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

Department of the Treasury
Internal Revenue Service

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

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 Penn Quad Foundation, Inc.		A Employer identification number 41-2275542	
	Number and street (or P O box number if mail is not delivered to street address) 15 Glastonbury Oval		Room/suite	B Telephone number (see page 10 of the instructions) 617-630-6900
	City or town, state, and ZIP code Newton, MA 02468			
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation				
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 29,749 (Part I, column (d) must be on cash basis)				
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____				

Part I Revenue Operating and Administrative Expenses	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)
		3525	0	716	3919
	1 Contributions, gifts, grants, etc., received (attach schedule)	3525	0	716	3919
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch B	0	0	716	3919
	3 Interest on savings and temporary cash investments	0	0	0	0
	4 Dividends and interest from securities	716	716	716	716
	5a Gross rents	0	0	0	0
	b Net rental income or (loss) _____	0	0	0	0
	6a Net gain or (loss) from sale of assets not on line 10	3919	3919	3919	3919
	b Gross sales price for all assets on line 6a _____	3919	3919	3919	3919
	7 Capital gain net income (from Part IV, line 2)	3919	3919	3919	3919
	8 Net short-term capital gain	0	0	0	0
	9 Income modifications	0	0	0	0
	10a Gross sales less returns and allowances	0	0	0	0
	b Less: Cost of goods sold	0	0	0	0
	c Gross profit or (loss) (attach schedule)	0	0	0	0
	11 Other income (attach schedule)	0	0	0	0
	12 Total. Add lines 1 through 11	8160	4635	4635	4635
	13 Compensation of officers, directors, trustees, etc.	0	0	0	0
	14 Other employee salaries and wages	0	0	0	0
	15 Pension plans, employee benefits	0	0	0	0
	16a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	0	0	0	0
	c Other professional fees (attach schedule)	0	0	0	0
	17 Interest	0	0	0	0
	18 Taxes (attach schedule) (see page 14 of the instructions)	0	0	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	0
	20 Occupancy	0	0	0	0
	21 Travel, conferences, and meetings	0	0	0	0
	22 Printing and publications	0	0	0	0
	23 Other expenses (attach schedule)	50	0	0	0
	24 Total operating and administrative expenses.	0	0	0	0
	Add lines 13 through 23	1000	0	0	1000
	25 Contributions, gifts, grants paid	1052	0	0	1000
	26 Total expenses and disbursements. Add lines 24 and 25	1052	0	0	1000
	27 Subtract line 26 from line 12	7108	4635	4635	4635
	a Excess of revenue over expenses and disbursements	7108	4635	4635	4635
	b Net investment income (if negative, enter -0-)	4635	4635	4635	4635
	c Adjusted net income (if negative, enter -0-)	4635	4635	4635	4635

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments		16117	16530
	3	Accounts receivable ►			16530
		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)	34		
	b	Investments—corporate stock (attach schedule)	2288	8805	13219
	c	Investments—corporate bonds (attach schedule)			
Liabilities	11	Investments—land, buildings, and equipment: basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►)			
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	18439	25335	29749
Net Assets or Fund Balances	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	
		Foundations that follow SFAS 117, check here ► <input type="checkbox"/> 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 ► <input type="checkbox"/> and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	(212)	4414	
	30	Total net assets or fund balances (see page 17 of the instructions)	18227	29749	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	0	0	

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	18227
2	Enter amount from Part I, line 27a	2	7108
3	Other increases not included in line 2 (itemize) ► <u>Unrealized Gains</u>	3	4414
4	Add lines 1, 2, and 3	4	29749
5	Decreases not included in line 2 (itemize) ►	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	29749

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 See Attached Schedule					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a		N/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	3919	
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	3919	

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?
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) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	N/A		
2007			
2006			
2005			
2004			
2 Total of line 1, column (d)			2 N/A
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
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4
5 Multiply line 4 by line 3			5
6 Enter 1% of net investment income (1% of Part I, line 27b)			6
7 Add lines 5 and 6			7
8 Enter qualifying distributions from Part XII, line 4			8
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.			

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 ► <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)	1	93
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2		
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		
6	Credits/Payments:		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	0
b	Exempt foreign organizations—tax withheld at source		
c	Tax paid with application for extension of time to file (Form 8868)		
d	Backup withholding erroneously withheld		
7	Total credits and payments. Add lines 6a through 6d	7	0
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed ►		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid ►	9	93
11	Enter the amount of line 10 to be. Credited to 2010 estimated tax ►		
		Refunded	11
		0	0

Part VII-A Statements Regarding Activities

	Yes	No
1a	✓	
1b	✓	
1c	✓	
2	✓	
3	✓	
4a	✓	
4b	✓	
5	✓	
6	✓	
7	✓	
8a		
b		
9		
10	✓	

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.

If "Yes," attach a detailed description of the activities.

If "Yes," attach a conformed copy of the changes.

If "Yes," attach the statement required by General Instruction T.

If "Yes," complete Part II, col. (c), and Part XV

If "Yes," attach explanation

If "Yes," attach a schedule listing their names and addresses

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11	✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12	✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ►	13	✓
14	The books are in care of ► Steven Stern Located at ► 4600 Connecticut Ave. NW #925 Washington, DC	Telephone no ► 202-248-1762 ZIP+4 ► 20008	
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	✓
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	✓
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? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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? ► <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	✓
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.)	4a	✓
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4b	✓
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?		

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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>			5b	
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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<i>If "Yes," attach the statement required by Regulations section 53.4945–5(d).</i>					
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <i>If "Yes" to 6b, file Form 8870</i>			6b	✓
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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
Thomas Armitage 1775 Proffit Road, Vienna, VA 22182	President, 0.25	0		
Michael Kowalski 727 5th Avenue, New York, NY 10022	Treasurer, 0.25	0		
Bob B. Rosenthal 15 Glastonbury Oval, Waban, MA 02468	Clerk, 0.25	0		
Steven D. Stern 3001 Veazey Ter. NW #832, Washington, DC 20008	Invest Advisor 0.5	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				►

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	►

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 none	
2	
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 None	
2	
All other program-related investments. See page 24 of the instructions	
3 None	
Total. Add lines 1 through 3	►

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	23118
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	23118
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	0
3	Subtract line 2 from line 1d	3	23118
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	347
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	22771
6	Minimum investment return. Enter 5% of line 5	6	1139

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	1139
2a	Tax on investment income for 2009 from Part VI, line 5	2a	93
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	93
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1046
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	1046
6	Deduction from distributable amount (see page 25 of the instructions)	6	0
7	Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1046

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	1000
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
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	1000
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	1000

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

Part XIII Undistributed Income (see 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				1046
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only				896
b Total for prior years. 20 ____,20 ____,20 ____		0		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	0			
b From 2005	0			
c From 2006	0			
d From 2007	0			
e From 2008	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$				
a Applied to 2008, but not more than line 2a				896
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2009 distributable amount	0			150
e Remaining amount distributed out of corpus	0			
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	0			
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				
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)	0			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2005	0			
b Excess from 2006	0			
c Excess from 2007	0			
d Excess from 2008	0			
e Excess from 2009	0			

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

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).)

Michael J. Kowalski, Steven D. Stern

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.

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:
- b The form in which applications should be submitted and information and materials they should include:
- c Any submission deadlines:
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

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

Recipient	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
Name and address (home or business)				
a Paid during the year				
University of Pennsylvania Annual Giving			General Purposes	\$500
Delaware County PA SPCA			General Purposes	\$250
American Stroke Association			General Purposes	\$250
Total				► 3a 1,000
b Approved for future payment				
none				
Total				► 3b none

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income	Excluded by section 512, 513, or 514	(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	n/a				
b					
c					
d					
e					
f					
g	Fees and contracts from government agencies				
2	Membership dues and assessments . . .				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities . . .				
5	Net rental income or (loss) from real estate:				
a	Debt-financed property				
b	Not debt-financed property				
6	Net rental income or (loss) from personal property				
7	Other investment income				
8	Gain or (loss) from sales of assets other than inventory				
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)				
13	For each of the following, enter the amount of the gross amount in column (b) that is not excluded by section 512, 513, or 514. Add the amounts in column (d) for each of the following. Enter the total in column (d) on line 12.				

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

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

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

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?	Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a(1)	✓
(2)	Other assets	1a(2)	✓
b	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3)	Rental of facilities, equipment, or other assets	1b(3)	✓
(4)	Reimbursement arrangements	1b(4)	✓
(5)	Loans or loan guarantees	1b(5)	✓
(6)	Performance of services or membership or fundraising solicitations	1b(6)	✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	✓
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.		

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

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

Bal B. Asenthal, Clerk/Trustee

5/14/10

Clerk/Trustee

Sign Here

Signature of officer or trustee

Date _____

Title

Paid Preparer's Use Only	Preparer's signature 	Date	Check if self-employed ► <input type="checkbox"/>	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.

SCHWAB
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Schwab One® Account of
PENN QUAD FOUNDATION INC

Account Number
2600-1538

Statement Period
December 1-31, 2009

Part II page 1 of 2

Investment Detail - Cash and Money Market Funds [Sweep]

	Market Value	% of Account Assets
Cash		
Cash	0.23	<1%
Total Cash	0.23	<1%

	Quantity	Market Price	Market Value	Current Yield	% of Account Assets
Money Market Funds [Sweep]					
SCH MA AMT TAX FREE MMF SWDXX	16,529.3900	1.0000	16,529.39	0.01%	56%
Total Money Market Funds [Sweep]			16,529.39		56%
Total Cash and Money Market Funds [Sweep]			16,529.62		56%

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

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Investment Detail - Equities

Equities	Quantity	Market Price	Market Value	% of Account Assets
BLACKROCK INV'T QUALITY	3 3524	117800	39 49	<1%
SYMBOL RFA				
BLKROCK CRR ALLO INCOME	150 0000	11 3800	1,707 00	6%
TRUST IV				
SYMBOL BTZ				
EASTMAN CHEMICAL CO	1 0000	60 2400	60 24	<1%
SYMBOL EMN				
FANNIE MAE	1,500 0000	1 1800	1,770 00	6%
SYMBOL FNM				
FOOT LOCKER INC	12 0000	11 1400	133 68	<1%
SYMBOL FL				
FREDDIE MAC VOTING SHS	1,200 0000	1 4700	1,764 00	6%
SYMBOL FRE				
FULTON FINANCIAL CORP	300 0000	8 7200	2,616 00	9%
SYMBOL FULT				
Total Equities			8,090.41	27.9%
Investment Detail - Mutual Funds				
Equity Funds	Quantity	Market Price	Market Value	% of Account Assets
— SCHWAB-FAR@ET-2030-FUND	1307180	10 1500	13,267.9	4%
SYMBOL SWDRX				
SCHWAB TARGET 2040 FUND	124 9060	10 2600	1,281 54	4%
SYMBOL SWERX				

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

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Schwab One® Account of
PENN QUAD FOUNDATION INC

Statement Period
December 1-31, 2009

Account Number
2600-1538

Part II page 2 of 2

Investment Detail - Mutual Funds (continued)

Equity Funds (continued)	Quantity	Market Price	Market Value	% of Account Assets
SCHWAB TOTAL STOCK MKT INDEX	127 6500	19.7500	2,521.09	8%
SYMBOL SWTSX				
Total Equity Funds			5,129.42	17%
Total Funds			5,129.42	17%
Total Investment Detail			29,749.45	100%
Total Account Value			29,749.45	100%

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

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Schwab One® Account of
PENN QUAD FOUNDATION INC

2009 Year-End Schwab Gain/Loss Report

Part IV page 1 of 2

Account Number
2600-1538

Report Period
January 1 - December 31, 2009

Realized Gain or (Loss)

						Accounting Method		High Cost
						Cost Basis	Realized Gain or (Loss)	
Short-Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds				
BLACKROCK EHNCD DIV INCM BDJ	325 0000	04/21/09	08/03/09	\$2,680.73		\$2,060.95	\$619.78	
Security Subtotal				\$2,680.73		\$2,060.95	\$619.78	
BLCKRCK ENHCD CAP & INCM CII	200 0000	04/01/09	10/08/09	\$2,891.97		\$2,035.67	\$856.30	
Security Subtotal				\$2,891.97		\$2,035.67	\$856.30	
CIT GROUP INC 3.375XXX**MATURED** DUE 04/01/09 125581AJ7	1,000 0000	01/29/09	04/01/09	\$1,000.00		\$995.50	\$4.50	
Security Subtotal						\$1,000.00	\$995.50	
CITIGROUP INC 6.20%09BONDS DUE 03/15/09 172967AX9	1,000 0000	01/26/09	03/15/09	\$1,000.00		\$998.50	\$1.50	
Security Subtotal						\$1,000.00	\$998.50	
FREDDIE MAC VOTING SHS FRE	800 0000	06/15/09	09/04/09	\$1,557.60		\$539.90	\$1,017.70	
Security Subtotal						\$1,557.60	\$539.90	
FULTON FINANCIAL CORP FULT	200 0000	06/15/09	09/02/09	\$1,378.41		\$1,071.78	\$306.63	
Security Subtotal						\$1,378.41	\$1,071.78	
ILLINOIS ST CIVI 5.25XXX**MATURED** DUE 12/15/09 45222LBA7	5,000 0000	10/26/09	12/15/09	\$5,000.00		\$5,024.45	(\$24.45)	
Security Subtotal						\$5,000.00	\$5,024.45	

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Schwab One® Account of
PENN QUAD FOUNDATION INC

2009 Year-End Schwab Gain/Loss Report

Print 10 page 2 of 2

Realized Gain or (Loss) (continued)

Short-Term (continued)		Acquired/ Opened		Sold/ Closed	Total Proceeds	Cost Basis	Accounting Method	High Cost Realized Gain or (Loss)
JACKSON MISS	3 25XXX**MATURED** DUE 10/01/09 4684305V1	5,000	0000	08/17/09	10/01/09	\$5,000.00	\$5,011.40	(\$11.40)
Security Subtotal							\$5,011.40	(\$11.40)
MERRILL LYNCH & CO 2XXX**MATURED** 06/05/09 TARGET TERM 59021V805		370	0000	12/29/08	06/05/09	\$3,700.00	\$3,502.32	\$197.68
Security Subtotal							\$3,502.32	\$197.68
PROSHARES ULTRA S&P 500 SSO		175	0000	03/03/09	04/03/09	\$3,784.52	\$2,813.83	\$970.69
Security Subtotal							\$2,813.83	\$970.69
VICTORIA TEX UTIL 4XXX**MATURED** DUE 12/01/09 926336EL8		5,000	0000	10/15/09	12/01/09	\$5,000.00	\$5,019.45	(\$19.45)
Security Subtotal							\$5,019.45	(\$19.45)
Total Short-Term							\$32,993.23	\$3,919.48
Total Realized Gain or (Loss)							\$32,993.23	\$29,073.75
<i>Schwab has provided realized gain and loss information wherever possible for most investments. Cost basis data may be incomplete or unavailable for some of your holdings. See Terms and Conditions.</i>								
<i>Option Customers. Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options. Please consult IRS publication 550, Investment Income and Expenses, for additional information on Options.</i>								

Total Realized Gain or (Loss)

\$29,073.75

\$3,919.48

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