Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning , 2009, and ending , 20

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.

Name of foundation: Charlson Foundation

A Employer identification number: 41- 1313302

Number and street (or P.O. box number if mail is not delivered to street address): 5275 Edina Industrial Blvd — Room/suite:

B Telephone number (see page 10 of the instructions): 952-938-6968

City or town, state, and ZIP code: Edina, MN 55439

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

H Check type of organization: ☑ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ $ 11,367,567

J Accounting method: ☑ 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 page 11 of 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 (attach schedule)				
2	Check ▶ ☒ if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	12,872	12,872		
4	Dividends and interest from securities	197,692	197,692		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	⟨474,209⟩			
b	Gross sales price for all assets on line 6a 2,668,568				
7	Capital gain net income (from Part IV, line 2)		⟨474,209⟩		
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) (attach schedule)				
11	Other income (attach schedule) Futures K-1	⟨58,983⟩	⟨58,983⟩		
12	**Total.** Add lines 1 through 11	⟨322,628⟩	⟨322,628⟩		
Operating and Administrative Expenses					
13	Compensation of officers, directors, trustees, etc.				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)				
c	Other professional fees (attach schedule) INV (STMT 1)	77,302	77,302		-0-
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions) (STMT 1)	⟨8,657⟩	3,443		-0-
19	Depreciation (attach schedule) and depletion (STMT 2)	-0-			
20	Occupancy	13,141	657		12,484
21	Travel, conferences, and meetings	1,199	-0-		1,199
22	Printing and publications	134	-0-		134
23	Other expenses (attach schedule) (STMT 1)	3,009	349		2,660
24	**Total operating and administrative expenses.** Add lines 13 through 23	86,128	81,751		16,477
25	Contributions, gifts, grants paid	646,288			646,288
26	**Total expenses and disbursements.** Add lines 24 and 25	732,416	81,751		662,765
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	⟨1,055,044⟩			
b	**Net investment income** (if negative, enter -0-)		-0-		
c	**Adjusted net income** (if negative, enter -0-)			N/A	

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41-1313302.

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	21,311	15,201	15,201
	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 page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule) (STMT 4)	2,843,711	2,443,403	2,258,787
	b	Investments—corporate stock (attach schedule)	9,013,619	8,747,785	9,092,755
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶ 10,342			
		Less: accumulated depreciation (attach schedule) ▶ 10,342	-0-	-0-	-0-
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ RENT DEPOSIT)	824	824	824
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	11,879,465	11,207,213	11,367,567
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 (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	-0-	-0-	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ 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, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	11,879,465	11,207,213	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	11,879,465	11,207,213	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	11,879,465	11,207,213	

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	11,879,465
2	Enter amount from Part I, line 27a	2	<1,055,044>
3	Other increases not included in line 2 (itemize) ▶ Futures K-1 Losses (Tax Basis Only)	3	382,791
4	Add lines 1, 2, and 3	4	11,207,212
5	Decreases not included in line 2 (itemize) ▶ Rounding	5	1
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	11,207,213

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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				
c	SEE STATEMENT 5 DETAIL			
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				

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				

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	(474,209)
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 pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	—

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 page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) XII Q 6 Adjusted qualifying distributions	(c) V Q 4 Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	828,192	12,025,171	.068871536
2007	835,590	14,075,957	.059362926
2006	966,773	13,851,865	.069793706
2005	1,104,130	13,696,129	.080616209
2004	1,068,400	13,749,826	.077702801

2	**Total** of line 1, column (d)	2	.356347178
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	.0712694356
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	10,388,680
5	Multiply line 4 by line 3	5	740,395
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	-0-
7	Add lines 5 and 6	7	740,395
8	Enter qualifying distributions from Part XII, line 4	8	662,765

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 on page 18.

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Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	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 instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	-0-
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	
3	Add lines 1 and 2	3	-0-
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	-0-
6	Credits/Payments:		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a: 20,000		
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	20,000
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	20,000
11	Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 20,000 **Refunded** ▶	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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of 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. ▶ $ ________ **(2)** On foundation managers. ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ________			
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		
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, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ MINNESOTA			
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 on page 27)? *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

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Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the 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 ▶ charlsonfoundation.org

14 The books are in care of ▶ LESLIE STILES Telephone no. ▶ 952-938-6968

Located at ▶ 5275 Edina Industrial Blvd, Edina MN ZIP+4 ▶ 55439-2914

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

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		X
	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 page 20 of the instructions.)	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. ▶ 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		
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)? (see page 22 of the instructions) ☐ Yes ☒ No

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? 5b

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? ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 6b

If "Yes" to 6b, file Form 8870.

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? 7b

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 page 22 of the 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
KAREN McELRATH 5275 Edina Industrial Blvd, Edina MN 55439	PRESIDENT (6 HR/week)	-0-	-0-	-0-
LESLIE STILES Same	SECR/TREAS. (25 HR/week)	-0-	-0-	-0-
KIM HERZOG Same	DIRECTOR (12 HR/YEAR)	-0-	-0-	-0-
MARY RIPPY Same	DIRECTOR (12 HR/YEAR)	-0-	-0-	-0-

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the 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-

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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 page 23 of the 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	
2 NOT APPLICABLE	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1	
2 NONE	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3 ▶	-0-

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Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	10,490,588
b	Average of monthly cash balances	1b	56,295
c	Fair market value of all other assets (see page 24 of the instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	10,546,883
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	10,546,883
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	158,203
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,388,680
6	**Minimum investment return.** Enter 5% of line 5	6	519,434

Part XI **Distributable Amount** (see page 25 of the 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	519,434
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a		
b	Income tax for 2009. (This does not include the tax from Part VI.) — 2b		
c	Add lines 2a and 2b	2c	-0-
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	519,434
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	519,434
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	519,434

Part XII **Qualifying Distributions** (see page 25 of the 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	662,765
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	662,765
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 page 26 of the instructions)	5	-0-
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	662,765

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

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Part XIII Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1	Distributable amount for 2009 from Part XI, line 7				519,434
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 . . . 403,245				
b	From 2005 . . . 444,270				
c	From 2006 . . . 301,064				
d	From 2007 . . . 163,884				
e	From 2008 . . . 226,933				
f	**Total** of lines 3a through e	1,539,396			
4	Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 662,765				
a	Applied to 2008, but not more than line 2a			-0-	
b	~~Applied to undistributed income of prior years~~ (Election required—see page 26 of the instructions)		-0-		
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions)	-0-			
d	Applied to 2009 distributable amount				519,434
e	Remaining amount distributed out of corpus	143,331			
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	1,682,727			
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 page 27 of the instructions		-0-		
e	Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the 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 page 27 of the instructions)	-0-			
8	Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	403,245			
9	**Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	1,279,482			
10	Analysis of line 9:				
a	Excess from 2005 . . . 444,270				
b	Excess from 2006 . . . 301,064				
c	Excess from 2007 . . . 163,884				
d	Excess from 2008 . . . 226,933				
e	Excess from 2009 . . . 143,331				

41-1313302

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

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

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

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:			NOT APPLICABLE		
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter ⅔ of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

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 ▶ ☐ 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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

SEE STATEMENT 6

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

SEE STATEMENT 6

c Any submission deadlines:

SEE STATEMENT 6

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

SEE STATEMENT 6

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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 3				
Total ▶ 3a				646,288
b *Approved for future payment*				
SEE STATEMENT 7				
Total ▶ 3b				410,000

41-1313302.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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	12,872	
4 Dividends and interest from securities			14	197,692	
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 Futures K-1.			14	<58,983>	
8 Gain or (loss) from sales of assets other than inventory			18	<474,209>	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				<322,628>	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 <322,628>

(See worksheet in line 13 instructions on page 28 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 page 29 of the instructions.)
	NOT APPLICABLE

41-1313302

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

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

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

Leslie H. Shiles — 5/9/2010 — SECRETARY / TREASURER

Signature of officer or trustee — Date — Title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's identifying number (see **Signature** on page 30 of the instructions)
Firm's name (or yours if self-employed), address, and ZIP code		EIN	
		Phone no.	

Form **6781**

Department of the Treasury
Internal Revenue Service

Gains and Losses From Section 1256 Contracts and Straddles

▶ Attach to your tax return.

OMB No 1545-0644
2009
Attachment Sequence No 82

Name(s) shown on tax return: CHARLSON FOUNDATION

Identifying number: 41-1313302

Check all applicable boxes (see instructions)
A ☐ Mixed straddle election
B ☐ Straddle-by-straddle identification election
C ☐ Mixed straddle account election
D ☐ Net section 1256 contracts loss election

Part I Section 1256 Contracts Marked to Market

	(a) Identification of account	(b) (Loss)	(c) Gain
1	MSSB FUTURES ACCOUNTS (5)	128,852	

2	Add the amounts on line 1 in columns (b) and (c)	2	(128,852) / -0-
3	Net gain or (loss) Combine line 2, columns (b) and (c)	3	<128,852>
4	Form 1099-B adjustments. See instructions and attach schedule	4	
5	Combine lines 3 and 4	5	<128,852>
	Note: *If line 5 shows a net gain, skip line 6 and enter the gain on line 7. Partnerships and S corporations, see instructions*		
6	If you have a net section 1256 contracts loss and checked box D above, enter the amount of loss to be carried back. Enter the loss as a positive number	6	
7	Combine lines 5 and 6	7	<128,852>
8	**Short-term capital gain or (loss).** Multiply line 7 by 40% (.40). Enter here and include on the appropriate line of Schedule D (see instructions)	8	<51,541>
9	**Long-term capital gain or (loss).** Multiply line 7 by 60% (.60). Enter here and include on the appropriate line of Schedule D (see instructions)	9	<77,311>

Part II Gains and Losses From Straddles. Attach a separate schedule listing each straddle and its components

Section A—Losses From Straddles

	(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Loss. If column (e) is more than (d), enter difference Otherwise, enter -0-	(g) Unrecognized gain on offsetting positions	(h) Recognized loss. If column (f) is more than (g), enter difference Otherwise, enter -0-
10								

11a	Enter the short-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions)	11a	( )
b	Enter the long-term portion of losses from line 10, column (h), here and include on the appropriate line of Schedule D (see instructions)	11b	( )

Section B—Gains From Straddles

	(a) Description of property	(b) Date entered into or acquired	(c) Date closed out or sold	(d) Gross sales price	(e) Cost or other basis plus expense of sale	(f) Gain. If column (d) is more than (e), enter difference Otherwise, enter -0-
12						

13a	Enter the short-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions)	13a	
b	Enter the long-term portion of gains from line 12, column (f), here and include on the appropriate line of Schedule D (see instructions)	13b	

Part III Unrecognized Gains From Positions Held on Last Day of Tax Year. Memo Entry Only (see instructions)

	(a) Description of property	(b) Date acquired	(c) Fair market value on last business day of tax year	(d) Cost or other basis as adjusted	(e) Unrecognized gain. If column (c) is more than (d), enter difference Otherwise, enter -0-
14					

Charlson Foundation
EIN # 41-1313302
Part I - Analysis of Revenue and Expenses
Tax Year 2009

	Interest on Savings and Temp Cash	Dividends+ Interest on Securities	Capital Gain or (Loss)	Futures Sch K-1 Net Loss	Net Investment Income	Disb. For Charitable Purposes
Interest and Dividends:						
MSSB5212 FMA + Lit. Stlmt	11,458		-			
MSSB5212 Futures(Sch K-1)	-	1,519	(110,233)	(58,983)		
MSSB5218 Madison	432	94,526	15,296			
MSSB5219 Clearbridge	208	33,176	(108,471)			
MSSB5221 Kayne	188	9,524	(49,842)			
MSSB5222 Brandes	29	20,946	(53,856)			
MSSB1487 Harding	45	10,224	(28,757)			
MSSB3288 Cambiar	168	10,653	(85,363)			
MSSB5220 Davis	344	17,124	(52,983)			
Totals	12,872	197,692	(474,209)	(58,983)	(322,628)	-
Expenses:						
16c MSSB Investment Fees	77,302				77,302	
18 Federal Excise Tax	(12,100)				-	
Foreign Tax Paid	3,443				3,443	
Total Taxes Paid	(8,657)				3,443	
19 Depreciation - Stmt 2	-				-	
20 Occupancy + Telephone	13,141				657	12,484
21 Travel, Conf, etc.	1,199				-	1,199
22 Printing + Publications	134				-	134
23 Other Expenses:						
Assoc Dues	1,805				150	1,655
Bank + Reg. Fees	25				-	25
Insurance	412				-	412
Internet + Website	358				36	322
Supplies + Postage	409				163	246
Total Other Exp.	3,009				349	2,660
24 Subtotal Expenses	86,128				81,751	16,477
25 Grants Paid - Stmt 3	646,288				-	646,288
Total Expenses	732,416				81,751	662,765

Statement 1

Charlson Foundation
EIN # 41-1313302
2009 Depreciation Schedule

Date Acq.	Office Equipment	Cost	Jan 1 Accum Depr	Current Year Depr(SL)	Dec 31 Accum Depr	Dec 31 Asset Basis
Pre-1994	Vault File Cabinet	625	625	-	625	-
Nov-94	HP Fax Machine	723	723	-	723	-
Oct-95	Canon Copier	623	623	-	623	-
Jan-00	Gateway Computer MN	2,436	2,436	-	2,436	-
	Disposal 6/23/2007	(2,436)	(2,436)		(2,436)	
Jan-00	Gateway Computer CO	2,172	2,172	-	2,172	-
	Disposal 6/23/2007	(2,172)	(2,172)		(2,172)	
Mar-02	Office Furniture	8,371	8,371	-	8,371	-
	Totals	10,342	10,342	-	10,342	-

Statement 2

CHARLSON FOUNDATION EIN # 41-133302
2009 Grants

Date Paid	Description	Purpose	Amount (dollars)
1/6/09	**Cornerstone** 1000 East 80th Street Bloomington, MN 55420	GOS (General Operating Support)	33,000
1/9/09	**Minnesota Council on Foundations** 100 Portland Avenue South, Suite 225 Minneapolis, MN 55401-2575	GOS	2,900
1/9/09	**Council on Foundations** 2121 Crystal Drive, Suite 700 Arlington, VA 2202-3706	GOS	1,160
~~1/22/19~~	**~~Jeremiah Program~~** 1510 Laurel Avenue, Suite 100 Minneapolis, MN 55403-1244	GOS	50,000
2/5/09	**Angel Foundation** 2012 E. Hennepin Avenue, #203 Minneapolis, MN 55414	Facing Cancer Together program	2,000
2/5/09	**Women's Foundation of Minnesota** 155 Fifth Avenue South, Suite 500 Minneapolis, MN 55401	GOS 1st year of 2-year grant that totaled $55,000	35,000
2/11/09	**Glenwood Springs High School** 1340 Pitkin Avenue Glenwood Springs, CO 81601	Students Helping Our Community	16,000
2/12/09	**Safe Haven** 13780 McKenna Road NW Shakopee, MN 55379	GOS	10,000
2/12/09	**WATCH** 608 Second Avenue South, Ste 465 Minneapolis, MN 55402	GOS 1st year of 2-year grant that totaled $20,000	10,000
3/4/09	**Youth Frontiers** 6009 Excelsior Blvd. Minneapolis, MN 55416	GOS 1st year of 2-year grant that totaled $35,000	20,000
3/25/08	**Charities Review Council** 2610 University Avenue West, Suite 375 St. Paul, MN 55114-2007	GOS 3rd year of 3-year grant that totaled $15,000	5,000

4/7/09	**Dakota Woodlands** 3430 Wescott Woodlands Eagan, MN 55123	GOS	35,000
5/7/09	**CommonBond Communities** 328 Kellogg Blvd West St. Paul, MN 55102	GOS 2nd year of 2-year grant that totaled $60,000	30,000
6/26/09	**Teens Alone** 915 Mainstreet Hopkins, MN 55343	GOS	10,000
6/26/09	**Perspectives** 3381 Gorham Avenue St. Louis Park, MN 55426-4292	GOS	20,000
6/26/09	**Dunwoody College of Technology** 818 Dunwoody Blvd. Minneapolis, MN 55403-1192	Youth Career Awareness Program (YCAP)	15,000
6/26/09	**St. Paul YWCA** 375 Selby Avenue St. Paul, MN 55102	Transitional Housing Program	20,000
6/29/09	**Division of Indian Works** P.O. Box 7509 1001 East Lake Street Minneapolis, MN 55407-0509	Strengthening Family Circles	8,000
6/29/09	**Stonebridge Community School** 4 Franklin Avenue Minneapolis, MN 55404	GOS	15,000
6/29/09	**Sabathani Community Center** 310 East 38th Street Minneapolis, MN 55409	Horizon's Youth Summer program	5,000
7/6/09	**Youth Farm & Market Project** 128 West 33rd Street, Suite 2 Minneapolis, MN 55408	GOS	20,000
7/7/09	**Twin Cities Habitat for Humanity** 3001 4th Street SE Minneapolis, MN 55414	GOS	10,000
7/8/09	**Park Nicollet Foundation** 6500 Excelsior Blvd. St. Louis Park, MN 55426	Fundraiser	5,000

7/8/09	**Mental Health Association of Minnesota** 2021 East Hennepin Avenue Minneapolis, MN 55413	GOS	7,000
7/8/09	**Helping Paws, Inc.** P.O. Box 634 Hopkins, MN 55343	GOS	2,500
7/8/09	**Twin Cities RISE!** 800 Washington Avenue South, Suite 203 Minneapolis, MN 55401	GOS	8,000
7/30/09	**Avenues for Homeless Youth** 1708 Oak Park Avenue North Minneapolis, MN 55411	GOS	10,000
7/30/09	**YouthZone** 803 School Street Glenwood Springs, CO 81601	Fundraiser	3,000
8/6/09	**Children's Health Care Foundation** 2910 Centre Point Drive Roseville, MN 55113	Runaway Intervention Program	18,528
8/10/09	**Great Neighborhoods! Development Corporation** 1113 Franklin Avenue, Suite 202 Minneapolis, MN 55404	Capital Campaign	10,000
8/14/09	**LearningWorks** 511 Kenwood Parkway Minneapolis, MN 55403	2nd year of 2-year challenge grant	25,000
8/28/08	**St. Mary's Greek Orthodox Church** 3450 Irving Avenue South Minneapolis, MN 55408	Project Youth Connect	3,500
9/2/09	**Twin Cities Youth Rowing** 5250 West 74th Street, Bay 18 Edina, MN 55439	Challenge grant	5,000
9/9/09	**Helping Paws** P.O. Box 634 Hopkins, MN 55343	Fundraiser	300
10/9/09	**Hearthstone of Minnesota** 222 Grand Avenue West, Suite 200 South Saint Paul, MN 55075	GOS	10,000
10/9/09	**PPL** 1035 East Franklin Avenue Minneapolis, MN 55404	Mental Health project	18,000

10/12/09	**The Bridge for Youth** 1111 West 22nd Street Minneapolis, MN 55405	Event Sponsorship	2,500
10/19/09	**Park House** 710 East 24th Street, Suite 303 Minneapolis, MN 55404	GOS	5,000
10/19/09	**Helping Paws** P.O. Box 634 Hopkins, MN 55343	GOS	8,000
10/23/09	**N.C. Little Memorial Hospice** 7019 Lynmar Lane Edina, MN 55435	GOS	10,000
10/28/09	**St. Stephen's Human Services** 2211 Clinton Avenue South Minneapolis, MN 55404	GOS	20,000
11/20/09	**The Bridge for Youth** 1111 West 22nd Street Minneapolis, MN 55405	2nd year of 3-year grant that totaled 150,000	50,000
12/8/09	**HousingLink** 1200 West Broadway Avenue Minneapolis, MN 55411	1st year of 2-year grant that totaled 20,000	10,000
12/8/09	**Centro** 1915 Central Avenue Minneapolis, MN 55404	Emergency Latino Food Shelf	5,000
12/8/09	**Free Arts Minnesota** 400 1st Avenue North, Ste 518 Minneapolis, MN 55401	Weekly Mentorship Program	10,000
12/15/09	**People Incorporated** 317 York Avenue St. Paul, MN 55130-4039	1st year of 2-year grant that totaled 20,000 for Homeless Services	10,000
12/16/09	**Ascension Catholic Church** 1723 Bryant Avenue North Minneapolis, MN 55411-3297	Post-secondary scholarships	10,000
12/21/09	**The Bridge for Youth** 1111 West 22nd Street Minneapolis, MN 55405	Needs Assessment Project	6,900
		Total Grants	**$ 646,288**

Charlson Foundation
EIN # 41-1313302
Assets - Part II
December 31, 2009

Asset	Book Value **12/31/2008**	**Reinv. Inc. + Transfers**	Book Value **12/31/2008**	Fair Market Value **12/31/2009**
Savings + Temp Cash:				
MSSB5212 FMA	21,311	(6,110)	15,201	15,201
Investment: US Govt				
MSSB5218 Madison Gov	2,843,711	(400,308)	2,443,403	2,258,787
Investment: Stock				
MSSB5222 Brandes	987,699	(139,786)	847,913	687,282
MSSB3288 Cambiar	740,986	(81,098)	659,888	736,264
MSSB5219 Clearbridge	2,726,664	(140,056)	2,586,608	2,695,346
MSSB52[illegible] Davis	1,525,736	(47,762)	1,477,974	1,379,944
MSSB5212 Futures	1,534,627	217,000	1,751,627	2,008,012
MSSB1487 Harding	523,203	(24,217)	498,986	487,038
MSSB5221 Kayne	974,704	(49,915)	924,789	1,098,869
	9,013,619	(265,834)	8,747,785	9,092,755
Equipment:				
Office Machines	-	-	-	-
Other Assets:				
Rent Deposit	824	-	824	824
TOTALS	11,879,465	(672,252)	11,207,213	11,367,567

Charlson Foundation
EIN # 41-1313302
Capital Gains & Losses - Part IV
December 31, 2009

	Col. a Property Sold	Col. b P or D	Col. c + d Date Acq/Sold	Col. e Gross Sales	Col. g Cost Basis	Col. h Gain/(Loss)
1a	Futures + Straddles	p	K-1+Form 6781	K-1	K-1	(110,233)
	Short Term Capital Gains:					
1b	MSSB5218 Madison	p	See	259,223	246,364	12,859
1c	MSSB5219 Clearbridge	p	MSSB	32,314	49,417	(17,103)
1d	MSSB5220 Davis	p	Detail	54,917	83,911	(28,994)
1e	MSSB3288 Cambiar	p	on the	247,252	280,599	(33,347)
1f	MSSB5221 Kayne	p	Attached	151,641	118,020	33,621
1g	MSSB5222 Brandes	p	Broker	25,281	10,453	14,828
1h	MSSB1487 Harding	p	Schedules	23,966	28,448	(4,482)
	Long Term Capital Gains:					
1i	MSSB5218 Madison	p	See	857,378	854,941	2,437
1j	MSSB5219 Clearbridge	p	MSSB	391,396	482,764	(91,368)
1k	MSSB5220 Davis	p	Detail	75,382	99,371	(23,989)
1l	MSSB3288 Cambiar	p	on the	102,076	154,092	(52,016)
1m	MSSB5221 Kayne	p	Attached	217,399	300,862	(83,463)
1n	MSSB5222 Brandes	p	Broker	154,951	223,635	(68,684)
1o	MSSB1487 Harding	p	Schedules	75,392	99,667	(24,275)
	Gross Sales Price and Cost Basis Totals			2,668,568	3,032,544	
2	**Capital Gain Net Income or (Net Capital Loss)**					**(474,209)**

Charlson Foundation
EIN # 41-1313302
Form 990PF – Part XV, Line 2

Line 2a – Grant Application Address
Charlson Foundation
5275 Edina Industrial Blvd, Suite 111
Edina, MN 55439
952-938-6968

Line 2b – Form of Submitted Applications
First time or nonrecurring applicants should submit a maximum two-page letter of intent describing the organization's history, mission, goals, the project for which a grant is requested, and the amount of the intended grant. The letter will be reviewed, and if accepted, an invitation for a full proposal will be sent out within one month of the deadline dates.

Renewal requests will be considered only after a final report of a previous grant has been received. Renewal grant applicants should submit a new full proposal by the deadline dates.

Two complete copies of the grant proposals should be submitted using the Minnesota Common Grant Application, as well as copies of the organization's most recent audited financial statements. Finally, the proposal should include the salaries of the organization's two highest paid employees.

Line 2c – Submission Deadlines
Letter of Intent: March 1st and August 1st
Renewal Requests: April 1st and September 1st

Line 2d – Restrictions or Limitations on Awards
Areas of interest include Youth & Children and Families. Priority is given to requests for programs that do a superior job helping individuals overcome multiple obstacles by providing an integrated, wrap-around array of services, as well as programs that focus on prevention and long-term solutions, have made provisions for measurable outcomes, can demonstrate past success, and that generally serve low income people.

Grants are generally restricted to organizations serving residents in the Minneapolis/St. Paul, MN metropolitan area.

There is a $10,000 limit for first time requests. Multiple-year grants will only be considered on renewal requests.

Charlson Foundation
EIN # 41-1313302
Form 990PF – Part XV, 3b
Grants Approved for Future Payment
December 31, 2009

Organization	Purpose of Grant and Years	Amount
The Bridge for Youth 1111 West 22nd St., Minneapolis MN 55405	Homeless Youth Program 2010	50,000
Charities Review Council 2610 University Ave W, #375, St Paul MN 55114	General Operations 2010-2012	15,000
CommonBond Communities 328 Kellogg Blvd W, St Paul MN 55102	General Operations 2010-2011	50,000
Cornerstone 1000 East 80th St., Blomington MN 55420	General Operations 2010-2011	67,000
HousingLink 1200 W Broadway Ave, Minneapolis MN 55411	General Operations 2010	10,000
Immigrant Law Center of MN 450 N Syndicate St, #175, St Paul MN 55104	New Beginnings Project 2010-2011	10,000
Jeremiah Program 1510 Laurel Ave, Minneapolis MN 55403	General Operations 2010	30,000
People Inc. 317 York Ave, St Paul MN 55130	Homeless Services Program 2010	10,000
Perspectives Inc. 3381 Girham Ave, St Louis Park MN 55426	General Operations 2010-2011	43,000
St. Stephen's Human Services 2211 Clinton Ave So, Minneapolis MN 55404	General Operations 2010	20,000
WATCH 608 Second Ave So, Minneapolis MN 55402 Minneapolis, MN 55402	General Operations 2010	10,000
Women's Foundation of Minnesota 155 Fifth Avenue So, Minneapolis MN 55401	General Operations 2010	20,000
Youth Frontiers 6009 Excelsior Blvd, St Louis Park MN 55413	General Operations 2010	15,000
YWCA St Paul 375 Selby Ave, St Paul 55102	Transitional Housing Program 2010-2012	60,000
Total Approved Future Grants		**410,000**

THE CHARLSON FOUNDATION

Account Number 243-05218-11 105

Details of Short Term Gain (Loss) 2009

This section shows your sales of securities during the year The "Sale Proceeds" column excludes any accrued income you may have received In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor For additional information regarding this section see enclosed brochure

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000050	20 000	FEDERAL NATL MTG ASSN DEBS BK/ENTRY DTD 01/12/2007 DUE 02/13/2017 RATE 5 000	06/16/08	03/09/09	$ 22,050 00	$ 20,096 20 **$ 20,090 00**	$ 1,953 80 **$ 1,960 00**	$ 0.00 $ 1,960 00
125000060	15,000	FEDERAL NATL MTG ASSN DEBS BK/ENTRY DTD 01/12/2007 DUE 02/13/2017 RATE 5 000	06/16/08	05/08/09	16,471.88	15,072 15 **15,065 70**	1,399.73 **1,406.18**	0 00 1,406.18
125000070	25,000	FEDERAL NATL MTG ASSN DEBS BK/ENTRY DTD 08/15/08 DUE 08/15/2011 RATE 3 625	03/26/09	05/08/09	26,140.63	26 187 25 **26,126 25**	(46 62) **14 38**	0 00 14 38

THE CHARLSON FOUNDATION
Account Number 243-05218-11 105

Details of Short Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000100	15,000	U S TREASURY NOTES SER B-2015 DTD 02/15/2005 DUE 02/15/2015 RATE 4.000 YIELD 2.215MTY	04/25/08	03/09/09	$ 16,481.25	$ 15,525.00 **$ 15,465.00**	$ 956 25 **$ 1,016.25**	$ 0 00 $ 1,016.25
125000140	30,000	U S TREASURY NOTES SER F-2017 DTD 11/15/2007 DUE 11/15/2017 RATE 4.250 YIELD 2 449MTY	10/10/08	01/07/09	34,275.00	31,003 12 **30,980.70**	3,271 88 **3,294 30**	0.00 3,294.30
125000150	20,000	U S TREASURY NOTES SER F-2017 DTD 11/15/2007 DUE 11/15/2017 RATE 4.250 YIELD 2.992MTY	10/10/08	02/09/09	21,925.00	20,668.75 **20,647.80**	1,256 25 **1,277.20**	0.00 1,277.20
125000160	98,000	U S TREASURY NOTES SER F-2017 DTD 11/15/2007 DUE 11/15/2017 RATE 4.250 YIELD 3.221MTY	10/10/08	07/10/09	105,319.38	101,276.88 **101,045.84**	4,042.50 **4,273.54**	0.00 4,273.54
125000170	16,000	U S TREASURY NOTES SER F-2017 DTD 11/15/2007 DUE 11/15/2017 RATE 4.250 YIELD 3.753MTY	10/10/08	08/07/09	16,560.00	16,535.00 **16,493.28**	25 00 **66.72**	0.00 66.72
Total					**$ 259,223.14**	$ 246,364.35 **$ 245,914.57**	$ 12,858.79 **$ 13,308.57**	$ 0.00 $ 13,308.57

Details of Long Term Gain (Loss) 2009

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Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000010	195,000	FEDERAL HOME LOAN MTG CORP GLOBAL DEBS-BK/ENTRY DTD 3/12/1999 DUE 03/15/2009 RATE 5 750	05/11/06	03/16/09	$ 195,000 00	$ 197,488.20 **$ 195,000 00**	($ 2,488 20) **$ 0 00**	$ 0 00 $ 0 00

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION
Account Number 243-05218-11 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Original Cost Adjusted Cost	Original Gain/(Loss) Adjusted Gain/(Loss)	Ordinary Income Capital Gain/(Loss)
125000020	215,000	FEDERAL NATL MTG ASSN GLOBAL DEBS--BK/ENTRY DTD 06/08/1999 DUE 06/15/2009 RATE 6 375	12/06/05	06/15/09	$ 215,000 00	$ 226.242 35 **$ 215,000 00**	($ 11,242.35) **$ 0.00**	$ 0.00 $ 0.00
125000030	15,000	FEDERAL NATL MTG ASSN SER BOOK/ENTRY DTD 09/17/2004 DUE 10/15/2014 RATE 4.625	11/20/07	01/07/09	16,396 88	15,027.30 **15,022 80**	1,369.58 **1,374 08**	0 00 1,374.08
125000040	200,000	FEDERAL NATL MTG ASSN GLOBAL DEBS-BK/ENTRY DTD 12/19/2006 DUE 12/15/2009 RATE 4.625	03/14/07	12/15/09	200,000.00	199,328.00 **199,328 00**	672.00 **672.00**	0.00 672.00
125000080	35,000	U S TREASURY NOTES SER C-2011 DTD 08/15/2001 DUE 08/15/2011 RATE 5.000 YIELD 1.172MTY	04/29/04	05/08/09	37,985.94	36,719 92 **35,589.40**	1,266.02 **2,396.54**	0.00 2,396.54
125000090	10,000	U S TREASURY NOTES SER E-2014 DTD 08/15/2004	07/21/05	05/08/09	10,975.00	9,993 75 **9,993 75**	981.25 **981.25**	0.00 981 25
	15,000	DUE 08/15/2014 RATE 4.250 YIELD 2.274MTY	08/05/05		16,462 50	14,845 31 **14,845.31**	1,617 19 **1,617.19**	0.00 1,617.19
125000110	15,000	U S TREASURY NOTES SER B-2015 DTD 02/15/2005 DUE 02/15/2015 RATE 4 000 YIELD 2.473MTY	04/25/08	05/08/09	16,223.44	15,525.00 **15,452.55**	698.44 **770.89**	0.00 770.89
125000120	31,000	U S TREASURY NOTES SER B-2016 DTD 02/15/2006 DUE 02/15/2016 RATE 4 500 YIELD 3.364MTY	06/08/06	08/07/09	33,044 06	29,789 06 **29,789 06**	3,255.00 **3,255 00**	335.81 2,919.19
125000130	110,000	U S TREASURY NOTES SER E-2011 DTD 02/28/2006 DUE 02/28/2011 RATE 4 500 YIELD 1 148MTY	09/25/06	06/05/09	116,290.63	109,982 82 **109,982 82**	6,307 81 **6,307.81**	0.00 6,307 81
Total					**$ 857,378 45**	$ 854.941 71 **$ 840,003 69**	$ 2 436 74 **$ 17,374 76**	$ 335 81 **$ 17,038 95**

2009 YEAR END SUMMARY

Details of Short Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000060	75	DELL INC	04/10/08	01/30/09	$ 728.97	$ 1,420.87	($ 691 90)	
125000070	815	DELL INC	04/10/08	02/02/09	7,564.45	15,440.09	(7,875.64)	
125000150	505	JUNIPER NETWORKS INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	10/22/08	09/03/09	11,832.30	9,352.04		2,480.26
125000200	1,585	TIME WARNER INC	04/09/08	02/19/09	12,188.26	23,204.40	(11,016 14)	
Total					**$ 32,313.98**	**$ 49,417 40**	**($ 19,583 68)**	**$ 2,480.26**

<17,103>

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-05219-10 105

Details of Long Term Gain (Loss) 2009

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Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	185	AMAZON COM INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	02/28/07	11/05/09	$ 22,025 12	$ 7,275 87		$ 14,749.25
125000020	115	AMAZON COM INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	02/28/07	11/16/09	15,303.80	4,522.83		10,780.97
125000030	305	BED BATH & BEYOND Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	03/01/07	09/03/09	11,009.28	12,124.97	(1,115.69)	
125000040	171	CISCO SYS INC	05/19/00	11/05/09	4,080.09	9,317 93	(5,237.84)	
	540	MorganStanley SmithBarney LLC	03/23/01		12,884 50	10,234.57		2,649.93
	150	acted as your agent	05/08/01		3,579.03	3,000.00		579.03
	369	in this transaction.	03/22/05		8,804.40	6,675 62		2,128.78
125000050	1,747	DELL INC	02/27/07	01/29/09	17,682 68	40,128 59	(22,445.91)	
125000060	988	DELL INC	02/27/07	01/30/09	9,602 90	22,694.36	(13,091.46)	
125000080	100	WALT DISNEY CO MorganStanley SmithBarney LLC acted as your agent in this transaction	03/01/07	11/16/09	3,062.92	3,383 80	(320 88)	
125000090	775	GENENTECH INC	02/28/07	01/30/09	62,861 36	65,503 00	(2,641.64)	
125000100	215	GENENTECH INC	02/28/07	03/06/09	19,276.49	18,171.80		1,104.69
125000110	170	GENENTECH INC	02/28/07	03/26/09	16,150.00	14,368 40		1,781.60
	615		04/26/07		58,425 00	49,779.08		8,645 92
125000120	1,680	HOME DEPOT INC	02/28/07	05/28/09	38,062.95	66,711 96	(28,649.01)	
125000130	675	INTEL CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	02/28/07	09/03/09	13,061 52	13,445 59	(384.07)	

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-05219-10 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000140	710	INTEL CORP MorganStanley SmithBarney LLC acted as your agent in this transaction.	02/28/07	11/03/09	$ 13,096.25	$ 14,142.77	($ 1,046.52)	
125000160	950	NVIDIA CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	05/30/08	09/03/09	13,634.40	23,235.95	(9,601.55)	
125000170	100	PROCTER & GAMBLE CO MorganStanley SmithBarney LLC acted as your agent in this transaction.	12/15/03	11/16/09	6,237.18	4,914.01		1,323 17
125000180	705	TEXAS INSTRUMENTS INC	02/28/07	02/19/09	10,715.93	21,862.05	(11,146.12)	
125000190	370	TEXAS INSTRUMENTS INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	02/28/07	09/03/09	8,962.84	11,473 70	(2,510.86)	
125000200	2,975	TIME WARNER INC	03/01/07	02/19/09	22,877.03	59,797.20	(36,920.17)	
Total					**$ 391,395.67**	**$ 482,764.05**	**($ 135,111.72)**	**$ 43,743.34**

<91,368>

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION
Account Number 243-13289-19 105

Details of Short Term Gain (Loss) 2009

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Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000020	400	H & R BLOCK INC	04/18/08	04/01/09	$ 7,109 24	$ 8,619 00	($ 1.509 76)	
125000040	535	CISCO SYS INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	10/22/08	08/13/09	11,562.55	9,370.85		2,191.70
125000050	510	CITIGROUP INC	04/18/08	03/11/09	749.69	13,128.78	(12,379 09)	
125000090	115	GRUPO TELEVISA SA DE CV SPON ADR MorganStanley SmithBarney LLC acted as your agent	11/21/08	10/26/09	2,358 45	1,560 12		798.33
125000100	960	JPMORGAN CHASE & CO	04/18/08	01/22/09	22,321.60	44,356.42	(22,034.82)	
125000110	0005	MERCK & CO INC NEW	11/11/08	11/03/09	.01	.01		
	0001	MERGER 11/03/09 806605101000	03/02/09			.01	(01)	
	.0003		03/18/09		.01	01		
	0001		05/27/09		.01	.01		
125000150	835	SCHERING PLOUGH CORP	11/11/08	11/03/09	8,767 50	5,274 94		3,492.56
	125		03/02/09		1,312 50	891 33		421.17
	70		05/27/09		735 00	709.12		25.88
Total					**$ 54,916 56**	**$ 83,910.60**	**($ 35,923.68)**	**$ 6,929 64**

<28,994>

Details of Long Term Gain (Loss) 2009

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Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	100	BANK NEW YORK MELLON CORP	04/18/08	05/27/09	$ 2,808 78	$ 4,275 25	($ 1,466 47)	

THE CHARLSON FOUNDATION
Account Number 243-13289-19 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000030	.5	CAREFUSION CORP CASH IN LIEU OF 50000 RECORD 08/25/09 PAY 08/31/09 FROM. 14149Y108000 (SPINOFF)	04/18/08	09/01/09	$ 9.53	$ 14.87	($ 5.34)	
125000060	1,195	COMCAST CORP CL A - SPL	04/18/08	05/19/09	17,044 92	24,014.00	(6,969.08)	
125000070	265	COSTCO WHOLESALE CORP NEW	04/18/08	05/27/09	13,011.03	18,422.16	(5,411.13)	
125000080	140	GRUPO TELEVISA SA DE CV SPON ADR	04/18/08	05/27/09	2,458.61	3,514.28	(1,055 67)	
125000090	210	GRUPO TELEVISA SA DE CV SPON ADR MorganStanley SmithBarney LLC acted as your agent	04/18/08	10/26/09	4,306.73	5,271.42	(964.69)	
125000120	300	MICROSOFT CORP	04/18/08	05/27/09	6,092 45	9,007.08	(2,914.63)	
125000130	30	MICROSOFT CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/18/08	06/18/09	705.06	900.71	(195.65)	
125000140	205	MICROSOFT CORP MorganStanley SmithBarney LLC acted as your agent in this transaction.	04/18/08	10/21/09	5,443.20	6,154 84	(711.64)	
125000160	500	UNITEDHEALTH GROUP INC MorganStanley SmithBarney LLC acted as your agent in this transaction	04/18/08	12/16/09	16,058.58	18,636.60	(2,578.02)	
125000170	300	WELLS FARGO & CO NEW	04/18/08	05/27/09	7,443.70	9,159 90	(1,716.20)	
Total					**$ 75,382.59**	**$ 99,371.11**	**($ 23,988.52)**	

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-13288-10 105

Details of Short Term Gain (Loss) 2009

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Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	130	WEATHERFORD INTERNATIONAL	10/13/08	06/09/09	$ 2,763.34	$ 2,068.22		$ 695.12
	226	LTD -CHF	10/14/08		4,803.95	3,773 89		1,030.06
		Morgan Stanley Smi						
		th Barney LLC acted as yo						
125000040	60	ALLSTATE CORP	04/17/08	02/02/09	1,273 93	2,980.69	(1,706.76)	
125000060	245	ALLSTATE CORP	10/30/08	07/17/09	5,943 37	6,016.96	(73.59)	
		Morgan Stanley Smi						
		th Barney LLC acted as yo						
		ur agent in this transa						
125000090	631	ARCHER-DANIELS-MIDLAND CO	04/17/08	01/28/09	17,680.08	28,479.75	(10,799.67)	
125000100	110	ARCHER-DANIELS-MIDLAND CO	08/27/08	07/15/09	3,083.21	2,821.45		261.76
		Morgan Stanley Smi						
		th Barney LLC acted as yo						
		ur agent in this transa						
125000110	28	BAKER HUGHES INC	09/22/08	06/24/09	1,006.30	1,895.40	(889.10)	
	2	Morgan Stanley Smi	09/23/08		71 88	132.51	(60 63)	
		th Barney LLC acted as yo						
		ur agent in this transa						
125000120	21	BAKER HUGHES INC	09/23/08	06/25/09	765.03	1,391.40	(626.37)	
	143	Morgan Stanley Smi	10/15/08		5,209 46	5,284.02	(74 56)	
		th Barney LLC acted as yo						
		ur agent in this transa						
125000140	132	CA INC	03/20/09	09/03/09	2,717.67	2,109.98		607.69
	155	Morgan Stanley Smi	03/23/09		3,191 20	2,567.40		623.80
	280	th Barney LLC acted as yo	03/31/09		5,764.74	4,961.32		803 42
	46	ur agent in this transa	04/07/09		947 07	796.78		150.29
	100		06/30/09		2,058 83	1,731.80		327.03
125000150	75	COLGATE PALMOLIVE CO	05/07/09	11/19/09	6,301.44	4,619.85		1,681.59
	112	MorganStanley SmithBarney LLC	05/12/09		9,410.15	7,023.22		2,386.93
		acted as your agent						
		in this transaction.						
125000160	254	CONAGRA FOODS INC	04/17/08	02/09/09	4,303 11	6,167 02	(1,863.91)	
125000170	47	CONAGRA FOODS INC	04/17/08	02/12/09	764 57	1,141 14	(376.57)	

THE CHARLSON FOUNDATION

Account Number 243-13288-10 105

Details of Short Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000180	135	CONAGRA FOODS INC	04/17/08	02/17/09	$ 2,184.29	$ 3,277.75	($ 1,093.46)	
	79		06/30/08		1,278.21	1,526.90	(248.69)	
125000190	589	EL PASO CORP	04/17/08	02/24/09	4,141.41	10,477.13	(6,335.72)	
125000200	485	EL PASO CORP	04/17/08	02/25/09	3,512.40	8,627.18	(5,114.78)	
125000210	259	EL PASO CORP	04/17/08	02/26/09	1,974 60	4,607.09	(2,632.49)	
	46		07/24/08		350.70	811.03	(460.33)	
	4		08/04/08		30.50	67.67	(37.17)	
125000220	298	EL PASO CORP	08/04/08	02/27/09	2,092 42	5,041.60	(2,949.18)	
	217		10/07/08		1,523.67	2,113.12	(589.45)	
125000230	237	ELECTRONIC ARTS	02/19/09	05/22/09	5,216.59	3,894.12		1,322.47
	187		02/20/09		4,116.05	3,057.23		1,058.82
	138		02/24/09		3,037 51	2,293.26		744 25
	35		02/25/09		770.38	586 52		183.86
125000240	259	ELECTRONIC ARTS Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	02/25/09	06/03/09	5,931.61	4,340.27		1,591.34
125000250	152	HALLIBURTON CO HOLDINGS CO	04/17/08	01/06/09	3,145 54	6,794.40	(3,648.86)	
125000270	62	HUMANA INC	04/28/08	02/02/09	2,549.61	2,865.16	(315.55)	
	62		04/29/08		2,549.62	2,931.78	(382 16)	
125000280	30	HUMANA INC	04/29/08	04/29/09	868 42	1,418.60	(550.18)	
	25		04/30/08		723.68	1,197.97	(474.29)	
	98		05/07/08		2,836.84	4,591.70	(1,754.86)	
	117		05/19/08		3,386.84	5,250.74	(1,863.90)	
	44		10/09/08		1,273 68	1,534.87	(261.19)	
125000290	31	HUMANA INC	10/09/08	05/05/09	916.59	1,081.38	(164.79)	
	155		10/16/08		4,582.96	5,119.20	(536.24)	
125000320	370	ISHARES RUSSELL 1000 VALUE IND FUND	12/15/08	02/09/09	16,961.81	17,411 83	(450.02)	
125000330	43	KLA-TENCOR CORP	08/18/08	03/23/09	884.42	1,679.32	(794.90)	
	175		08/19/08		3,599.38	6,727.12	(3,127.74)	
	91		08/26/08		1,871.68	3,541.67	(1,669.99)	
	166		08/27/08		3,414 26	6,483.79	(3,069 53)	
125000340	44	KLA-TENCOR CORP	08/27/08	03/24/09	897.72	1,718.59	(820.87)	
	135		10/30/08		2,754.35	2,795.58	(41.23)	

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-13288-10 105

Details of Short Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000370	311	LIMITED BRANDS INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	12/15/08	09/23/09	$ 5,435 21	$ 2.627 55		$ 2,807.66
125000380	289	LIMITED BRANDS INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	12/15/08	09/24/09	5,037.23	2,441 67		2,595.56
125000410	24	MARATHON OIL CORP MorganStanley SmithBarney LLC acted as your agent in this transaction.	02/09/09	10/23/09	819.62	676 01		143 61
125000420	76	MARATHON OIL CORP MorganStanley SmithBarney LLC acted as your agent in this transaction	02/09/09	10/26/09	2,648.30	2,140 69		507.61
125000430	70	MATTEL INC DE	12/17/08	04/20/09	1,047 97	1 042 42		5.55
125000440	140	MATTEL INC DE Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/17/08	07/13/09	2,155 70	2,084 84		70 86
125000450	354	MATTEL INC DE Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/17/08	09/09/09	6,559.06	5,271.66		1,287.40
125000460	107	MATTEL INC DE Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/17/08	09/11/09	1,950.79	1,593 41		357 38
125000470	53	MATTEL INC DE	12/17/08	09/14/09	957.65	789.26		168.39
	133	Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	02/04/09		2,403.17	1,610 86		792.31
125000480	130	NASDAQ OMX GROUP INC	10/02/08	04/21/09	2,350.57	4,142 88	(1,792 31)	
	31		10/03/08		560 52	974.54	(414 02)	
	54		10/06/08		976 39	1,538.75	(562 36)	
	14		10/09/08		253.14	386.53	(133 39)	
	74		10/16/08		1.338 02	1,902 39	(564 37)	

2009 YEAR END SUMMARY

Reserved Client Statement 2009 Year End Summary

THE CHARLSON FOUNDATION

Account Number 243-13288-10 105

Details of Short Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000490	165	NASDAQ OMX GROUP INC	10/16/08	05/08/09	$ 3,316.06	$ 4,241.82	($ 925 76)	
125000500	18	NASDAQ OMX GROUP INC	10/16/08	05/11/09	353 28	462.74	(109.46)	
125000510	123	NASDAQ OMX GROUP INC	10/16/08	05/12/09	2,299.91	3,162 09	(862 18)	
	135		12/15/08		2,524.30	3,089.61	(565 31)	
125000520	202	PEABODY ENERGY CORP	06/24/09	12/14/09	8,735.97	5,882.91		2,853.06
	168	MorganStanley SmithBarney LLC acted as your agent in this transaction.	06/30/09		7,265 56	5,021.18		2,244.38
125000530	82	PEABODY ENERGY CORP	06/30/09	12/16/09	3,624.67	2,450.82		1,173.85
	120	MorganStanley SmithBarney LLC acted as your agent in this transaction.	07/24/09		5,304.39	3,990.96		1,313.43
125000540	130	UNILEVER NV NY SHS-NEW	10/17/08	07/13/09	3,146.15	3,208.15	(62 00)	
	49	Morgan Stanley Smi	10/20/08		1,185.86	1,287.29	(101.43)	
	58	th Barney LLC acted as yo ur agent in this transa	10/22/08		1,403.67	1,377.45		26 22
125000560	116	WPP PLC ADR	08/13/08	06/30/09	3,843.20	5,407.92	(1,564 72)	
	70	Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/15/08		2,319.17	1,965.60		353 57
Total					**$ 247,252.60**	**$ 280,599.37**	**($ 63,516.04)**	**$ 30,169.27**

<33,347>

Details of Long Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000020	400	FLEXTRONICS INTL LTD USD Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	07/27/09	$ 2,136.90	$ 3,836.00	($ 1,699.10)	

2009 YEAR END SUMMARY

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000030	435	FLEXTRONICS INTL LTD USD MorganStanley SmithBarney LLC acted as your agent in this transaction	04/17/08	09/30/09	$ 3,226 26	$ 4,171.65	($ 945.39)	
125000050	461	ALLSTATE CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	07/15/09	11,506 31	22,901 60	(11,395.29)	
125000060	9	ALLSTATE CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	07/17/09	218.33	447 10	(228.77)	
125000070	139 65 82	AMERIPRISE FINANCIAL INC MorganStanley SmithBarney LLC acted as your agent in this transaction	09/19/08 09/22/08 09/26/08	10/13/09	5,016.62 2,345.90 2,959.44	5,989.69 2,706 02 3,304 35	(973.07) (360.12) (344.91)	
125000080	116	ANADARKO PETROLEUM CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	06/08/09	5,556 23	7,765 43	(2,209.20)	
125000100	189 80	ARCHER-DANIELS-MIDLAND CO Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08 07/01/08	07/15/09	5,297 51 2,242.33	8,530.38 2,642.29	(3,232.87) (399.96)	
125000110	110	BAKER HUGHES INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	06/24/09	3,953.33	8,403.80	(4,450 47)	
125000130	207	CVS CAREMARK CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	07/13/09	6,440.32	8,329 68	(1,889 36)	
125000260	307	HALLIBURTON CO HOLDINGS CO MorganStanley SmithBarney LLC acted as your agent in this transaction.	04/17/08	09/24/09	8,234 81	13,722.90	(5,488 09)	
125000300	137	INGRAM MICRO INC CLASS A	04/17/08	05/15/09	2,141 91	2,245 35	(103 44)	

THE CHARLSON FOUNDATION

Account Number 243-13288-10 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000310	293	INTEL CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	07/30/09	$ 5,706.41	$ 6,457.28	($ 750 87)	
125000350	562	LIMITED BRANDS INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	08/07/09	8,454.68	10,003.04	(1,548.36)	
125000360	8	LIMITED BRANDS INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	09/22/09	138.53	142 39	(3 86)	
125000370	22	LIMITED BRANDS INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	04/17/08	09/23/09	384.48	391 58	(7.10)	
125000390	129	MARATHON OIL CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	05/21/08	08/07/09	3,962.85	7,006.35	(3,043 50)	
125000400	38	MARATHON OIL CORP	05/21/08	10/21/09	1,349.08	2,063.89	(714 81)	
	87	MorganStanley SmithBarney LLC	05/22/08		3,088.68	4,611.78	(1,523.10)	
	97	acted as your agent	05/29/08		3,443.70	4,942.32	(1,498 62)	
	63	in this transaction.	06/19/08		2,236.63	3,299 27	(1,062 64)	
	19		06/20/08		674.54	976.22	(301 68)	
125000410	80	MARATHON OIL CORP	06/20/08	10/23/09	2,732.07	4,110.39	(1,378.32)	
	31	MorganStanley SmithBarney LLC acted as your agent in this transaction.	07/15/08		1,058.68	1,372 70	(314 02)	
125000550	172	WPP PLC ADR Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	06/26/09	5,747.44	10,394.65	(4,647 21)	
125000560	55	WPP PLC ADR Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/17/08	06/30/09	1,822.21	3,323.87	(1,501.66)	
Total					**$ 102,076.18**	**$ 154,091.97**	**($ 52,015 79)**	

2009 YEAR END SUMMARY

Reserved Client Statement 2009 Year End Summary

THE CHARLSON FOUNDATION

Account Number 243-05221-16 105

Details of Short Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000020	690	AMBASSADORS GROUP INC DEL	10/02/09	10/22/09	$ 8,993.09	$ 10,426.45	($ 1,433 36)	
	660	MorganStanley SmithBarney LLC acted as your agent in this transaction.	10/20/09		8,602.08	10,868.75	(2,266 67)	
125000030	304	CABOT MICROELECTRONICS CORP	04/15/08	03/19/09	7,308.47	9,528.50	(2,220 03)	
125000060	234	HANSEN NATURAL CORP	10/21/08	03/19/09	8,229 73	6,119.40		2,110 33
125000090	835	NATCO GROUP INC CLASS A	07/01/08	06/02/09	29,989.00	44,737.55	(14,748 55)	
	310	Morgan Stanley Smi	10/01/08		11,133.64	11,914.32	(780.68)	
	809	th Barney LLC acted as yo ur agent in this transa	12/23/08		29,055.22	10,768.44		18,286 78
125000100	1,026	NATCO GROUP INC CLASS A MorganStanley SmithBarney LLC acted as your agent in this transaction.	12/23/08	11/13/09	48,330.43	13,656.88		34,673 55
Total					**$ 151,641.66**	**$ 118,020.29**	**($ 21,449.29)**	**$ 55,070.66**

33,621

Details of Long Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	1,037	AARON RENTS INC CLASS B	05/05/05	01/14/09	$ 27,023.13	$ 23,627.11		$ 3,396 02
125000040	923	CABOT MICROELECTRONICS CORP MorganStanley SmithBarney LLC acted as your agent in this transaction	04/15/08	11/11/09	29,586.64	28,930.28		656.36
125000050	431	FACTSET RESEARCH SYSTEMS INC	03/10/05	04/21/09	20,853 52	13,861.43		6,992.09

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-05221-16 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000070	1,100	K V PHARMACEUTICAL CO CLASS A	03/21/05	01/28/09	$ 464 64	$ 25,198 91	($ 24,734 27)	
	1,055		08/29/05		445.63	17,931 84	(17,486.21)	
	106		01/18/07		44 77	2,446.69	(2,401 92)	
125000080	585	MEASUREMENT SPECIALTIES INC	10/21/05	03/24/09	1,949.03	12,086 10	(10,137.07)	
	705		12/01/05		2,348 83	16,855.77	(14,506.94)	
	630		11/21/05		2,098 96	15,754 28	(13,655.32)	
	270		03/30/06		899.55	6,678.72	(5,779.17)	
	865		07/17/06		2,881.90	17,979 72	(15,097.82)	
	350		01/18/07		1,166.10	6,982 75	(5,816.65)	
125000110	720	PETROLEUM DEVELOPMENT CORP MorganStanley SmithBarney LLC acted as your agent in this transaction.	09/11/08	10/21/09	14,846 01	35,748 07	(20,902.06)	
125000120	749	POWER INTEGRATIONS INC	08/15/06	02/24/09	14,030 26	12,166 46		1,863.80
125000130	1,476	POWER INTEGRATIONS INC MorganStanley SmithBarney LLC acted as your agent in this transaction.	08/15/06	09/28/09	49,687.37	23,975 55		25,711.82
125000140	669	QUALITY SYSTEMS INC	11/19/07	04/21/09	33,720 61	19,569.72		14,150.89
125000150	743	WORLD ACCEP CORP DEL	02/01/06	04/21/09	15,352.43	21,068.73	(5,716.30)	
Total					**$ 217,399.38**	**$ 300,862.13**	**($ 136,233 73)**	**$ 52,770.98**

<83,463>

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION
Account Number 243-05222-15 105

Details of Short Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000080	.3836	UNICREDITO ITALIANO SPA -EUR CASH IN LIEU OF .38364 RECORD 05/20/09 PAY 05/21/09	07/22/08	05/21/09	$ .90	$ 1.94	($ 1.04)	
125000110	.5934	BRASIL TELECOM S A SPONSORED ADR REPSTG PFD SHS MERGER 11/16/09 105530109001	11/24/09	11/24/09	18.80	18.54		.26
125000120	.9863	BRASIL TELECOM SA ADR MERGER 11/16/09 105530109001	11/24/09	11/24/09	15.78	16.40	(.62)	
125000190	65	HSBC HLDG PLC SP ADR NEW MorganStanley SmithBarney LLC acted as your agent in this transaction.	04/08/09	11/16/09	4,169 57	1,201.69		2,967 88
125000210	110	HENKEL AG & CO KGAA SPONSORED ADR REPSTG PFD SHS MorganStanley SmithBarney LLC acted as principal	02/17/09	10/19/09	5,180.86	2,695.87		2,484 99
125000220	630	HOLCIM LTD-CHF SALE OF RTS ON 630.0000 SHS	07/27/09	07/27/09	186.41	.01		186.40
125000230	630	HOLCIM LTD-CHF MorganStanley SmithBarney LLC acted as your agent in this transaction.	03/18/09	11/09/09	8,609.16	3,793.08		4,816.08
125000250	190	INFINEON TECHNOLOGIES ADR Morgan Stanley Smi th Barney LLC acted as pr incipal in this transac	08/18/09	09/09/09	1,046.51	583.97		462.54
125000260	694	INFINEON TECHNOLOGIES ADR MorganStanley SmithBarney LLC acted as principal in this transaction.	08/18/09	10/05/09	3,764 29	2,133.04		1,631.25
125000350	.5	TNT N V SPONSORED ADR-USD CASH IN LIEU OF .50000 RECORD 04/13/09 PAY 04/28/09	10/27/08	04/28/09	9.21	9.12		.09

THE CHARLSON FOUNDATION
Account Number 243-05222-15 105

Details of Short Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000400	1,080	WOLSELEY PLC SPONSORED ADR SALE OF RTS ON 1080.0000 SHS	04/01/09	04/01/09	$ 2,279.77	$ 01		$ 2,279.76
Total					**$ 25,281 26**	**$ 10,453 67**	**($ 1 66)**	**$ 14,829 25**

14,828

Details of Long Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	160 30	DEUTSCHE POST AG BONN-EUR MorganStanley SmithBarney LLC acted as your agent in this transaction.	08/09/06 08/18/08	10/20/09	$ 3,069.36 575 50	$ 3,938 53 682.11	($ 869.17) (106 61)	
125000020	600	HOME RETAIL GROUP PLC-GBP MorganStanley SmithBarney LLC acted as your agent in this transaction.	07/25/08	10/20/09	2,999.44	2,753 40		246.04
125000030	230	NEXT GROUP PLC-GBP MorganStanley SmithBarney LLC acted as your agent in this transaction.	06/19/08	10/20/09	6,830.91	4,572.42		2,258.49
125000040	310	XL CAPITAL LTD CLASS A MorganStanley SmithBarney LLC acted as your agent in this transaction	07/29/08	12/10/09	5,610 85	5,609.95		.90
125000050	130	TYCO ELECTRONICS LTD MorganStanley SmithBarney LLC acted as your agent in this transaction.	09/19/07	10/19/09	3,122 84	4,290 00	(1,167 16)	
125000060	100	TAKEDA PHARMACEUTICAL CO LTD-JPY MorganStanley SmithBarney LLC acted as your agent	03/04/08	10/20/09	4,091 96	5,458 48	(1,366 52)	

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION
Account Number 243-05222-15 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000070	1,420	INTESA SANPAOLO SPA-ITL MorganStanley SmithBarney LLC acted as your agent in this transaction.	03/31/04	10/20/09	$ 6,802.19	$ 4,474.80		$ 2,327.39
125000090	160	BARCLAYS PLC-ADR Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	11/07/07	07/20/09	3,318.33	6,910.34	(3,592.01)	
125000100	270	BARCLAYS PLC-ADR	11/07/07	10/19/09	6,741.75	11,661.19	(4,919 44)	
	120	MorganStanley SmithBarney LLC acted as your agent in this transaction.	02/04/08		2,996.33	4,578.95	(1,582.62)	
125000130	63	BRASIL TELECOM PARTICIPACO	04/04/00	11/24/09	3,885.63	4,525 60	(639.97)	
	130	SA SPONSORED ADR	10/24/00		8,017.98	6,662.36		1,355.62
125000140	460	ERICSSON L M TEL CO CL B	03/14/07	03/16/09	4,113.11	8,068.24	(3,955.13)	
	70	ADR NEW -USD-	10/19/07		625.91	1,031.02	(405 11)	
125000150	410	ERICSSON L M TEL CO CL B ADR NEW -USD- Morgan Stanley Smi th Barney LLC acted as pr	10/19/07	06/26/09	3,958.52	6,038.85	(2,080.33)	
125000160	360	ERICSSON L M TEL CO CL B ADR NEW -USD- Morgan Stanley Smi th Barney LLC acted as pr	10/19/07	07/23/09	3,708.40	5,302.40	(1,594.00)	
125000170	120	GLAXOSMITHKLINE PLC SP ADR MorganStanley SmithBarney LLC acted as your agent in this transaction.	12/01/06	10/19/09	5,045.87	6,436.39	(1,390.52)	
125000180	110	HSBC HLDG PLC SP ADR NEW MorganStanley SmithBarney LLC acted as your agent in this transaction.	03/21/07	10/19/09	6,416.57	9,558.57	(3,142 00)	
125000190	30	HSBC HLDG PLC SP ADR NEW	03/21/07	11/16/09	1,924.41	2,606.88	(682.47)	
	2	MorganStanley SmithBarney LLC	03/23/07		128.29	188 48	(60.19)	
	3	acted as your agent	05/18/07		192.44	276.21	(83.77)	
	3	in this transaction.	08/17/07		192.44	292.59	(100 15)	
	3		11/23/07		192.44	223.38	(30 94)	
	7		03/25/08		449.03	588 49	(139 46)	

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-05222-15 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000200	.8333	RTS HSBC HOLDINGS PLC 03/31/2009 RECORD 03/13/09 PAY 03/16/09 FROM: 404280406001	Unavailable	03/16/09	$ 7 09			7.09
125000240	790	INFINEON TECHNOLOGIES ADR	01/23/06	09/04/09	4,212 32	7,540 55	(3,328.23)	
	630	Morgan Stanley Smi th Barney LLC acted as pr incipal in this transac	02/22/08		3,359 20	4,987 46	(1,628 26)	
125000250	570	INFINEON TECHNOLOGIES ADR Morgan Stanley Smi th Barney LLC acted as pr incipal in this transac	02/22/08	09/09/09	3,139 54	4,512.46	(1,372.92)	
125000270	910	KINGFISHER PLC SPONSORED ADR NEW Morgan Stanley Smi th Barney LLC acted as pr	10/12/07	07/22/09	6,130.60	6,889.07	(758.47)	
125000280	110	KINGFISHER PLC	10/12/07	10/19/09	859.08	832.74		26.34
	820	SPONSORED ADR NEW MorganStanley SmithBarney LLC acted as principal	12/04/07		6,404.03	5,152 96		1,251.07
125000290	10	KOREA ELEC PWR CORP SP ADR	11/14/97	10/19/09	152.31	85.17		67.14
	210	MorganStanley SmithBarney LLC acted as your agent in this transaction.	05/07/01		3,198.53	2,095.80		1,102.73
125000300	510	PROMISE CO LTD-UNSPON ADR	02/10/06	10/19/09	1,816 78	14,800.81	(12,984.03)	
	240	MorganStanley SmithBarney LLC	07/14/06		854.95	5,915.38	(5,060.43)	
	70	acted as principal in this transaction.	09/22/06		249 36	1,377 59	(1,128 23)	
125000310	180	SANOFI-AVENTIS SPONS ADR	09/30/05	04/06/09	4,924.95	7,476.30	(2,551.35)	
125000320	30	SANOFI-AVENTIS	09/30/05	10/19/09	1,183.23	1,246.05	(62.82)	
	130	SPONS ADR MorganStanley SmithBarney LLC acted as your agent	09/13/06		5,127.32	5,661.38	(534 06)	
125000330	80	SWISSCOM AG SPONS ADR MorganStanley SmithBarney LLC acted as principal in this transaction.	11/25/98	10/19/09	2,911 92	2,573 42		338.50

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-05222-15 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000340	100	TDK CORP AMER DEPOSIT SHS	11/13/07	10/19/09	$ 5,795.85	$ 7,141.82	($ 1,345.97)	
	20	MorganStanley SmithBarney LLC acted as principal in this transaction.	04/23/08		1,159.17	1,336.55	(177.38)	
125000360	50	TELMEX INTL S A.B. DE CV	09/04/98	10/19/09	724.08	127.96		596.12
	410	ADR SER L MorganStanley SmithBarney LLC acted as your agent	08/05/05		5,937.46	3,585.12		2,352.34
125000370	1,580	THOMSON SPONS ADR ADR Morgan Stanley Smi th Barney LLC acted as yo	06/14/06	07/07/09	1,387.20	26,738 97	(25,351 77)	
125000380	150	UNILEVER NV NY SHS-NEW Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	09/23/04	08/26/09	4,173.03	2,926.89		1,246 14
125000390	200	UNILEVER NV NY SHS-NEW MorganStanley SmithBarney LLC acted as your agent in this transaction	09/23/04	10/19/09	6,232.23	3,902.51		2,329.72
Total					**$ 154,950.73**	**$ 223,636.59**	**($ 84,191.49)**	**$ 15,498.54**

<68,684>

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THE CHARLSON FOUNDATION

Account Number 243-11487-13 105

2009 YEAR END SUMMARY

Details of Short Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000030	31	AMERICA MOVIL S A B DE CV SER L SPONS ADR VSP 04/03/09 -VSP 04032009	04/03/09	10/27/09	$ 1,397 13	$ 946.12		$ 451 01

THE CHARLSON FOUNDATION

Account Number 243-11487-13 105

Details of Short Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000070	102	DBS GROUP HLDG LTD SP ADR SALE OF RTS ON 102.0000 SHS RECORD 01/29/09 PAY 02/05/09	01/29/09	01/29/09	$ 398 16	$ .01		$ 398 15
125000090	32	FANUC LTD JAPAN-JPY SBX=H1 SBX CONNECTIVITY BUSINESS MorganStanley SmithBarney LLC	04/30/09	10/27/09	1,368.60	1,149.99		218.61
125000100	44	FANUC LTD JAPAN-JPY VSP 04/30/09 -VSP 04302009 SBX=H1	04/30/09	11/20/09	1,819 35	1,581.24		238.11
125000130	26	HDFC BANK LTD ADR VSP 09/23/08 -VSP 09232008 Morgan Stanley Smi	09/23/08	06/04/09	2,639 02	2,305.96		333 06
125000150	54	RTS HSBC HOLDINGS PLC 03/31/2009	04/07/09	04/07/09	486.07	.01		486 06
125000190	97	HUTCHISON WHAMPOA LTD-ADR SBX=H1 SBX CONNECTIVITY BUSINESS	04/16/08	04/03/09	2,566 60	4,723.90	(2,157.30)	
125000220	110	HUTCHISON WHAMPOA LTD-ADR VSP 12/10/08 -VSP 12102008 MorganStanley SmithBarney LLC	12/10/08	12/09/09	3,669 93	2,816.00		853.93
125000290	42	NOVARTIS AG ADR SBX=H1 SBX CONNECTIVITY BUSINESS	09/12/08	04/03/09	1,569 95	2,293.43	(723.48)	
125000300	103 33	NOVARTIS AG ADR	09/12/08 09/30/08	04/28/09	3,823.12 1,224.88	5,624.35 1,727.55	(1,801.23) (502.67)	
125000350	213	SKF AB SPONSORED ADR PAR S KR 12.50	04/03/09	05/29/09	2,503 88	2,206.68		297.20
125000380	37	SWISS REINSURANCE SPON ADR	03/19/08	03/18/09	498.90	3,072.85	(2,573.95)	
125000390	.0707	TAIWAN SEMICONDUCTOR MFG CO LTD ADR CASH IN LIEU OF .25473 RECORD 07/17/09 PAY 08/14/09	10/28/08	08/14/09	.73	.50		.23
Total					**$ 23,966.32**	**$ 28,448.59**	**($ 7,758.63)**	**$ 3,276.36**

<4,482>

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION
Account Number 243-11487-13 105

Details of Long Term Gain (Loss) 2009

This section shows your sales of securities during the year The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	435	QIAGEN-EUR VSP 02/02/07 -VSP 02022007 SBX=H1	02/02/07	04/03/09	$ 7,003.46	$ 7,617 81	($ 614 35)	
125000020	7	QIAGEN-EUR VSP 03/19/08 -VSP 03192008 SBX=H1	03/19/08	04/03/09	112 69	129.15	(16.46)	
125000040	245	ATLAS COPCO AB SPONS ADR RPSTG SER A -USD VSP 02/02/07 MorganStanley SmithBarney LLC	02/02/07	12/17/09	3,441.74	4,133 97	(692 23)	
125000050	15	BG GROUP PLC SPON ADR VSP 03/19/08 -VSP 03192008 SBX=H1	03/19/08	10/27/09	1,400.36	1,567.50	(167.14)	
125000060	1	BG GROUP PLC SPON ADR VSP 04/16/08 -VSP 04162008 SBX=H1	04/16/08	10/27/09	93 35	128.30	(34.95)	
125000080	48	ENCANA CORP-CAD VSP 02/02/07 -VSP 02022007 SBX=H1	02/02/07	06/30/09	2,376.41	2,317.31		59.10
125000110	151	FRESENIUS MEDICAL CARE AG & CO. KGAA SPONS ADR VSP 02/02/07 -VSP 02022007	02/02/07	04/03/09	5,686.62	6,821.83	(1,135 21)	
125000120	10	FRESENIUS MEDICAL CARE AG & CO KGAA SPONS ADR VSP 03/07/08 -VSP 03072008	03/07/08	04/03/09	376 59	527.47	(150.88)	

THE CHARLSON FOUNDATION
Account Number 243-11487-13 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000140	.5833	RTS HSBC HOLDINGS PLC 03/31/2009 CASH IN LIEU OF .58333 RECORD 03/13/09 PAY 03/16/09	Unavailable	03/16/09	$ 4.96			4.96
125000160	77	HOYA CORP SPONSORED ADR USD VSP 02/02/07 -VSP 02022007	02/02/07	11/20/09	1,891.07	2,737.35	(846.28)	
125000170	41	HOYA CORP SPONSORED ADR USD VSP 02/14/08 -VSP 02142008	02/14/08	11/20/09	1,006.93	1,016.80	(9 87)	
125000180	34	HOYA CORP SPONSORED ADR USD VSP 03/19/08 -VSP 03192008	03/19/08	11/20/09	835.01	797.98		37.03
125000200	146	HUTCHISON WHAMPOA LTD-ADR VSP 04/16/08 -VSP 04162008 MorganStanley SmithBarney LLC	04/16/08	11/20/09	5,039.25	7,110.20	(2,070.95)	
125000210	7	HUTCHISON WHAMPOA LTD-ADR VSP 11/04/08 -VSP 11042008 MorganStanley SmithBarney LLC	11/04/08	11/20/09	241.60	191.80		49.80
125000230	46	HUTCHISON WHAMPOA LTD-ADR VSP 11/04/08 -VSP 11042008 MorganStanley SmithBarney LLC	11/04/08	12/09/09	1,534.70	1,260.40		274.30
125000240	50	IMPERIAL OIL LTD NEW SBX=H1 SBX CONNECTIVITY BUSINESS Morgan Stanley Smi	04/16/08	06/30/09	1,926.95	2,868.00	(941.05)	
125000250	67	KUBOTA LTD ADR -USD- SBX=H1 SBX CONNECTIVITY BUSINESS Morgan Stanley Smi	02/02/07	06/30/09	2,741.56	3,533.15	(791.59)	

2009 YEAR END SUMMARY

THE CHARLSON FOUNDATION

Account Number 243-11487-13 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000260	50	KUBOTA LTD ADR -USD- SBX=H1 SBX CONNECTIVITY BUSINESS MorganStanley SmithBarney LLC	02/02/07	10/27/09	$ 1,983 94	$ 2,636 68	($ 652.74)	
125000270	230	L OREAL CO ADR -USD- SBX=H1 SBX CONNECTIVITY BUSINESS MorganStanley SmithBarney LLC	02/02/07	12/31/09	5.117 36	4,893 43		223.93
125000280	50	NESTLE S A SPONSORED ADR SBX=H1 SBX CONNECTIVITY BUSINESS Morgan Stanley Smi	02/02/07	06/30/09	1.881.95	1,847.15		34 80
125000310	96	NOVO-NORDISK A S ADR VSP 02/02/07 -VSP 02022007 SBX=H1	02/02/07	04/03/09	4.224 55	4,311 80	(87.25)	
125000320	51	NOVO-NORDISK A S ADR VSP 03/19/08 -VSP 03192008 SBX=H1	03/19/08	04/03/09	2,244 29	3,421.08	(1,176.79)	
125000330	107	ROCHE HLDG LTD SPON ADR VSP 02/02/07 -VSP 02022007 SBX=H1	02/02/07	04/03/09	3,615 50	5,103.84	(1,488 34)	
125000340	290	SKF AB SPONSORED ADR PAR S KR 12 50 SBX=H1 SBX CONNECTIVITY BUSINESS	02/02/07	04/30/09	3,155.11	5,719 85	(2,564 74)	
125000350	12 283	SKF AB SPONSORED ADR PAR S KR 12.50	02/02/07 03/19/08	05/29/09	141.06 3,326 74	236.68 5,292 10	(95.62) (1,965 36)	
125000360	55	SAP AKLENGESELLSCHAFT SPONS ADR-USD SBX=H1 SBX CONNECTIVITY BUSINESS	02/02/07	04/03/09	2,046 53	2,538 17	(491 64)	
125000370	22	SCHLUMBERGER LTD VSP 04/16/08 -VSP 04162008 SBX=H1	04/16/08	06/30/09	1,193.90	2,039.18	(845.28)	

THE CHARLSON FOUNDATION

Account Number 243-11487-13 105

Details of Long Term Gain (Loss) 2009 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000380	53	SWISS REINSURANCE SPON ADR	02/02/07	03/18/09	$ 714.64	$ 4,429.94	($ 3,715.30)	
125000390	.1046 .0794	TAIWAN SEMICONDUCTOR MFG CO LTD ADR CASH IN LIEU OF .25473 RECORD 07/17/09 PAY 08/14/09	02/02/07 03/19/08	08/14/09	1.08 .82	1 14 .78	(06)	 .04
125000400	225	TESCO PLC SPONSORED ADR VSP 02/02/07 -VSP 02022007 Morgan Stanley Smi	02/02/07	08/03/09	4,150.44	5,810 58	(1,660.14)	
125000410	238	UNILEVER PLC SPONS ADR NEW VSP 02/02/07 -VSP 02022007 SBX=H1	02/02/07	04/03/09	4,700.95	6,616.45	(1,915.50)	
125000420	51	UNILEVER PLC SPONS ADR NEW VSP 07/23/07 -VSP 07232007 SBX=H1	07/23/07	04/03/09	1,007.34	1,720 36	(713 02)	
125000430	9	UNILEVER PLC SPONS ADR NEW VSP 03/19/08 -VSP 03192008 SBX=H1	03/19/08	04/03/09	177.76	289.08	(111.32)	
Total					**$ 75,392.21**	**$ 99,667.31**	**($ 24,954 06)**	**$ 679.00**

<24,275>

2009 YEAR END SUMMARY