WINLEY 04/30/2010

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 , 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.

Name of foundation
WINLEY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
2303 SALT POINT TURNPIKE

City or town, state, and ZIP code
CLINTON CORNERS NY 12514

A Employer identification number 52-1230146

B Telephone number (see page 10 of the instructions) 845-266-3065

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 18,648,236

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

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	Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
	Revenue				
1	Contributions, gifts, grants, etc , received (attach schedule)	1,000			
2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	594,212	594,212		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	-810,322			
b	Gross sales price for all assets on line 6a 16,573,056				
7	Capital gain net income (from Part IV, line 2)				
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns & allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) Stmt 2	674			
12	**Total.** Add lines 1 through 11	-214,436	594,212	0	
	Operating and Administrative Expenses				
13	Compensation of officers, directors, trustees, etc	35,004	17,502		
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) Stmt 3	6,000	5,400		
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions)				
19	Depreciation (attach schedule) and depletion Stmt 4	26			
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (att sch) Stmt 5	67,759	67,010		
24	**Total operating and administrative expenses.** Add lines 13 through 23	108,789	89,912		0
25	Contributions, gifts, grants paid	1,030,000			1,030,000
26	**Total expenses and disbursements.** Add lines 24 and 25	1,138,789	89,912	0	1,030,000
27	Subtract line 26 from line 12				
a	**Excess of revenue over expenses and disbursements**	-1,353,225			
b	**Net investment income** (if negative, enter -0-)		504,300		
c	**Adjusted net income** (if negative, enter -0-)			0	

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

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WINLEY 04/30/2010

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	8,440	4,974	4,974
	2	Savings and temporary cash investments	1,023,140	801,391	801,391
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (att schedule) ▶			
		Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule) Stmt 6	7,822,863	9,157,079	9,310,387
	b	Investments—corporate stock (attach schedule) See Stmt 7	8,287,215	6,469,573	8,046,922
	c	Investments—corporate bonds (attach schedule) See Stmt 8	1,147,430	502,872	476,524
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 810			
		Less accumulated depreciation (attach sch) ▶ Stmt 9 771	65	39	
	15	Other assets (describe ▶ See Statement 10)	8,038	8,038	8,038
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	18,297,191	16,943,966	18,648,236
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	18,297,191	16,943,966	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	18,297,191	16,943,966	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	18,297,191	16,943,966	

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	18,297,191
2	Enter amount from Part I, line 27a	2	-1,353,225
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	16,943,966
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	16,943,966

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

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8 }	3	

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

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

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

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

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2008	1,343,536	20,650,033	0.065062
2007	1,401,077	23,325,101	0.060067
2006	1,877,739	22,651,275	0.082898
2005	1,983,486	22,243,903	0.089170
2004	1,049,178	22,867,144	0.045881

2	**Total** of line 1, column (d)	2	0.343078
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	0.068616
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	17,874,106
5	Multiply line 4 by line 3	5	1,226,450
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	5,043
7	Add lines 5 and 6	7	1,231,493
8	Enter qualifying distributions from Part XII, line 4	8	1,030,000

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 ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter **(attach copy of letter if necessary—see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	10,086
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0
3	Add lines 1 and 2			3	10,086
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	10,086
6	Credits/Payments				
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	8,536		
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	8,536
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	26
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	1,576
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ Refunded ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ NY			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NONE

14 The books are in care of ▶ ANNA M. BARONE Telephone no ▶ 845-266-3065

2303 SALT POINT TURNPIKE

Located at ▶ CLINTON CORNERS, NY ZIP+4 ▶ 12514

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

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

	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? **(Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	N/A	1b		
	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?	N/A	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?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2009 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		4b		X

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

5a During the year did the foundation pay or incur any amount to
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A **5b**
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? 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? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation (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
See Statement 11				

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 N/A	
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 N/A	
2	
All other program-related investments See page 24 of the instructions 3	
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	16,865,612
b	Average of monthly cash balances			1b	1,280,650
c	Fair market value of all other assets (see page 24 of the instructions)			1c	39
d	**Total** (add lines 1a, b, and c)			1d	18,146,301
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	18,146,301
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)			4	272,195
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	17,874,106
6	**Minimum investment return.** Enter 5% of line 5			6	893,705

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	893,705
2a	Tax on investment income for 2009 from Part VI, line 5	2a	10,086		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	10,086
3	Distributable amount before adjustments Subtract line 2c from line 1			3	883,619
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	883,619
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	883,619

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	1,030,000
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	1,030,000
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	1,030,000

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					883,619
2	Undistributed income, if any, as of the end of 2009					
a	Enter amount for 2008 only					
b	Total for prior years 20_____ , 20_____ , 20_____					
3	Excess distributions carryover, if any, to 2009					
a	From 2004					
b	From 2005					
c	From 2006	530,215				
d	From 2007	274,668				
e	From 2008	323,962				
f	**Total** of lines 3a through e		1,128,845			
4	Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 1,030,000					
a	Applied to 2008, but not more than line 2a					
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					883,619
e	Remaining amount distributed out of corpus		146,381			
5	Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))					
6	**Enter the net total of each column as indicated below:**					
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5		1,275,226			
b	Prior years' undistributed income Subtract line 4b from line 2b					
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					
d	Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions					
e	Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions					
f	Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010					0
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)					
8	Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)					
9	**Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		1,275,226			
10	Analysis of line 9					
a	Excess from 2005					
b	Excess from 2006	530,215				
c	Excess from 2007	274,668				
d	Excess from 2008	323,962				
e	Excess from 2009	146,381				

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

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

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

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

N/A

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

N/A

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.

ANNA M. BARONE 845-266-3065
WINLEY FOUNDATION CLINTON CORNERS NY 12514

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

See Statement 12

c Any submission deadlines

NONE

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

NONE

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				
HUMANE SOCIETY US 700 PROFESSIONAL DR, ST A GAITHERSBURG MD 20879			FOR BENEFIT OF ANIMALS	300,000
ANIMAL WELFARE INSTITUTE 1007 QUEEN STREET ALEXANDRIA VA 22314			FOR BENEFIT OF ANIMALS	300,000
INTERNATIONAL PRIMATE PRO PO BOX 766 SUMMERVILLE SC 29484			FOR BENEFIT OF ANIMALS	300,000
HEART PO BOX 738 MAMARONECK NY 10543			FOR BENEFIT OF ANIMALS	25,000
EQUINE RESCUE P.O. BOX 392 WALDEN NY 12586			FOR BENEFIT OF ANIMALS	25,000
FRIENDS OF WASHOE 400 E UNIVERSITY WAY ELLENSBURG WA 98926-7573			FOR BENEFIT OF ANIMALS	25,000
GLOBAL FED ANIMAL SANCTUA P.O. BOX 501 PAYSON AZ 85547			FOR BENEFIT OF ANIMALS	25,000
SPECIES SURVIAL NETWORK 2100 L STREET, NW WASHINGTON DC 20037			FOR BENEFIT OF ANIMALS	30,000
Total			▶ 3a	1,030,000
b Approved for future payment N/A				
Total			▶ 3b	

Form 990-PF (2009) WINLEY FOUNDATION 52-1230146

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	594,212	
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			14	-810,322	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b SEC-QWEST FAIR FUND SEC LIQ			14	24	
c SEC V AIG DISTR FUND			14	590	
d ONG V SEARS ROEBUCK & COMPANY			14	60	
e					
12 Subtotal. Add columns (b), (d), and (e)		0		-215,436	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -215,436

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
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

▶ Anne M. Barone | Signature of officer or trustee | Date

▶ TREASURER 5/04/10 | Title

Paid Preparer's Use Only

Preparer's signature ▶ Anthony J. Morabito, CPA	Date 04/30/10	Check if self-employed ▶ ☐	Preparer's identifying number (see **Signature** on page 30 of the instructions)
Firm's name (or yours if self-employed), address, and ZIP code ▶ Morabito & Company 2 Dover Court Rochester, NY 14624		EIN ▶ Phone no 585-429-7759	

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization

(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2009

Attachment Sequence No **67**

Name(s) shown on return: WINLEY FOUNDATION

Identifying number: 52-1230146

Business or activity to which this form relates: Indirect Depreciation

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount See the instructions for a higher limit for certain businesses	1	250,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instr.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	26
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2009 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only–see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs.	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	26
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2009)

DAA

There are no amounts for Page 2

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description				How Received				
Whom Sold	Date Acquired	Date Sold	Sale Price		Cost	Expense	Depreciation	Net Gain / Loss
1500 ALLSTATE CORP	2/09/09	4/03/09	$ 30,883	Purchase	$ 33,885	$	$	$ -3,002
5500 ANALOG DEVICES	12/11/08	9/16/09	152,596	Purchase	102,320			50,276
3100 APPLIED MATLS I	3/17/09	9/25/09	40,423	Purchase	32,894			7,529
BANK OF AMERICA	Various	Various	228,265	Purchase	283,313			-55,048
2600 BONY	5/22/09	10/13/09	72,973	Purchase	71,401			1,572
3500 CVS CAREMARK CO	4/14/09	11/05/09	101,652	Purchase	103,756			-2,104
DEERE & CO	Various	Various	130,967	Purchase	159,836			-28,869
90000 ED 7.125 18	12/02/08	6/17/09	101,860	Purchase	89,693			12,167
1600 EMC CORP	11/10/08	8/04/09	24,452	Purchase	17,190			7,262
FG 4.5 #G13085	6/04/08	Various	53,165	Purchase	51,837			1,328
FG 5 #J02774	5/06/09	Various	87,425	Purchase	91,265			-3,840
FG 6 #G05295	3/06/09	Various	609,963	Purchase	607,309			2,654
FHLMC 2.875 10	12/17/08	1/23/09	1,297,958	Purchase	1,297,000			958
FHLMC 3.75 3/19	Various	12/29/09	2,563,443	Purchase	2,577,810			-14,367
FHLMC 4.375 15	Various	Various	3,107,569	Purchase	3,042,406			65,163
FN 5 #725429	5/15/09	Various	96,010	Purchase	100,347			-4,337
FN 5.5 #555409	1/08/09	Various	66,093	Purchase	68,615			-2,522

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description			How Received					
Whom Sold	Date Acquired	Date Sold		Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
FN 6 #988579	10/02/09	Various	Purchase	$ 65,087	$ 68,913	$	$	$ -3,826
FN 6.0 #735502	3/05/09	Various	Purchase	76,426	79,366			-2,940
FN ARM #835327	11/06/08	Various	Purchase	29,141	29,411			-270
FNMA 1.75 03/11	3/19/09	Various	Purchase	1,009,921	1,003,468			6,453
FNMA 4.25 08/10	2/27/09	3/19/09	Purchase	594,190	594,868			-678
200 GOLDMAN SACHS	2/25/09	4/06/09	Purchase	23,417	17,963			5,454
1200 HONEYWELL INTL	12/16/08	10/21/09	Purchase	44,969	38,508			6,461
IBM 7.625 10/18	10/10/08	6/12/09	Purchase	177,340	150,793			26,547
1000 JPMORGAN CHASE	1/21/09	4/02/09	Purchase	28,440	22,649			5,791
1900 PARKER HANNIFIN	12/11/08	9/29/09	Purchase	101,139	72,736			28,403
2400 SCHWAB CHARLES	2/09/09	5/08/09	Purchase	43,679	34,799			8,880
BANK OF AMERICA	Various	1/29/09	Purchase	25,056	159,926			-134,870
BOEING CO	Various	Various	Purchase	155,248	264,740			-109,492
3200 CISCO SYS INC	8/03/06	Various	Purchase	65,148	56,166			8,982
5500 COMCAST A SPL	10/05/07	Various	Purchase	78,348	132,370			-54,022
2500 DEERE & CO	10/08/08	10/28/09	Purchase	114,585	91,611			22,974
EMC CORP	Various	8/04/09	Purchase	67,243	63,437			3,806

WINLEY WINLEY FOUNDATION
52-1230146
FYE: 12/31/2009

Federal Statements

4/30/2010

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description			How Received					
Whom Sold	Date Acquired	Date Sold		Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
FG 4.5 #G13085	6/04/08	Various	Purchase	$ 81,823	$ 79,779	$	$	$ 2,044
FH ARM #1G2110	9/11/07	Various	Purchase	537,268	524,443			12,825
FH ARM #1Q0271	8/20/07	Various	Purchase	111,501	111,468			33
FHLB 3.875 1/10	12/21/07	3/19/09	Purchase	107,487	105,353			2,134
FHLB 4.375 3/10	12/21/07	3/19/09	Purchase	258,286	253,221			5,065
FHLMC 4.875 10	12/21/07	3/19/09	Purchase	41,352	40,894			458
FN 4 #888700	9/11/07	Various	Purchase	108,877	103,180			5,697
FN 5 #256543	9/11/07	Various	Purchase	49,581	48,909			672
FN 5 #879514	9/11/07	Various	Purchase	357,753	333,647			24,106
FN 5.5 #793482	3/21/07	Various	Purchase	369,953	353,536			16,417
FN 5.5 #836178	9/11/07	Various	Purchase	78,293	77,365			928
FN 5.5 #902120	9/11/07	Various	Purchase	655,202	628,094			27,108
FN 6 #943010	9/11/07	Various	Purchase	37,050	37,352			-302
FN ARM #835327	11/06/08	Various	Purchase	2,844	2,871			-27
FNMA 4.625 13	1/14/03	1/23/09	Purchase	109,862	99,293			10,569
GENERAL ELECTRIC	Various	3/03/09	Purchase	56,168	219,108			-162,940
4600 HOME DEPOT INC	4/25/08	8/04/09	Purchase	120,558	134,498			-13,940

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description			How Received					
Whom Sold	Date Acquired	Date Sold		Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
HONEYWELL INTL	Various	Various	Purchase	$ 176,905	$ 186,686	$	$	$ -9,781
IBM 4.375 06/09	1/08/08	6/01/09	Purchase	150,000	151,116			-1,116
INTEL CORP	10/14/94	5/22/09	Purchase	60,502	92,313			-31,811
2300 IBM	2/26/98	Various	Purchase	222,156	121,325			100,831
JPMORGAN CHASE	Various	4/02/09	Purchase	142,198	188,012			-45,814
LFI HIGH YIELD	Various	12/09/09	Purchase	200,000	224,509			-24,509
MASCO CORP	Various	2/05/09	Purchase	68,035	244,080			-176,045
MICROSOFT CORP	Various	Various	Purchase	225,450	338,593			-113,143
4000 ORACLE CORP	5/24/04	Various	Purchase	67,015	45,491			21,524
AT&T NOTE DUE 3/15/09	12/13/07	3/15/09	Purchase	185,000	187,590			-2,590
TEXTRON	Various	1/23/09	Purchase	65,468	254,446			-188,978
TIME WARNER	Various	Various	Purchase	204,806	296,308			-91,502
TIME WARNER-A	Various	Various	Purchase	43,463	97,629			-54,166
700 UNITED TECHNOLOGY	2/26/98	5/08/09	Purchase	37,274	15,739			21,535
WAL-MART STORES	Various	Various	Purchase	175,852	173,929			1,923

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description			How Received				
Whom Sold	Date Acquired	Date Sold	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
Total			$ 16,573,056	$ 17,383,378	$ 0	$ 0	$ -810,322

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
SEC-QWEST FAIR FUND SEC LIQ	$ 24	$	$
SEC V AIG DISTR FUND	590		
ONG V SEARS ROEBUCK & COMPANY	60		
Total	$ 674	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 6,000	$ 5,400	$	$
Total	$ 6,000	$ 5,400	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 19 - Depreciation

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
2 TRESTLE TABLES							
1/01/00	$ 75	$ 75	S/L	7	$	$	$
3 METAL FILE CABINETS & DESK CHAIR							
1/01/00	100	100	S/L	7			

Statement 4 - Form 990-PF, Part I, Line 19 - Depreciation (continued)

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
COPIER							
5/21/02	$ 500	$ 500	S/L	5	$	$	$
PRINTER							
3/28/07	135	70	200DB	5	26		
Total	$ 810	$ 745			$ 26	$ 0	$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Expenses				
INVESTMENT MANAGEMENT FEES	64,294	64,294		
FILING FEES	750			
OFFICE EXPENSE	831	832		
INSURANCE	1,884	1,884		
Total	$ 67,759	$ 67,010	$ 0	$ 0

Statement 6 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
US Treasury Note 3.125	$	$ 2,987,486	Cost	$ 2,950,002
US Treasury Note 1.75		300,397	Cost	296,913
Federal Home Loan Bank	105,353		Cost	
Federal Home Loan Mortgage	821,533		Cost	
Federal Home Loan Mortgage	40,895		Cost	
Federal Home Loan Mortgage	1,297,000		Cost	
Federal Home Loan Mortgage		109,920	Cost	110,481
Federal Home Loan Bank	253,221		Cost	
Federal National Mortgage	99,293		Cost	
Federal National Mortgage 1.875		110,662	Cost	111,134
FHLMC Pool #1G2110	524,443		Cost	
FHLMC Pool #1Q0271	763,075	651,607	Cost	688,667
FHLMC Pool #J02774		573,876	Cost	579,514
FHLMC Pool FG#G13085		475,454	Cost	502,318
FNMA Pool #256543	239,661	190,752	Cost	202,822
FNMA Pool #555409		362,569	Cost	367,068
FNMA Pool #725429		759,182	Cost	764,365
FNMA Pool #735502		379,919	Cost	390,196
FNMA Pool #793482	353,536		Cost	
FNMA Pool #835327	210,372	178,092	Cost	185,596
FNMA Pool #G13085	607,070		Cost	
FNMA Pool #836178	736,498	659,132	Cost	700,672
FNMA Pool #879514	333,647		Cost	
FNMA Pool #888700	632,909	529,728	Cost	564,103
FNMA Pool #902120	628,094		Cost	
FNMA Pool #943010	176,263	138,911	Cost	146,162

Statement 6 - Form 990-PF, Part II, Line 10a - US and State Government Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FHMA Pool #988579	$	$ 749,392	Cost	$ 750,374
Total	$ 7,822,863	$ 9,157,079		$ 9,310,387

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AT&T Inc	$	$ 113,797	Cost	$ 126,135
Bank of America Corp	300,467	83,231	Cost	105,420
Charles Schwab Corp New		79,691	Cost	80,926
Cisco Systems Inc	301,288	245,122	Cost	287,280
Coca Cola Co		62,935	Cost	91,200
Comcast Corp - Special Cl A	455,902	399,131	Cost	352,220
Dover Corp		117,667	Cost	124,830
EMC Corp	161,206	80,578	Cost	131,025
Emerson Electric Co		191,911	Cost	213,000
General Electric Co	219,108		Cost	
Goldman Sachs Group Inc		70,527	Cost	109,746
Honeywell International Inc	234,821	135,994	Cost	164,640
Intel Corp	402,578	310,266	Cost	285,600
Intl Business Machines Corp	290,125	168,800	Cost	418,880
JPMorgan Chase & Co	188,012	159,324	Cost	300,024
Lazard Intl Equity Portfolio I	1,329,606	1,330,139	Cost	1,495,484
Masco Corp	244,080		Cost	
MasterCard Inc		76,742	Cost	115,191
Microsoft Corp	681,188	342,596	Cost	402,468

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Mosaic Co	$	$ 51,910	Cost	$ 59,730
Oracle Corp	218,861	173,370	Cost	306,750
Republic Services Inc Cl A		73,136	Cost	87,761
Symantec Corp		78,559	Cost	89,450
Textron Inc	254,445		Cost	
Time Warner Inc	393,936		Cost	
United Parcel Service Inc Cl B		86,234	Cost	86,055
United Technologies Corp	156,807	141,068	Cost	284,581
Wal-Mart Stores Inc	391,898	283,806	Cost	304,665
Walgreen Co	110,250	110,250	Cost	220,320
Home Depot	134,498		Cost	
JC Penney	129,556	129,556	Cost	111,762
Starbucks Corp		47,360	Cost	92,240
Molson Coors Brewing Co	201,414	201,414	Cost	180,640
Wells Fargo	126,315	285,652	Cost	296,890
Medtronic	142,679	206,210	Cost	241,890
Boeing Co	264,740		Cost	
Deere & Co	251,447		Cost	
Parker Hannifin	95,705	86,075	Cost	118,536
Analog Devices	102,320		Cost	
Google Inc	110,607	110,607	Cost	201,494
Visa Inc	139,890	139,890	Cost	166,174
Hewlett Packard	141,083	183,642	Cost	231,795
Air Products & Chemicals	112,383	112,383	Cost	162,120

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Total	$ 8,287,215	$ 6,469,573		$ 8,046,922

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Lazard High Yield	$ 568,238	$ 381,839	Cost	$ 351,825
AT&T Corp	187,590		Cost	
Con Ed	89,693		Cost	
IBM Corp	150,793		Cost	
IBM Corp	151,116		Cost	
Bottling Group LLC		121,033	Cost	124,699
Total	$ 1,147,430	$ 502,872		$ 476,524

Statement 9 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
OFFICE EQUIPMENT	$ 65	$ 810	$ 771	$
Total	$ 65	$ 810	$ 771	$ 0

Statement 10 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
DUE FROM TRUSTS	$ 8,038	$ 8,038	$ 8,038
Total	$ 8,038	$ 8,038	$ 8,038

Federal Statements

Statement 11 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
TATIANA NAGRO 57 RED MILL ROAD GLEN GARDNER NJ 08826	PRESIDENT	3.00	0	0	0
EDWARD J. WALSH, JR. 1633 BROADWAY, 47TH FLOOR NEW YORK NY 10019	SECRETARY	3.00	0	0	0
HEIDI PRESCOTT 700 PROFESSIONAL DRIVE, STE A GAITHERSBURG VA 20041	VICE PRES	3.00	0	0	0
CATHY LISS P.O. BOX 3650 WASHINGTON DC 20027	VICE PRES	3.00	0	0	0
ANNA M. BARONE 2303 SALT POINT TURNPIKE CLINTON CORNERS NY 12514	TREAS	20.00	35,004	0	0

Statement 12 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
TYPEWRITTEN REQUEST TO INCLUDE NAME OF APPLICANT, ADDRESS, TELEPHONE #, CONTACT PERSON, REASON FOR REQUEST, CHARITABLE PURPOSE OF ORGANIZATION.

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
NONE

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
NONE