLE INC CLASS A: GOOG | 35.0000 | 03/19/09 | 03/25/09 | \$11,869.88 | \$18,067.33 ^a | (\$6,197.45) |
| Security Subtotal | | | | \$11,869.88 | \$18,067.33 | (\$6,197.45) |
| HOME DEPOT INC: HD | 428.0000 | 03/19/09 | 03/25/09 | \$10,009.13 | \$10,110.12 ^a | (\$100.99) |
| Security Subtotal | | | | \$10,009.13 | \$10,110.12 | (\$100.99) |
| HONEYWELL INTERNATIONAL: HON | 210.0000 | 03/19/09 | 03/25/09 | \$6,148.67 | 5-302.16 | N/A |
| Security Subtotal | | | | \$6,148.67 | N/A | N/A |
| INTEL CORP: INTC | 205.0000 | 03/19/09 | 03/25/09 | \$3,074.99 | 2-507.46 | N/A |
| INTEL CORP: INTC | 510.0000 | 03/19/09 | 03/25/09 | \$7,649.96 | \$6,551.26 ^a | \$1,098.70 |
| Security Subtotal | | | | \$10,724.95 | 9-058.72 | \$1,098.70 |
| INTL BUSINESS MACHINES: IBM | 77.0000 | 03/19/09 | 03/25/09 | \$7,488.60 | 6-548.62 | N/A |
| Security Subtotal | | | | \$7,488.60 | N/A | N/A |
| JOHNSON & JOHNSON: JNJ | 180.0000 | 03/19/09 | 03/25/09 | \$9,467.52 | \$11,717.41 ^a | (\$2,249.89) |
| Security Subtotal | | | | \$9,467.52 | \$11,717.41 | (\$2,249.89) |
| JPMORGAN CHASE & CO: JPM | 376.0000 | 03/19/09 | 03/25/09 | \$10,261.02 | \$14,973.25 ^a | (\$4,712.23) |
| Security Subtotal | | | | \$10,261.02 | \$14,973.25 | (\$4,712.23) |

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report.

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Charles SCHWAB
INSTITUTIONAL

Schwab One® Account of
**THE JOHN AND SHIRLEY DAVIES
FOUNDATION**

Report Period
**March 5 - December 31,
2009**

Account Number
8947-5320

2009 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

Accounting Method: High Cost

| Short-Term (continued) | Quantity/Par | Acquired/ Opened | Sold/ Closed | Total Proceeds | Cost Basis | Realized Gain or (Loss) |
|-------------------------------|--------------|---------------------|-----------------|----------------|--------------------------|----------------------------|
| MOLSON COORS BREWING CLB: TAP | 40.0000 | 03/19/09 | 03/25/09 | \$1,392.02 | 1,437.04 | N/A |
| MOLSON COORS BREWING CLB: TAP | 205.0000 | 03/19/09 | 03/25/09 | \$7,134.12 | \$10,245.67 ^a | (\$3,111.55) |
| Security Subtotal | | | | \$8,526.14 | 11,682.11 | (\$3,111.55) |
| MONSANTO CO NEW DEL: MON | 137.0000 | 03/19/09 | 03/25/09 | \$11,279.48 | \$13,287.13 ^a | (\$2,007.65) |
| Security Subtotal | | | | \$11,279.48 | \$13,287.13 | (\$2,007.65) |
| NORFOLK SOUTHERN CORP: NSC | 208.0000 | 03/19/09 | 03/25/09 | \$7,073.81 | \$12,554.32 ^a | (\$5,480.51) |
| Security Subtotal | | | | \$7,073.81 | \$12,554.32 | (\$5,480.51) |
| ORACLE CORPORATION: ORCL | 665.0000 | 03/19/09 | 03/25/09 | \$11,968.90 | \$13,304.94 ^a | (\$1,336.04) |
| Security Subtotal | | | | \$11,968.90 | \$13,304.94 | (\$1,336.04) |
| PROCTER & GAMBLE: PG | 180.0000 | 03/19/09 | 03/25/09 | \$8,628.73 | \$11,540.00 ^a | (\$2,911.27) |
| Security Subtotal | | | | \$8,628.73 | \$11,540.00 | (\$2,911.27) |
| PROGRESS ENERGY INC: PGN | 292.0000 | 03/19/09 | 03/25/09 | \$10,371.67 | \$12,425.32 ^a | (\$2,053.65) |
| Security Subtotal | | | | \$10,371.67 | \$12,425.32 | (\$2,053.65) |
| SPECTRA ENERGY CORP: SE | 141.0000 | 03/19/09 | 03/25/09 | \$2,037.96 | \$2,155.58 ^a | (\$117.62) |
| SPECTRA ENERGY CORP: SE | 200.0000 | 03/19/09 | 03/25/09 | \$2,890.75 | \$3,057.56 ^a | (\$166.81) |

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report

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Charles SCHWAB
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Schwab One® Account of
THE JOHN AND SHIRLEY DAVIES
FOUNDATION

Report Period
March 5 - December 31,
2009

Account Number
8947-5320

2009 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

| Realized Gain or (Loss) (continued) | | | | | | Accounting Method: High Cost |
|-------------------------------------|--------------|---------------------|-----------------|----------------|--------------------------|------------------------------|
| Short-Term (continued) | | | | | | |
| | Quantity/Par | Acquired/ Opened | Sold/ Closed | Total Proceeds | Cost Basis | Realized Gain or (Loss) |
| SPECTRA ENERGY CORP: SE | 200.0000 | 03/19/09 | 03/25/09 | \$2,890.74 | \$3,057.57 ^a | (\$166.83) |
| Security Subtotal | | | | \$7,819.45 | \$8,270.71 | (\$451.26) |
| SYSCO CORPORATION: SY | 434.0000 | 03/19/09 | 03/25/09 | \$10,136.63 | \$13,314.04 ^a | (\$3,177.41) |
| Security Subtotal | | | | \$10,136.63 | \$13,314.04 | (\$3,177.41) |
| THE CHARLES SCHWAB CORP: SCHW | 731.0000 | 03/19/09 | 03/25/09 | \$10,935.31 | \$14,961.82 ^a | (\$4,026.51) |
| Security Subtotal | | | | \$10,935.31 | \$14,961.82 | (\$4,026.51) |
| WASTE MANAGEMENT INC DEL: WMI | 365.0000 | 03/19/09 | 03/25/09 | \$9,478.96 | \$10,747.83 ^a | (\$1,268.87) |
| Security Subtotal | | | | \$9,478.96 | \$10,747.83 | (\$1,268.87) |
| XTO ENERGY INC: XTO | 170.0000 | 03/19/09 | 03/25/09 | \$5,664.83 | 5 - 324.13 | N/A |
| Security Subtotal | | | | \$5,664.83 | N/A | N/A |

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report.

CG1B1807-004479 482799

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Charles SCHWAB
INSTITUTIONAL

Schwab One® Account of
THE JOHN AND SHIRLEY DAVIES
FOUNDATION

Account Number
8947-5320

Report Period
March 5 - December 31,
2009

2009 Year-End Schwab Gain/Loss Report

Realized Gain or (Loss) (continued)

| Realized Gain or (Loss) (continued) | | | | | Accounting Method: High Cost | |
|-------------------------------------|--------------|---------------------|-----------------|----------------|------------------------------|----------------------------|
| Short-Term (continued) | Quantity/Par | Acquired/ Opened | Sold/ Closed | Total Proceeds | Cost Basis | Realized Gain or (Loss) |
| YUM BRANDS INC: YUM | 410.0000 | 03/19/09 | 03/25/09 | \$11,424.34 | \$16,096.77 ^a | (\$4,672.43) |
| Security Subtotal | | | | \$11,424.34 | \$16,096.77 | (\$4,672.43) |
| Total Short-Term | | | | \$344,604.60 | 432,547.48 ^h | (\$89,139.30) ^h |
| Total Realized Gain or (Loss) | | | | \$344,604.60 | 432,547.48 ^h | (\$89,139.30) ^h |

Schwab has provided realized gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. See Terms and Conditions.
Option Customers: Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options. Please consult IRS publication 550, Investment Income and Expenses, for additional information on Options.

Endnotes For Your Account

| Symbol | Endnote Legend |
|--------|---|
| a | Data for this holding has been edited or provided by the advisor. |
| h | Value includes incomplete cost basis. |

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this report.

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STATEMENT 10
01-153

PAGE 8

STATEMENT OF TRANSACTIONS

01-01-000-4053559

01/01/09 THROUGH 05/31/09

SECURITY SALES & MATURITIES:

| | | | |
|----------|---|------------|-------------|
| 01/14/09 | ACCENTURE LTD BONY BROKERAGE 01/09 SALE 95 SHS @ 33.9235 MISC .02 COMM 4.75 ACCOUNT 01-01-000-4053542 | \$3,217.96 | \$3,621.01- |
| 01/14/09 | PHILIP MORRIS INTL INC MORGAN STANLEY & CO INC 01/09 SALE 270 SHS @ 43.15 MISC .07 COMM 13.50 ACCOUNT 01-01-000-4053542 | 11,636.93 | 11,311.47- |
| 02/06/09 | ABBOTT LABS BONY BROKERAGE 02/03 SALE 58 SHS @ 56.334 MISC .02 COMM 2.90 ACCOUNT 01-01-000-4053542 | 3,264.45 | 2,673.34- |
| 02/06/09 | SYSCO CORP BONY BROKERAGE 02/03 SALE 98 SHS @ 23.7714 MISC .01 COMM 4.90 ACCOUNT 01-01-000-4053542 | 2,324.68 | 2,970.38- |

THE JOHN AND SHIRLEY DAVIES FOUNDATION
EIN: 31-1335126
DECEMBER 31, 2009 YEAR END
FORM 990 PF
PART XV, QUESTION 2d

Organizations Providing Scholarship Benefits, Student Aid, Etc. to Individuals.

The John and Shirley Davies Foundation will award scholarships to be paid directly to a college or university described in section 170(b)(1)(A)(ii) on behalf of a grantee of the award. The award will be a gift not a loan. At present, it is anticipated that the amount of the gift will vary depending on the college or university. At present, the foundation contemplates only one category of recipients for the award.

All recipients must: 1) be an active member of One Earth One People (OEOP), Cincinnati, Ohio; 2) maintain an overall grade point average of 3.0 on a scale of 4.0; 3) inform foundation of grades each grade period; 4) prefer residence in a campus dorm; and 5) have demonstrated need for financial assistance to enable the recipient to attend a college or university. There are no restrictions based upon race or the employment of the recipient.

All grants will be made directly to the college or university selected by the recipient upon presentation of a bill for tuition to ensure that foundation funds are used for their intended purpose – to pay tuition costs.

The availability of this scholarship will be publicized by inclusion of a description of the scholarship at the OEOP Office and by public postings in the schools.

THE JOHN AND SHIRLEY DAVIES FOUNDATION
2009 DONATIONS

STATEMENT 12

| | | | | |
|------------|--------|---|----------|-----------------------------|
| 5/20/2009 | Ck 101 | Hospice of Cincinnati 4360 Cooper Rd., Ste 300, Cincinnati OH 45242 | 250.00 | General |
| 6/9/2009 | Ck 104 | The Caddie Classic 3950 Virginia Ave, Cincinnati, OH 45227 | 750.00 | General |
| 6/9/2009 | Ck 105 | Starfire 5030 Oaklawn Dr., Cincinnati OH 45227 | 5,000.00 | General |
| 6/9/2009 | Ck 106 | Hope Lodge 2808 Reading Rd, Cincinnati OH 45206 | 5,000.00 | General |
| 6/9/2009 | Ck 108 | Every Child & Succeeds/Cincinnati Children's Hospital 3333 Burnet Ave, Cincinnati OH 45229 | 1,000.00 | General |
| 6/9/2009 | Ck 109 | Melanoma Know More P.O. Box 9155, Cincinnati OH 45209 | 1,000.00 | General |
| 6/10/2009 | Ck 110 | The Leukemia & Lymphoma Society 2300 Wall St., Ste. H, Cincinnati OH 45212 | 5,000.00 | General |
| 6/10/2009 | Ck 112 | StarShine Hospice 3333 Burnet Ave, Cincinnati OH 45229 | 2,000.00 | General |
| 6/10/2009 | Ck 113 | Stepping Stones Center 5650 Given Rd., Cincinnati OH 45243 | 3,000.00 | General |
| 6/10/2009 | Ck 114 | Ronald McDonald House Charities 350 Erchenbrecker, Cincinnati OH 45229 | 1,000.00 | General |
| 6/10/2009 | Ck 115 | Hamilton Cty Special Olympics 4777 Red Bank Expressway, Cincinnati OH 45227 | 500.00 | General |
| 6/10/2009 | Ck 116 | Josh Cares Inc. 7720 Given Rd., Cincinnati OH 45243 | 4,000.00 | General |
| 8/20/2009 | Ck 125 | State College of Florida 5840 26th St. West, Bradenton, FL 34207 | 1,000.00 | Scholarship -Nicole Carbone |
| 9/29/2009 | Ck 127 | Safe Haven Farms P O Box 9351, Cincinnati OH 45209 | 1,000.00 | General |
| 11/9/2009 | Ck 128 | Cincinnati Children's Hospital Med Ctr. 3333 Burnet Ave, Cincinnati OH 45229 | 5,000.00 | General |
| 11/19/2009 | Ck 133 | Kenzie's Closet P O. Box 43285, Cincinnati OH 45243 | 1,000.00 | General |
| 11/19/2009 | Ck 137 | Our Daily Bread P O Box 14862, Cincinnati OH 45250 | 2,000.00 | General |
| 11/19/2009 | Ck 139 | The Wellness Community | 5,000.00 | General |