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: KNOX CHARITY FUND, INC.

Number and street (or P O box number if mail is not delivered to street address) Room/suite: P.O. BOX 1685

City or town, state, and ZIP code: AUGUSTA, GA 30903

A Employer identification number: 59-2640739

B Telephone number: (706)828-7805

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 ▶ ☐

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 4,692,526.

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

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received				
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	66,065.	66,065.		STATEMENT 1
	4 Dividends and interest from securities	58,803.	52,876.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-292,210.			
	b Gross sales price for all assets on line 6a 2,200,924.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	-4,647.	-4,647.	0.	STATEMENT 3
	12 **Total.** Add lines 1 through 11	-171,989.	114,294.	0.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 4	1,575.	1,575.	0.	0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 5	1,241.	292.	0.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 6	65,078.	64,991.	0.	0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	67,894.	66,858.	0.	0.
	25 Contributions, gifts, grants paid	198,450.			198,450.
	26 **Total expenses and disbursements.** Add lines 24 and 25	266,344.	66,858.	0.	198,450.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-438,333.			
	b **Net investment income** (if negative, enter -0-)		47,436.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	111,798.	365,007.	365,007.
	3 Accounts receivable ▶ 5,125.			
	Less: allowance for doubtful accounts ▶		5,125.	5,125.
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	2,634.	1,685.	1,685.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	3,224,651.	2,639,952.	2,995,747.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	1,654,357.	1,543,338.	1,324,962.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,993,440.	4,555,107.	4,692,526.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	4,993,440.	4,555,107.	
	30 **Total net assets or fund balances**	4,993,440.	4,555,107.	
	31 **Total liabilities and net assets/fund balances**	4,993,440.	4,555,107.	

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	4,993,440.
2	Enter amount from Part I, line 27a	2	-438,333.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,555,107.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,555,107.

Part IV Capital Gains and Losses for Tax on Investment Income

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

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	2,200,924.		2,493,134.	-292,210.

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				-292,210.

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** -292,210.

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

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

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	252,200.	4,983,579.	.050606
2007	348,732.	5,869,738.	.059412
2006	241,100.	5,473,866.	.044046
2005	184,525.	5,118,012.	.036054
2004	266,363.	4,311,682.	.061777

2	**Total** of line 1, column (d)	2	.251895
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	.050379
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,059,633.
5	Multiply line 4 by line 3	5	204,520.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	474.
7	Add lines 5 and 6	7	204,994.
8	Enter qualifying distributions from Part XII, line 4	8	198,450.

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 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	949.
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	949.
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	949.
6	Credits/Payments:			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a 2,634.		
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	2,634.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached		8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	1,685.
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶	1,685. 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 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? 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 instructions) ▶ GA			
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)*

		Line	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 ▶ WYCKLIFFE KNOX Telephone no. ▶ 706-828-7805

Located at ▶ 699 BROAD STREET, SUITE 1400 ZIP+4 ▶ 30901

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

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

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

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

			Line	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?		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 ▶ ______, ______, ______, ______				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	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. ▶ ______, ______, ______, ______				
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)? ☐ 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)? 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.

(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
WYCKLIFFE A. KNOX PO BOX 2043 AUGUSTA, GA 30903	PRESIDENT 0.00	0.	0.	0.
SHELL H. KNOX PO BOX 2043 AUGUSTA, GA 30903	SECRETARY 0.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A **Summary of Direct Charitable Activities**

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

Part IX-B **Summary of Program-Related Investments**

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	3,760,260.
b	Average of monthly cash balances	1b	361,195.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	4,121,455.
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	4,121,455.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	61,822.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,059,633.
6	**Minimum investment return.** Enter 5% of line 5	6	202,982.

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	202,982.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 949.		
b	Income tax for 2009. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	949.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	202,033.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	202,033.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	202,033.

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	198,450.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	198,450.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	198,450.

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				202,033.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004 61,803.				
b From 2005				
c From 2006				
d From 2007 68,281.				
e From 2008 4,669.				
f Total of lines 3a through e	134,753.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 198,450.				
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				198,450.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	3,583.			3,583.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	131,170.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	58,220.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	72,950.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007 68,281.				
d Excess from 2008 4,669.				
e Excess from 2009				

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

1 a 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
2 a 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 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).)

WYCKLIFFE A. KNOX

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:

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient 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 9				
Total			▶ 3a	198,450.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	66,065.	
4 Dividends and interest from securities			14	58,803.	
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			14	-4,647.	
8 Gain or (loss) from sales of assets other than inventory			18	-292,210.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		-171,989.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 -171,989.

(See worksheet in line 13 instructions 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).

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02-02-10

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.

Signature of officer or trustee — Date: 5/12/10 — Title: President

Paid Preparer's Use Only

Preparer's signature	Date: 5/6/10	Check if self-employed ▶ ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code	HABIF, AROGETI, & WYNNE, L.L.P. FIVE CONCOURSE PARKWAY, SUITE 1000 ATLANTA, GEORGIA 30328	EIN ▶	Phone no.

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	TALON OPPORTUNITY PARTNERS	P	VARIOUS	VARIOUS
b	TALON OPPORTUNITY PARTNERS	P	VARIOUS	VARIOUS
c	TALON TOTAL RETURN QP PARTNERS	P	VARIOUS	VARIOUS
d	TALON OPPORTUNITY PARTNERS	P	VARIOUS	VARIOUS
e	NORTHERN TRUST - SEE ATTACHED	P	VARIOUS	VARIOUS
f	NORTHERN TRUST - SEE ATTACHED	P	VARIOUS	VARIOUS
g	CAPITAL GAINS DIVIDENDS			
h				
i				
j				
k				
l				
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			69,892.	-69,892.
b			30,235.	-30,235.
c	76,277.			76,277.
d			77,886.	-77,886.
e	1,104,670.		1,034,552.	70,118.
f	1,013,494.		1,280,569.	-267,075.
g	6,483.			6,483.
h				
i				
j				
k				
l				
m				
n				
o				

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				-69,892.
b				-30,235.
c				76,277.
d				-77,886.
e				70,118.
f				-267,075.
g				6,483.
h				
i				
j				
k				
l				
m				
n				
o				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter "-0-" in Part I, line 7 }	2	-292,210.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

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04-24-09

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
K-1 INTEREST- TALON OPPORTUNITY PARTNERS	2,244.
K-1 INTEREST- TALON TOTAL RETURN QP PARTNERS	63,753.
K-1 INTEREST-ENERGY TRANSFER PARTNERS	40.
NORTHERN TRUST - INTEREST	28.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	66,065.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
K-1 DIVIDENDS- TALON OPPORTUNITY PARTNERS	3,424.	0.	3,424.
K-1 DIVIDENDS-ENERGY TRANSFER PARTNERS	117.	0.	117.
K-1 DIVIDENDS-TALON SHARPRIDGE	4,837.	0.	4,837.
NORTHERN TRUST-DIVDENDS	56,908.	6,483.	50,425.
TOTAL TO FM 990-PF, PART I, LN 4	65,286.	6,483.	58,803.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ORDINARY INCOME - ENERGY TRANSFER PARTNERS	-6,976.	-6,976.	0.
OTHER INCOME- TALON TOTAL RETURN QP	2,107.	2,107.	0.
OTHER INCOME- ENERGY TRANSFER PARTNERS	222.	222.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	-4,647.	-4,647.	0.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	1,575.	1,575.	0.	0.
TO FORM 990-PF, PG 1, LN 16B	1,575.	1,575.	0.	0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAXES & LICENSES	30.	30.	0.	0.
TAXES - IRS	949.	0.	0.	0.
FOREIGN TAX	262.	262.	0.	0.
TO FORM 990-PF, PG 1, LN 18	1,241.	292.	0.	0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EXPENSES	2,400.	2,400.	0.	0.
INVESTMENT MANAGEMENT FEES	30,458.	30,458.	0.	0.
INVESTMENT INTEREST EXPENSE	18.	18.	0.	0.
OTHER DEDUCTIONS - TALON OPPORTUNITY PARTNERS	6,916.	6,916.	0.	0.
OTHER DEDUCTIONS - TALON SHARPRIDGE	2,933.	2,933.	0.	0.
OTHER DEDUCTIONS - TALON TOTAL RETURN QP PARTNERS	22,196.	22,196.	0.	0.
MISC EXPENSES	70.	70.	0.	0.
NON-DEDUCTIBLE EXPENSES	87.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	65,078.	64,991.	0.	0.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SECURITIES	2,639,952.	2,995,747.
TOTAL TO FORM 990-PF, PART II, LINE 10B	2,639,952.	2,995,747.

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
PARTNERSHIPS	COST	1,543,338.	1,324,962.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,543,338.	1,324,962.

FORM 990-PF — GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR — STATEMENT 9

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AUGUSTA MUSEUM OF HISTORY 560 REYNOLDS ST. AUGUSTA, GA 30901	NONE UNRESTRICTED	N/A	1,000.
AUGUSTA URBAN MINISTRIES 1714 OLIVE RD AUGUSTA, GA 30904	NONE UNRESTRICTED	N/A	2,500.
CENTRAL SAVANNAH RIVER LAND TRUST P.O. BOX 148 AUGUSTA, GA 30903	NONE UNRESTRICTED	N/A	1,000.
CHRIST COMMUNITY HEALTH SERVICES 1226 DANTIGNAC STREET AUGUSTA, GA 30901	NONE UNRESTRICTED	N/A	10,000.
GEORGIA HISTORICAL SOCIETY 501 WHITAKER ST SAVANNAH, GA 31401	NONE UNRESTRICTED	N/A	12,500.
GEORGIA-CAROLINA COUNCIL BOY SCOUTS OF AMERICA 1804 GORDON HWY AUGUSTA, GA 30904	NONE UNRESTRICTED	N/A	5,000.
GERTRUDE HERBERT INSTITUTE OF ART 506 TELFAIR ST. AUGUSTA, GA 30901	NONE UNRESTRICTED	N/A	500.
GOLDEN HARVEST FOOD BANK 3310 COMMERCE DR. AUGUSTA, GA 30909	NONE UNRESTRICTED	N/A	5,000.

HISTORICAL AUGUSTA, INCORPORATED P.O. BOX 37 AUGUSTA, GA 30903	NONE UNRESTRICTED	N/A	1,000.
JUNIOR ACHIEVEMENT ONE EDUCATION WAY COLORADO SPRINGS, CO 80906	NONE UNRESTRICTED	N/A	5,000.
KAPPA ALPHA ORDER EDUCATIONAL FOUNDATION 115 LIBERTY HALL ROAD LEXINGTON, VA 24450	NONE UNRESTRICTED	N/A	25,000.
MORRIS MUSEUM OF ART 1 TENTH STREET AUGUSTA, GA 30901	NONE UNRESTRICTED	N/A	1,000.
NAZARETH PRESBYTERIAN CHURCH 680 NAZARETH CHURCH RD MOORE, SC 29369	NONE UNRESTRICTED	N/A	500.
PEACHTREE ROAD UNITED METHODIST CHURCH 3180 PEACHTREE RD NE ATLANTA, GA 30305	NONE UNRESTRICTED	N/A	10,000.
SACRED HEART CULTURAL CENTER 1301 GREENE ST. AUGUSTA, GA 30901	NONE UNRESTRICTED	N/A	2,000.
SOUTHEASTERN NATURAL SCIENCES ACADEMY 1858 LOCK & DAM ROAD AUGUSTA, GA 30906	NONE UNRESTRICTED	N/A	1,000.
ST. JOHN UNITED METHODIST CHURCH ~~550 MOUNT PARAN RD NW ATLANTA, GA 30327~~ Greene Street Augusta, Ga. 30901	NONE UNRESTRICTED	N/A	30,000.
THE AUGUSTA BALLET P.O. BOX 3828 AUGUSTA, GA 30914	NONE UNRESTRICTED	N/A	2,500.

THE CARTER CENTER 453 FREEDOM PARKWAY ATHENS, GA 30307	NONE UNRESTRICTED	N/A	1,000.
THE FOUNDATION FOR PUBLIC BROADCASTING IN GEORGIA 260 14TH ST. NW ATLANTA, GA 30318	NONE UNRESTRICTED	N/A	1,000.
UGA FOUNDATION 394 S. MILLEDGE AVENUE STE 100 ATHENS, GA 30605	NONE UNRESTRICTED	N/A	55,950.
UNITED WAY OF THE CSRA 630 ELLIS ST. AUGUSTA, GA 30901	NONE UNRESTRICTED	N/A	10,000.
WESLEYAN COLLEGE 4760 FORSYTH ROAD MACON, GA 31210	NONE UNRESTRICTED	N/A	10,000.
YOUNG HARRIS COLLEGE 1 COLLEGE STREET YOUNG HARRIS, GA 30582	NONE UNRESTRICTED	N/A	5,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			198,450.

Talon Asset Management, LLC

REALIZED GAINS AND LOSSES

Knox Charity Fund, Inc.

NTC #03-12329

Equity 100%

From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
02-11-08	01-26-09	550 000	PG&E Corp	22,059 02	21,030 23	-1,028 79	
03-26-08	01-26-09	1,750 000	PG&E Corp	64,824 03	66.914 38	2,090 35	
02-06-08	02-04-09	1,750 000	R.R. Donnelley & Sons Co	59,558 28	16,547 56	-43,010 72	
05-08-08	02-04-09	2,150 000	R R Donnelley & Sons Co	67,990 31	20,329 85	-47,660 46	
12-10-08	02-10-09	2,650 000	Abercrombie & Fitch	55,633 04	53,584 02	-2,049 02	
11-05-08	02-18-09	2,300 000	NeuStar Inc Class A	36,245 93	36,705 72	459 79	
07-16-08	02-20-09	1,050 000	Hansen Natural Corp	24,989 48	35,052 89	10,063 42	
07-06-06	02-27-09	1,200 000	Johnson & Johnson	72,653 16	61,051.57		-11,601 59
06-22-06	03-09-09	1,300 000	Teva Pharmaceutical	40,639 17	56,087 40		15,448 23
12-09-08	03-17-09	7,300 000	Starbucks Corp	70,032 55	80,019 23	9,986 68	
04-21-05	03-17-09	300 000	United Parcel Service	21,107 79	13,718 92		-7,388 87
07-16-08	03-18-09	950 000	Hansen Natural Corp	22,609 53	34,262 87	11,653 35	
08-19-08	03-18-09	450 000	Energy Transfer Partners LP	19,283 85	16,185 78	-3,098 07	
07-16-08	03-18-09	1,150 000	Energy Transfer Partners LP	45,522 98	41,363 66	-4,159 32	
01-29-08	04-02-09	0 993	Time Warner Cable	45 17	27 09		-18 08
01-29-08	04-14-09	0 334	Time Warner	11 57	6 23		-5 34
01-29-08	04-27-09	660 000	Time Warner Cable	30,019 56	17,867 65		-12,151 91
02-02-06	04-28-09	825 000	Tyco International LTD	32,124 16	18,152.91		-13,971 25
04-21-06	04-28-09	375 000	Tyco International LTD	15,711 21	8,251 32		-7,459 89
08-20-07	04-28-09	1,100 000	Tyco International LTD	46,950 31	24,203 89		-22,746 42
02-05-08	04-28-09	750 000	Tyco International LTD	30,276 53	16,502 65		-13,773 88
02-24-09	06-03-09	161 000	Harris Stratex Networks, Inc	1,379 43	893 87	-485 56	
02-24-09	06-05-09	0 472	Harris Stratex Networks, Inc	4 04	2 30	-1 74	
02-24-09	06-09-09	650 000	Harris Corp	23,669 03	19,693.84	-3,975 19	
10-01-04	06-10-09	450 000	Reinsurance Group of America	18,698 54	16,566 41		-2,132.13
08-08-07	06-10-09	200 000	Reinsurance Group of America	10,483 28	7,362 85		-3,120 43
08-13-08	06-10-09	400 000	Reinsurance Group of America	18,630 56	14,725 70	-3,904 86	
09-03-08	06-10-09	300 000	Reinsurance Group of America	14,241 09	11,044 27	-3,196 82	
07-24-07	06-19-09	250.000	Covidien PLC	10,527 73	9,011 76		-1,515 97
08-18-08	06-19-09	1,400 000	Geo Group Inc	31,952 06	25,676 73	-6,275 33	
10-28-08	06-19-09	1,400 000	Cisco Systems	24,968.02	26,473 31	1,505 29	
08-05-05	06-22-09	800.000	Waste Management Inc	22,195 92	21,994 63		-201 29
01-29-08	06-22-09	400 000	Time Warner	13,860 40	9,665 71		-4,194 69
07-25-08	06-22-09	2,500 000	SAB Miller PLC ADR	54,563 00	50,781 69	-3,781 31	
07-16-08	07-17-09	700 000	Microsoft Corp	19,033 00	16,848 56		-2,184 44
12-30-08	07-17-09	100 000	Google Inc - Cl A	30,576 83	42,973 73	12,396 90	
02-27-09	07-29-09	1,350 000	Henry Schein, Inc	50,329 76	67,455 19	17,125 43	
05-25-05	08-18-09	250 000	Fomento Economico Mexicano ADS	4,437 50	9,213 83		4,776 33
07-16-08	08-18-09	550 000	Fomento Economico Mexicano ADS	24,645 39	20,270 44		-4,374 95
12-09-08	08-18-09	1,000 000	Homex	19,868 90	33,344 93	13,476 03	
01-29-08	08-26-09	2,233 000	Time Warner	77,375 70	63,252 33		-14,123 37
12-30-08	08-28-09	150 000	Google Inc - Cl A	45,865 25	69,965 28	24,100 03	
08-18-08	08-28-09	1,150 000	Geo Group Inc	26,246 34	20,242 24		-6,004 10
10-17-08	08-28-09	3,450 000	Geo Group Inc	55,585 37	60,726 71	5,141 34	
02-01-08	08-28-09	900 000	Fortune Brands	62,836.11	36,349 34		-26,486 77
07-16-08	08-28-09	1,100 000	Fortune Brands	60,569 19	44,426 98		-16,142 21
11-04-08	08-28-09	300 000	Fortune Brands	11,955.33	12,116 45	161 12	
08-13-07	08-28-09	1,362 500	American Commercial Lines, Inc.	119,098 85	29,371 74		-89,727 11
10-29-07	08-28-09	87 500	American Commercial Lines, Inc.	5,304.11	1,886 26		-3,417 85
09-21-05	08-28-09	400 000	3M Company	28,864 72	28,403 19		-461 53
10-29-07	08-31-09	1,050 000	American Commercial Lines, Inc.	63,649 32	22,107 50		-41,541 82
12-12-08	09-08-09	400 000	United Technologies Corp	19,274 40	24,055 38	4,780 98	
03-26-08	09-08-09	450 000	Exterran Holdings, Inc	27,735 26	8,124 54		-19,610 72
04-07-06	09-08-09	680 000	Exterran Holdings, Inc	39,939 28	12,277 08		-27,662 20
07-26-07	09-08-09	700 000	Cintas Corp	26,144.51	19,543 49		-6,601 02

Talon Asset Management, LLC
REALIZED GAINS AND LOSSES
Knox Charity Fund, Inc.
NTC #03-12329
Equity 100%
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
12-09-08	09-16-09	1,800 000	Homex	35,764 02	70,524 88	34,760 86	
03-18-09	09-16-09	1,300 000	Allstate Corp	25,075 57	37,526 26	12,450 69	
10-29-07	10-05-09	37 500	American Commercial Lines, Inc	2,273 19	1,015 38		-1,257 81
07-18-08	10-05-09	637 500	American Commercial Lines, Inc	25,413 81	17,261 39		-8,152 42
08-12-03	10-08-09	1 400 000	Costco Wholesale Corp	42,117 60	82,229 83		40,112 23
08-12-03	10-08-09	600 000	Costco Wholesale Corp	18,050 40	35,241 35		17,190 95
05-25-05	10-08-09	1,700 000	Fomento Economico Mexicano ADS	30,175 00	77,183 62		47,008 62
02-24-09	10-08-09	1 700 000	Teradata Corp.	24,753.70	46,202 26	21,448 56	
05-16-06	12-28-09	698 000	Exterran Holdings, Inc	40,190 81	14,648 76		-25,542 05
10-28-08	12-28-09	1 150 000	United Technologies Corp	53,476 27	80,818 08		27,341 81
12-12-08	12-28-09	200 000	United Technologies Corp	9,637 20	14,055 32		4,418 12
03-19-09	12-28-09	450 000	Chubb	19,259 37	22,015 05	2,755 68	
05-27-09	12-28-09	950 000	Chubb	38,087 02	46,476 23	8,389 21	
07-26-07	12-28-09	1,100 000	Cintas Corp	41,084 23	28,692 21		-12,392 02
08-20-07	12-28-09	1,900 000	Cintas Corp	66,966 83	49,559 27		-17,407 56
TOTAL GAINS						192,745 70	156,296 29
TOTAL LOSSES						-122,627 19	-423,371 68
				2,315,120 85	2,118,163 97	70,118 51	-267,075 40

TOTAL REALIZED GAIN LOSS -196 956 88

St proceeds 1,104,670 25
Basis 1,034551 74
70,118 51

LT proceeds 1,013,493.65
BASIS 1,280569,11
<267,075 40>

KNOX CHARITY FUND
SCHEDULE OF AVERAGE FAIR MARKET VALUE
FYE 12/31/09

EOY		NORTHERN TRUST - CASH	AVG. CASH	NORTHERN TRUST - SECURITIES-STOCKS	PARTNERSHIPS	AVG. SECURITIES
DECEMBER	08	$ 111,798		$ 2,745,922	$ 939,345	
JANUARY	09	155,692	$ 133,745	2,457,450	1,087,457	$ 3,615,087
FEBRUARY	09	282,248	218,970	2,106,026	1,075,230	3,363,082
MARCH	09	243,077	262,663	2,235,001	1,096,794	3,256,526
APRIL	09	286,872	264,975	2,498,592	1,168,411	3,499,399
MAY	09	233,825	260,349	2,626,644	1,233,617	3,763,632
JUNE	09	365,565	299,695	2,480,373	1,101,926	3,721,280
JULY	09	472,554	419,060	2,564,721	1,139,184	3,643,102
AUGUST	09	519,529	496,042	2,635,229	1,181,587	3,760,361
SEPTEMBER	09	488,275	503,902	2,855,083	1,312,253	3,992,076
OCTOBER	09	543,965	516,120	2,775,635	1,307,244	4,125,108
NOVEMBER	09	504,335	524,150	2,857,924	1,323,746	4,132,275
DECEMBER	09	365,007	434,671	2,995,747	1,324,962	4,251,190
TOTAL MONTHLY FMV			$ 4,334,340			$ 45,123,115
AVERAGE MONTHLY FMV			**$ 361,195**			**$ 3,760,260**