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 ,

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.

THOMAS & KATHARINE STONER FOUNDATION
410 SEVERN AVENUE #216
ANNAPOLIS, MD 21403

A Employer Identification number: 42-1263576

B Telephone number (see the instructions): 410-268-1376

C If exemption application is pending, check here ► ☐

D 1 Foreign organizations, check here ► ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ► $ 10,715,827.

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (att sch)	2,885.			
	2 Ck ► [X] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	139,320.	139,320.	139,320.	
	4 Dividends and interest from securities	76,157.	76,157.	76,157.	
	5a Gross rents	5,761.	5,761.	5,761.	
	b Net rental income or (loss) 5,761.				
	6a Net gain/(loss) from sale of assets not on line 10	-370,068.			
	b Gross sales price for all assets on line 6a 2,756,488.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain			101,429.	
	9 Income modifications				
	10a Gross sales less returns and allowances 16,905.				
	b Less Cost of goods sold 7,271.				
	c Gross profit/(loss) (att sch) SEE ST 1	9,634.		9,634.	
	11 Other income (attach schedule) SEE STATEMENT 2	-31,603.		-31,603.	
	12 **Total.** Add lines 1 through 11	-167,914.	221,238.	300,698.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	81,195.			48,717.
	14 Other employee salaries and wages	89,664.			82,334.
	15 Pension plans, employee benefits	681.			409.
	16a Legal fees (attach schedule) SEE ST 3	2,708.			2,708.
	b Accounting fees (attach sch) SEE ST 4	9,750.			
	c Other prof fees (attach sch) SEE ST 5	194,271.	68,158.		121,822.
	17 Interest	21,674.	21,609.		
	18 Taxes (attach schedule)(see instr) SEE STM 6	15,694.			10,516.
	19 Depreciation (attach sch) and depletion	27,176.			
	20 Occupancy	46,356.			34,767.
	21 Travel, conferences, and meetings	59.			59.
	22 Printing and publications				
	23 Other expenses (attach schedule) SEE STATEMENT 7	142,145.	29,239.		97,124.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	631,373.	119,006.		398,456.
	25 Contributions, gifts, grants paid PART XV	455,377.			455,377.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,086,750.	119,006.	0.	853,833.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-1,254,664.			
	b **Net investment income** (if negative, enter -0-)		102,232.		
	c **Adjusted net income** (if negative, enter -0-)			300,698.	

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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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	21,510.	38,808.	38,808.
	2 Savings and temporary cash investments	1,436,818.	950,922.	950,922.
	3 Accounts receivable ►			
	Less: allowance for doubtful accounts ►			
	4 Pledges receivable ►			
	Less: allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less: allowance for doubtful accounts ►			
	8 Inventories for sale or use	248,902.	204,366.	204,366.
	9 Prepaid expenses and deferred charges	15,000.	36,188.	36,188.
	10a Investments – U.S. and state government obligations (attach schedule) STATEMENT 8	253,722.	290,839.	300,270.
	b Investments – corporate stock (attach schedule) STATEMENT 9	1,460,482.	587,864.	772,002.
	c Investments – corporate bonds (attach schedule) STATEMENT 10	255,468.	539,073.	590,282.
	11 Investments – land, buildings, and equipment: basis ►			
	Less accumulated depreciation (attach schedule) ►			
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule) STATEMENT 11	7,136,836.	7,192,358.	7,508,609.
	14 Land, buildings, and equipment: basis ► 452,673.			
	Less: accumulated depreciation (attach schedule) SEE STMT 12 ► 138,293.	340,706.	314,380.	314,380.
	15 Other assets (describe ►)			
	16 **Total assets** (to be completed by all filers – see instructions. Also, see page 1, item I)	11,169,444.	10,154,798.	10,715,827.
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ►)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.** ► [X]			
	24 Unrestricted	11,159,318.	10,144,672.	
	25 Temporarily restricted	10,126.	10,126.	
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ► [ ]			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see the instructions)	11,169,444.	10,154,798.	
	31 **Total liabilities and net assets/fund balances** (see the instructions)	11,169,444.	10,154,798.	

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	11,169,444.
2 Enter amount from Part I, line 27a	2	-1,254,664.
3 Other increases not included in line 2 (itemize) ► SEE STATEMENT 13	3	296,819.
4 Add lines 1, 2, and 3	4	10,211,599.
5 Decreases not included in line 2 (itemize) ►	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	10,211,599.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a SEE STATEMENT 14			
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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				
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	-370,068.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0- in Part I, line 8	3	101,429.

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2008	1,017,779.	11,705,036.	0.086952
2007	775,703.	13,427,363.	0.057770
2006	663,052.	11,521,999.	0.057547
2005	721,355.	11,685,230.	0.061732
2004	602,910.	11,605,167.	0.051952

2 **Total** of line 1, column (d)	2	0.315953
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.063191
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	9,911,619.
5 Multiply line 4 by line 3	5	626,325.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,022.
7 Add lines 5 and 6	7	627,347.
8 Enter qualifying distributions from Part XII, line 4	8	853,833.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary - see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► [X] and enter 1% of Part I, line 27b		1	1,022.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1,022.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-		5	1,022.
6 Credits/Payments:			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a 17,832.		
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	17,832.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	16,810.
11 Enter the amount of line 10 to be **Credited to 2010 estimated tax** ►	16,810. 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 the instructions for definition)?	1b		X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ► $ 0. **(2)** On foundation managers ► $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes.*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see the instructions) ► N/A			
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *Continued*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► N/A

14 The books are in care of ► BROWN INVESTMENT ADVISORY & TR Telephone no. ► 410-537-5400
Located at ► 901 SO BOND ST. SUITE 400 BALTIMORE MD ZIP + 4 ► 21231-3340

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐
and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

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

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

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

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No

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

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

Organizations relying on a current notice regarding disaster assistance check here ► ☐

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53 4945-5(d)

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

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

If 'Yes' to 6b, file Form 8870

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

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

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
THOMAS H. STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	PRESIDENT 10.00	0.	0.	0.
KATHARINE E. STONER 3065 RUNDELAC RD. ANNAPOLIS, MD 21403	VICE PRESIDE 10.00	0.	0.	0.
MARY E. WYATT 21 WAINWRIGHT AVENUE ANNAPOLIS, MD 21403	SECRETARY 40.00	78,830.	2,365.	0.

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

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

Total number of other employees paid over $50,000 ► 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

3 Five highest-paid independent contractors for professional services – (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
BETH TUTTLE 17 WEST WALNUT STREET ALEXANDRA, VA 22301	STRATEGIC PLANNING	120,000.
Total number of others receiving over $50,000 for professional services ►		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ►	0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes:			
a	Average monthly fair market value of securities		1a	8,362,554.
b	Average of monthly cash balances		1b	1,307,630.
c	Fair market value of all other assets (see instructions)		1c	392,373.
d	Total (add lines 1a, b, and c)		1d	10,062,557.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	10,062,557.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	150,938.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	9,911,619.
6	**Minimum investment return.** Enter 5% of line 5		6	495,581.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ► ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6		1	495,581.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 1,022.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	1,022.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	494,559.
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	494,559.
6	Deduction from distributable amount (see instructions)		6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	494,559.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes:		
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1a	853,833.
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	853,833.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	1,022.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	852,811.

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

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7					494,559.
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only				0.	
b Total for prior years: 20___, 20___, 20___			0.		
3 Excess distributions carryover, if any, to 2009:					
a From 2004					
b From 2005					
c From 2006					
d From 2007					
e From 2008	380,809.				
f Total of lines 3a through e		380,809.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► $ 853,833.					
a Applied to 2008, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required — see instructions)			0.		
c Treated as distributions out of corpus (Election required — see instructions)		0.			
d Applied to 2009 distributable amount					494,559.
e Remaining amount distributed out of corpus		359,274.			
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		740,083.			
b Prior years' undistributed income. Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions			0.		
e Undistributed income for 2008. Subtract line 4a from line 2a Taxable amount — see instructions				0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)		0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a		740,083.			
10 Analysis of line 9:					
a Excess from 2005					
b Excess from 2006					
c Excess from 2007					
d Excess from 2008	380,809.				
e Excess from 2009	359,274.				

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

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: **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter: **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 Information Regarding Foundation Managers:

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

SEE STATEMENT 15

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

NONE

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

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

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

SEE STATEMENT 16

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines:

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 17				
Total			► **3a**	455,377.
b *Approved for future payment* SEE STATEMENT 18				
Total			► **3b**	372,630.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	(e) Related or exempt function income (see the instructions)
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					139,320.
4 Dividends and interest from securities					76,157.
5 Net rental income or (loss) from real estate:					
a Debt-financed property					5,761.
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					-370,068.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory	511130	9,634.			
11 Other revenue:					
a K-1 FORM 4797 ORD INC					
b K-1 SECTION 1256 GAIN					-7,235.
c K-1'S CURRENCY TRANS INC					
d K-1'S ORD INCOME					-12,547.
e K-1'S OTHER INCOME					-11,821.
12 Subtotal. Add columns (b), (d), and (e)		9,634.			-180,433.

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 -170,799.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See the instructions.)
N/A	

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

		Yes	No
1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash	**1a(1)**		X
(2) Other assets	**1a(2)**		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	**1b(1)**		X
(2) Purchases of assets from a noncharitable exempt organization	**1b(2)**		X
(3) Rental of facilities, equipment, or other assets	**1b(3)**		X
(4) Reimbursement arrangements	**1b(4)**		X
(5) Loans or loan guarantees	**1b(5)**		X
(6) Performance of services or membership or fundraising solicitations	**1b(6)**		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	**1c**		X

d If the answer to any of the above is 'Yes,' complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no.	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If 'Yes,' complete the following schedule.

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship
N/A		

SIGN HERE

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

► Mary F. Wyatt | 11/9/10 | ► EXECUTIVE DIRECTOR
Signature of officer or trustee | Date | Title

Paid Preparer's Use Only			
Preparer's signature ► Thomas F. Kupstas	Date 11/03/10	Check if self-employed ► ☐	Preparer's Identifying number (See **Signature** in the instrs) [redacted]
Firm's name (or yours if self-employed), address, and ZIP code ► KUPSTAS & KUPSTAS, LLC 1833-F FOREST DRIVE ANNAPOLIS, MD 21401		EIN ► 52-2284992 Phone no ► (410) 268-5808	

STATEMENT 1
FORM 990-PF, PART I, LINE 10C
GROSS PROFIT (LOSS) FROM SALES OF INVENTORY

ITEMS SOLD	AMOUNT
BOOK SALES	$ 16,905.
GROSS SALES	$ 16,905.
LESS RETURNS & ALLOWANCES	0.
NET SALES	$ 16,905.
LESS COST OF GOODS SOLD	7,271.
GROSS PROFIT FROM SALES OF INVENTORY	$ 9,634.

STATEMENT 2
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
K-1 SECTION 1256 GAIN	$ -7,235.		$ -7,235.
K-1'S ORD INCOME	-12,547.		-12,547.
K-1'S OTHER INCOME	-11,821.		-11,821.
TOTAL	$ -31,603.	$ 0.	$ -31,603.

STATEMENT 3
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HARRISON WEATHERALL	$ 2,708.			$ 2,708.
TOTAL	$ 2,708.	$ 0.	$ 0.	$ 2,708.

STATEMENT 4
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BIA -PARTNERSHIPS	$ 1,095.			
KUPSTAS & KUPSTAS	8,655.			
TOTAL	$ 9,750.	$ 0.	$ 0.	$ 0.

STATEMENT 5
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMPUTER CONSULTING FEES	$ 1,584.			$ 792.
CONSULTING FEES PROJECTS	124,529.			121,030.
INVESTMENT FEES	55,105.	$ 55,105.		
PARTNERSHIP INVESTMENT FEES	13,053.	13,053.		
TOTAL	$ 194,271.	$ 68,158.	$ 0.	$ 121,822.

STATEMENT 6
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	$ 13,145.			$ 10,516.
TAXES - OTHER	2,549.			
TOTAL	$ 15,694.	$ 0.	$ 0.	$ 10,516.

STATEMENT 7
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVERTISING	$ 770.			
AUTO EXPENSES	1,210.			$ 605.
BENCH EXPENSES	9,970.			9,970.
BOARD MEETINGS	10,361.			10,361.
DUES & SUBSCRIPTIONS	631.			473.
ENHANCEMENT GRANT MANAGEMENT	28,000.			28,000.
ENTERTAINMENT	1,533.			
HEALTH PLAN	10,502.			6,728.
INSURANCE	5,102.			3,520.
K-1 PARTNERSHIP OTHER EXPENSES	29,239.	$ 29,239.		
OFFICE EXPENSES	8,243.			6,182.
OFFICE MAINTENANCE	12,307.			9,230.
POSTAGE & FREIGHT	717.			538.
TELEPHONE	4,980.			3,735.
TKF LIBRARY	238.			238.
UTILITIES	3,192.			2,394.
WEBSITE ENHANCEMENTS	15,150.			15,150.
TOTAL	$ 142,145.	$ 29,239.	$ 0.	$ 97,124.

STATEMENT 8
FORM 990-PF, PART II, LINE 10A
INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FED FARM CREDIT BKS 5.2% 3/20/13	COST	$ 51,540.	$ 54,946.
U S TREASURY NOTE 2.5%TIPS 7/15/16	COST	83,600.	87,606.
FEDERAL HOME LOAN BANKS 3.125%12/13/2013	COST	102,729.	102,782.
U S TREASURY NOTE 2.125% 1/15/2019	COST	52,970.	54,936.
		$ 290,839.	$ 300,270.
	TOTAL	$ 290,839.	$ 300,270.

STATEMENT 9
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
211 SCHLUMBERGER LTD	COST	$ 5,950.	$ 13,734.
365 AMERICAN EXPRESS CO	COST	15,003.	14,790.
440 BANK OF N Y MELLON	COST	12,709.	12,307.
275 MICROSOFT CORP	COST	5,332.	8,382.
295 MEDTRONICS INC	COST	10,237.	12,974.
340 MERCK & CO	COST	10,229.	12,424.
135 JACOBS ENGINEERING GRP INC	COST	4,677.	5,077.
370 CISCO SYSTEMS INC	COST	7,867.	8,858.
285 DELL INC	COST	4,687.	4,093.
425 DOVER CORP	COST	14,160.	17,684.
380 E I DUPONT	COST	12,693.	12,795.
139 FMC TECHNOLOGIES	COST	2,599.	8,040.
260 ACCENTURE LTD BERMUDA	COST	7,343.	10,790.
170 DAVITA INC	COST	9,083.	9,986.
130 JOHNSON & JOHNSON	COST	7,737.	8,373.
100 3M COMPANY	COST	7,470.	8,267.
340 SYMANTEC CORP	COST	5,215.	6,083.
221 ALLERGAN INC	COST	10,923.	13,925.
45 INTUITIVE SURGICAL INC	COST	4,340.	13,654.
186 MILLIPORE CORP	COST	10,767.	13,457.
221 IDEXX LABS INC	COST	7,369.	11,812.
215 STAPLES INC	COST	4,660.	5,287.
95 PROCTOR & GAMBLE	COST	5,138.	5,760.
181 MICROS SYSTEMS INC	COST	3,124.	5,616.
253 AMETEK INC	COST	8,627.	9,675.
125 DIAMOND OFFSHORE DRILLING	COST	7,129.	12,303.
130 M&T BANK	COST	6,030.	8,696.
57 WATERS CORP	COST	2,112.	3,532.
115 EATON CORP	COST	4,490.	7,316.
115 ILLINOIS TOOL WORKS	COST	3,802.	5,519.
263 COSTCO WHOLESALE	COST	12,323.	15,562.
225 BANK OF N Y MELLON	COST	6,197.	6,293.
59 MASTERCARD INC	COST	8,882.	15,103.
495 CHARLES SCHWAB	COST	10,372.	9,316.
135 DANAHER CORP	COST	10,122.	10,152.
209 ROPER INDUSTRIES	COST	8,914.	10,945.
78 APPLE INC	COST	7,753.	16,437.

STATEMENT 9 (CONTINUED)
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
570 CISCO SYSTEMS	COST	$ 9,929.	$ 13,646.
291 CITRIX SYSTEMS	COST	9,130.	12,109.
258 COGNIZANT TECH SOLUTIONS	COST	4,942.	11,695.
23 GOOGLE INC	COST	6,835.	14,260.
383 NETAPP INC	COST	8,882.	13,160.
473 TRIMBLE NAVIGATION LTD	COST	11,722.	11,920.
170 DARDEN RESTAURANTS INC.	COST	5,495.	5,962.
230 EBAY INC	COST	4,437.	5,412.
320 KRAFT FOODS INC	COST	7,565.	8,698.
170 SYSCO CORP	COST	3,889.	4,750.
135 CANADIAN NATURAL RESOURCES LTD	COST	7,151.	9,713.
100 EXXON MOBIL CORP	COST	6,924.	6,819.
300 TIDEWATER INC	COST	13,716.	14,385.
245 TOTAL S A ADR	COST	12,546.	15,690.
2250 ACE LIMITED ORD	COST	11,355.	11,340.
245 CHUBB CORP	COST	10,726.	12,049.
335 ASSURANT INC	COST	9,211.	9,876.
115 BECTON DICKINSON & CO	COST	7,410.	9,069.
235 DEERE & CO	COST	7,946.	12,711.
115 HARSCO CORP	COST	3,757.	3,706.
195 NORFOLK SOUTHERN CORP	COST	7,257.	10,222.
420 SNAP-ON INC	COST	12,599.	17,749.
285 HARRIS CORP	COST	8,522.	13,552.
100 AIR PRODUCTS & CHEMICALS INC	COST	5,358.	8,106.
95 SHERWIN WILLIAMS	COST	4,776.	5,857.
310 COACH INC	COST	4,306.	11,324.
539 PET SMART	COST	10,804.	14,386.
445 ALBERT CULVER CO	COST	10,069.	13,034.
199 CANADIAN NATURAL RESOURCES LTD	COST	9,428.	14,318.
262 COVANCE INC	COST	12,093.	14,297.
593 ABB LTD	COST	11,700.	11,326.
325 JACOBS ENGINEERING	COST	13,322.	12,223.
459 ACCENTURE PLC	COST	10,923.	19,049.
284 QUALCOM INC	COST	12,590.	13,138.
155 SALESFORCE.COM INC	COST	4,484.	11,434.
	TOTAL	$ 587,864.	$ 772,002.

STATEMENT 10
FORM 990-PF, PART II, LINE 10C
INVESTMENTS - CORPORATE BONDS

CORPORATE BONDS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
AMERICA MOVIL SA DE 5.5%	COST	$ 49,970.	$ 53,071.
COMCAST CORP 6.5% 1/15/17	COST	49,994.	55,353.
KRAFT FOODS INC 6% DUE 2/11/13	COST	25,451.	26,810.
ICI WILLIMNGTON INC 5.625% 12/01/13	COST	24,315.	26,094.
ONEOK PARTNERS 6.15% 10/1/16	COST	30,261.	31,525.
PPL ENERGY SUPPLT LLC 6.5% 5/01/18	COST	29,851.	31,281.
WEATHERFORD INT'L LTD 5.15% 3/15/2013	COST	14,035.	15,708.
GENERAL ELECTRIC 5% 2/1/2013	COST	18,731.	21,159.
WEATHERFORD INT'L LTD 5.15% 3/15/2013	COST	18,865.	20,945.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART II, LINE 10C
INVESTMENTS - CORPORATE BONDS

CORPORATE BONDS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
STAPLES INC 9.75% 1/15/2014	COST	$ 21,020.	$ 24,369.
PACCAR INC 6.875% 2/15/2014	COST	20,513.	22,561.
POTASH CORP 5.25% 5/15/2014	COST	2,994.	3,224.
COMCAST CORP 6.5% 1/15/2015	COST	20,226.	22,407.
ALLERGEN INC 5.75% 4/01/2016	COST	14,672.	16,175.
CATERPILLAR FIN'L SER 6.125% 2/17/2014	COST	20,031.	22,351.
STARBUCKS CORP 6.25% 8/15/2017	COST	23,559.	26,441.
CHARLES SCHWAB CORP 6.375% 9/1/2017	COST	20,226.	21,657.
GTE CORP 6.84% 4/15/2018	COST	20,481.	21,909.
SPECTRA ENERGY CAPITAL 6.75% 7/15/2018	COST	18,381.	21,268.
BARRICK NA FINANCE 6.8% 9/15/2018	COST	14,899.	16,735.
FEDEX CORP 8% 1/15/2019	COST	21,020.	24,089.
AVON PRODUCTS 6.5% 3/01/2019	COST	19,770.	22,352.
E I DUPONT 5.75% 3/15/2019	COST	19,589.	21,443.
NORFOLK SOUTHERN CORP 5.9% 6/15/2019	COST	20,219.	21,355.
	TOTAL	$ 539,073.	$ 590,282.

STATEMENT 11
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

OTHER PUBLICLY TRADED SECURITIES	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FHLMC POOL G10690 7% 7/01/12	COST	$ 5,649.	$ 6,017.
FNMA POOL #254089 6% 12/01/16	COST	13,721.	14,546.
FNMA POOL #368990 6.5% 12/01/10	COST	6,445.	6,400.
BIA VENTURE INVESTORS - JMI IV	COST	17,426.	39,217.
BIA INVESTORS - TRIDENT CAPITAL	COST	25,295.	30,774.
BIA VENTURE PARTNERS - BAKER COMM	COST	27,497.	30,263.
BIA VENTURE PARTNERS - INTERSOUTH	COST	15,229.	21,119.
BIA INVESTORS LP ACCEL VIII	COST	19,478.	25,607.
FNMA POOL #433646 6% 10/01/13	COST	27,083.	28,489.
FNMA POOL #539082 7% 08/01/28	COST	1,726.	1,886.
BROWNIA INV - CHARLESBANK	COST	52,504.	68,218.
DODGE & COX STK FD	COST	303,965.	369,864.
BROWN IA ROBINSON CROSSING	COST	83,942.	223,577.
BROWN ADV INTERMED BD FD INST CL	COST	35,637.	36,126.
FNMA PASS THRU 4.145 12/1/33	COST	25,437.	26,027.
BRENTON COMMUNITIES FUND VI MEL RAY LLC	COST	50,000.	50,000.
ELEVATION PARTNERS	COST	74,063.	113,392.
SILVER LAKE PARTNERS II	COST	107,279.	106,397.
SYMPHONY CAPITAL VENTURE PARTNERS	COST	163,067.	142,772.
FHLMC POOL A40782 5%	COST	66,766.	71,245.
FHLMC POOL G11649 4.5%	COST	45,103.	46,914.
STONE ARCH CAPITAL	COST	116,643.	116,643.
NORTHSTAR MEZZANINE PARTNERS IV	COST	252,571.	252,571.
FNMA POOL #831413 5.5% 4/1/36	COST	79,522.	85,396.
FHLMC SERIES R005 5.5% 3/15/16	COST	101,414.	108,928.
OVERLOOK PARTNERS FD LP	COST	500,000.	596,814.
HARRIS ASSOCIATES INVT TRUST OAKMARK INT	COST	976,493.	722,930.

STATEMENT 11 (CONTINUED)
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OTHER PUBLICLY TRADED SECURITIES			
HLM VENTURE PARTNERS	COST	$ 60,370.	$ 54,847.
BROWN ADVISORY VENTURE GROWTH PRTRS 2006	COST	41,826.	36,295.
BRENTON COMMUNITIES FD VII COUNTRY LV	COST	50,000.	50,000.
FSP PHOENIX TOWER CORP	COST	100,000.	100,000.
BRENTON COMMUNITIES FD VIII BLAIR	COST	100,000.	100,000.
BRENTON COMMUNITIES FD IX SLATER	COST	100,000.	100,000.
FHLMC POOL#C90993 5.5% 10/1/26	COST	75,574.	80,619.
IPATH DOW JONES - AIG COMMODITY	COST	261,771.	181,718.
POINT 406 VENTURES I LP	COST	43,364.	44,635.
PHILLIPS EDISON DEVELOP FD LLC	COST	67,500.	67,500.
FIVE CORNERS PARTNERS LP	COST	400,000.	479,384.
BENNETT HIGH VALUE LP	COST	1,000,000.	1,071,067.
FSP 303 EAST WACKER DRIVE CORP	COST	150,000.	150,000.
FHLMC POOL M80931 GOLD 5.5% 8/01/11	COST	56,704.	57,441.
FNMA POOL 255415 5.5% 08/01/11	COST	23,524.	23,846.
FNMA POOL 888218 5% 03/01/37	COST	69,168.	74,108.
FNMA POOL 909932 6% 03/01/37	COST	83,294.	86,044.
LAUDUS MONDRIAN EMERGING MKTS	COST	100,000.	110,859.
BAIN CAPITAL X	COST	26,572.	22,367.
VANGUARD GNMA FUND	COST	110,736.	109,508.
HARBOR CAPITAL APPRECIATION FD	COST	230,000.	346,260.
BRENTON FINANCE LLC	COST	48,000.	48,000.
TOTAL OTHER PUBLICLY TRADED SECURITIES		$ 6,392,358.	$ 6,736,630.
OTHER SECURITIES			
CDK GLOBAL CAPITAL LTD 4/07	COST	250,000.	254,344.
CDK GLOBAL SELECT FD SUB-CLASS E 9/07	COST	250,000.	244,151.
CDK GLOBAL SELECT FD 06/08	COST	300,000.	273,484.
TOTAL OTHER SECURITIES		$ 800,000.	$ 771,979.
TOTAL		$ 7,192,358.	$ 7,508,609.

STATEMENT 12
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
AUTO./TRANSPORTATION EQUIP.	$ 25,000.	$ 21,250.	$ 3,750.	$ 3,750.
FURNITURE AND FIXTURES	44,647.	34,036.	10,611.	10,611.
MACHINERY AND EQUIPMENT	45,688.	40,133.	5,555.	5,555.
IMPROVEMENTS	337,338.	42,874.	294,464.	294,464.
TOTAL	$ 452,673.	$ 138,293.	$ 314,380.	$ 314,380.

STATEMENT 13
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

LIMITED PARTNERSHIP COST BASIS ADJUSTMENTS	$ 296,819.
TOTAL	$ 296,819.

STATEMENT 14
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	K-1 PASSTHROUGH ENTITIES LONG TERM LOSS	PURCHASED	VARIOUS	VARIOUS
2	K-1 PASSTHROUGH ENTITIES SHORT TERM GAIN	PURCHASED	VARIOUS	VARIOUS
3	K-1 PASSTHROUGH ENTITIES SECTION 1231	PURCHASED	VARIOUS	VARIOUS
4	K-1 PASSTHROUGH ENTITIES SECTION 1250	PURCHASED	VARIOUS	VARIOUS
5	SEE ATTACHED BROWN ADVISORY SUMMARY	PURCHASED	VARIOUS	VARIOUS
6	SEE ATTACHED BROWN ADVISORY SUMMARY	PURCHASED	VARIOUS	VARIOUS

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I)-(J)	(L) GAIN (LOSS)
1	0.		125,378.	-125,378.				$-125,378.
2	170,608.		0.	170,608.				170,608.
3	2,785.		0.	2,785.				2,785.
4	25.		0.	25.				25.
5	1254911.		1324090.	-69,179.				-69,179.
6	1328159.		1677088.	-348,929.				-348,929.
							TOTAL	$-370,068.

STATEMENT 15
FORM 990-PF, PART XV, LINE 1A
FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS

THOMAS H. STONER
KATHARINE E. STONER

STATEMENT 16
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	MARY WYATT
CARE OF:	TKF FOUNDATION INC.
STREET ADDRESS:	410 SEVERN AVENUE #216
CITY, STATE, ZIP CODE:	ANNAPOLIS, MD 21403
TELEPHONE:	
FORM AND CONTENT:	ABAG COMMON GRANT APPLICATION FORM
SUBMISSION DEADLINES:	OCTOBER 1ST
RESTRICTIONS ON AWARDS:	ONLY 501(C)3 ORGANIZATIONS

STATEMENT 17
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
PARKS & PEOPLE'S FOUNDATION BALTIMORE MD 52-1349346,	NONE		2009 COMMUNITY GREENING PROGRAM AND 2009 COMMUNITY GREENING PROGRAM	$ 30,713.
ASSOC OF BALT AREA GRANTMAKERS BALTIMORE, MD 52-1326863,	NONE		GENERAL SUPPORT	2,200.
PROVIDENCE HEALTH FOUNDATION N E WASHINGTON, DC. 20017 52-1275583,	NONE		2009 ENHANCEMENT GRANT	2,375.
FRIENDS OF PATTERSON PARK BALTIMORE, MD 52-2094989,	NONE		2009 ENHANCEMENT GRANT	2,500.
UNIV OF MARYLAND BALT CO. CATONSVILLE, MD 52-6002033,	NONE		2009 BENCHTALK	10,000.
WASHINGTON PARKS & PEOPLE WASHINGTON, DC 52-1681110,	NONE		MERIDIAN HILLTOP GATHERING PLACE PROJECT & 2009 COMMUNITY GREENING PROGRAM	126,962.
LEAGUE FOR PEOPLE W/ DISABILIT BALTIMORE,MD. 52-0591579,	NONE		2009 ENHANCEMENT GRANT	1,500.
KIDS ON THE HILL INC BALTIMORE, MD. 52-2071821,	NONE		2009 ENHANCEMENT GRANT	1,000.
UNITY GARDENS CROWNSVILLE, MD 43-2026301,	NONE		2009 COMMUNITY GREENING	31,425.
CITY OF ANNAPOLIS ANNAPOLIS, MD 52-6000764,	NONE		4TH STREET CITY PARK	109.
CRISPUS ATTUCKS DEVELOPMENT CO WASHINGTON ,DC 52-1084840,	NONE		2009 ENHANCEMENT GRANT	2,500.

STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
AMERICAN COMM GARDENING ASSOC PHILADELPHIA, PA 23-2161919,	NONE		DUES	$ 120.
MARYLAND HALL FOR CREATIVE ART ANNAPOLIS, MD 52-1164469,	NONE		ENHANCEMENT GRANT	2,000.
AMAZING GRACE EVANGELICAL CHCH BALTIMORE, MD 52-1994645,	NONE		2009 ENHANCEMENT GRANT	2,500.
MARIAN HOUSE BALTIMORE, MD 52-1243849,	NONE		ENHANCEMENT GRANT	1,000.
THE ASSOC FOR THE PRESERVATION WASHINGTON , DC 52-1071828,	NONE		ENHANCEMENT GRANT	2,012.
ST JAMES EPISCOPAL CHURCH BALTIMORE, MD 52-0591545,	NONE		ENHANCEMENT GRANT	1,000.
METROPLOTAIN TRANSITION CENTER BALTIMORE, MD 52-6002033,	NONE		ENHANCEMENT GRANT	1,570.
UNIV OF MD COLLEGE PARK FDN COLLEGE PARK, MD 52-2197313,	NONE		GARDEN OF REMEMBERANCE & UMCP DOCUMENTARY	30,000.
AMERICAN VISIONARY ART MUSEUM BALTIMORE, MD. 52-1608934,	NONE		2009 ENHANCEMENT GRANT	2,500.
THE ARC OF CENTRAL CHEASAPEAKE REGION ANNAPOLIS , MD 52-6047882,	NONE		2009 ENHANCEMENT GRANT	1,250.
THE ARC OF PRINCE GEORGE'S COUNTY LARGO, MD 52-0715246,	NONE		SUPPORT THE SENSORY GARDEN PROJECT	17,000.

STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
NEWBORN HOLISTIC MINISTRIES BALTIMORE,MD 52-2002294,	NONE		ENHANCEMENT GRANT	$ 3,250.
A WIDER CIRCLE BETHESDA,MD 52-2345144,	NONE		SENIOR GARDEN AND MEDITATIVE SPACE	10,000.
BALTIMORE CLAYWORKS BALTIMORE, MD 52-1409133,	NONE		ENHANCEMENT GRANT	2,600.
CHEASAPEAKE BAY FOUNDATION ANNAPOLIS, MD. 52-6065757,	NONE		2009 ENHANCEMENT GRANT.	1,150.
COMMUNITY MEDIATION PROGRAM BALTIMORE, MD 52-2086670,	NONE		COMMUNITY PEACE GARDEN	18,596.
FRIENDS OF N E INTERFAITH PEACE GARDEN BALTIMORE, MD 20-8887587,	NONE		2009 ENHANCEMENT GRANT.	2,600.
JONES FALLS WATERSHED ASSOC BALTIMORE, MD 38-3665740,	NONE		UNZEN TO ZEN	19,500.
JUVENILE AGENCY VOLUNTEER AUXILIARY ELKTON, MD 52-1734508,	NONE		UNITY GARDEN @ CECIL COUNTY COURTHOUSE	60,445.
MOUNT WASHINGTON PRESERVATION TRUST INC BALTIMORE, MD 52-1645819,	NONE		2009 ENHANCEMENT GRANT.	2,500.
ST. LUKE'S EPISCOPAL CHURCH BETHESDA,MD 52-0681145,	NONE		2009 ENHANCEMENT GRANT.	1,500.
WHITMAN-WALKER CLINIC, INC ARLINGTON, VA 52-1122122,	NONE		ENHANCEMENT GRANT	2,500.
VILLAGE LEARNING PLACE BALTIMORE, MD 52-2109848,	NONE		ENHANCEMENT GRANT	2,500.

STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
BON SECOURS SPIRITUAL CENTER MARRIOTTSVILLE, MD 29-017960,	NONE		ENHANCEMENT GRANT	$ 2,500.
ADVOCATES FOR THE SURVIVORS BALTIMORE, MD 52-2025813,	NONE		HEALING GARDEN	50,000.
MCI-J MEDITATION GARDEN PROJECT JESSUP, MD 30-002563,	NONE		REFLECTION GARDEN AND TREE FARM	3,500.
			TOTAL	$ 455,377.

STATEMENT 18
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
UNIVERSITY OF MARYLAND COLLEGE PARK COLLEGE PARK, MD 52-2197313,	NONE		UMCP DOCUMENTARY	$ 5,000.
UNIVERSITY OF MARYLAND COLLEGE PARK COLLEGE PARK, MD 52-2197313,	NONE		GARDEN OF REMBERANCE	27,620.
WASHINGTON PARKS & PEOPLE WASHINGTON, DC 52-168110,	NONE		MERIDIAN HILLTOP GATHERING PLACE	85,000.
ST PHILIP THE EVANGELIST CHURC WASHINGTON, DC 53-0196608,	NONE		OLD MARKET HOUSE SQUARE PARK	176,000.
ADVOCATES FOR THE SURVIVORS BALTIMORE, MD. 52-2025813,	NONE		HEALING GARDEN	5,000.
JONES FALLS WATERSHED ASSOC BALTIMORE, MD 38-3665740,	NONE		UNZEN TO ZEN PROJECT	3,000.

STATEMENT 18 (CONTINUED)
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
A WIDER CIRCLE BETHESDA, MD 52-2345144,	NONE		SENIOR GARDEN AND MEDITATIVE SPACE	$ 30,000.
THE ARC OF PRINCE GEORGE'S COUNTY LARGO, MD 52-0715246,	NONE		PG COUNTY SENSORY GARDEN	1,000.
JUVENILE AGENCY VOLUNTEER AUXILIARY ELKTON, MD 52-1734508,	NONE		UNITY GARDEN	1,000.
MARYLAND CORRECTIONAL INST-JESSUP JESSUP, MD 30-002563,	NONE		REFLECTION GARDEN AND TREE FARM	39,010.
			TOTAL	$ 372,630.