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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning

, 2009, and ending

, 20

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

| | | | | |
|---|---|--|--|--|
| Use the IRS label. Otherwise, print or type. See Specific Instructions. | Name of foundation William H Cowles Foundation | | A Employer identification number 91-6020496 | |
| | Number and street (or P O box number if mail is not delivered to street address) Room/suite 999 W Riverside Ave 626 | | B Telephone number (see page 10 of the instructions) 509 459-5220 | |
| | City or town, state, and ZIP code Spokane, WA 99201 | | C If exemption application is pending, check here <input type="checkbox"/> | |
| | | | D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> | |
| H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation | | | | |
| I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 4,741,110 | | J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis) | | |
| E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> | | | | |
| F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/> | | | | |

| Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).) | | (a) Revenue and expenses per books | (b) Net investment income | (c) Adjusted net income | (d) Disbursements for charitable purposes (cash basis only) |
|---|---|------------------------------------|---------------------------|-------------------------|---|
| Revenue | 1 Contributions, gifts, grants, etc., received (attach schedule) | | | | |
| | 2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B | | | | |
| | 3 Interest on savings and temporary cash investments | 669 | 669 | | |
| | 4 Dividends and interest from securities | 132,003 | 132,003 | | |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain or (loss) from sale of assets not on line 10 | 24,980 | | | |
| | b Gross sales price for all assets on line 6a | 1,170,650 | | | |
| | 7 Capital gain net income (from Part IV, line 2) | | 24,980 | | |
| | 8 Net short-term capital gain | | | | |
| | 9 Income modifications | | | | |
| | 10a Gross sales less returns and allowances | | | | |
| b Less: Cost of goods sold | | | | | |
| c Gross profit or (loss) (attach schedule) | | | | | |
| 11 Other income (attach schedule) | 1,650 | 1,650 | | | |
| 12 Total. Add lines 1 through 11 | 159,302 | 159,302 | | | |
| Operating and Administrative Expenses | 13 Compensation of officers, directors, trustees, etc. | None | None | | None |
| | 14 Other employee salaries and wages | | | | |
| | 15 Pension plans, employee benefits | | | | |
| | 16a Legal fees (attach schedule) | | | | |
| | b Accounting fees (attach schedule) | | | | |
| | c Other professional fees (attach schedule) | 26,641 | 26,641 | | None |
| | 17 Interest | | | | |
| | 18 Taxes (attach schedule) (see page 14 of the instructions) | 2,614 | None | | |
| | 19 Depreciation (attach schedule) and depletion | | | | |
| | 20 Occupancy | | | | |
| | 21 Travel, conferences, and meetings | | | | |
| | 22 Printing and publications | | | | |
| | 23 Other expenses (attach schedule) | 1,983 | 1,947 | | None |
| | 24 Total operating and administrative expenses. Add lines 13 through 23 | 31,238 | 28,588 | | None |
| | 25 Contributions, gifts, grants paid | None | | | None |
| 26 Total expenses and disbursements. Add lines 24 and 25 | 31,238 | 28,588 | | None | |
| 27 Subtract line 26 from line 12: | | | | | |
| a Excess of revenue over expenses and disbursements | 128,064 | | | | |
| b Net investment income (if negative, enter -0-) | | 130,714 | | | |
| c Adjusted net income (if negative, enter -0-) | | | | | |

| 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 | 4,974 | 9,889 | 9,889 |
| | 2 Savings and temporary cash investments | 216,508 | 107,778 | 107,778 |
| | 3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶ | | | |
| | 4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶ | | | |
| | 5 Grants receivable | | | |
| | 6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions) | | | |
| | 7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶ | | | |
| | 8 Inventories for sale or use | | | |
| | 9 Prepaid expenses and deferred charges | | | |
| | 10a Investments—U.S. and state government obligations (attach schedule) | 1,014,172 | 449,445 | 473,021 |
| | b Investments—corporate stock (attach schedule) | 1,320,213 | 1,466,841 | 1,820,236 |
| | c Investments—corporate bonds (attach schedule) | 76,484 | 352,208 | 368,124 |
| | 11 Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶ | | | |
| | 12 Investments—mortgage loans | | | |
| | 13 Investments—other (attach schedule) | 1,390,057 | 1,766,351 | 1,960,477 |
| | 14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶ | | | |
| 15 Other assets (describe ▶ SMTM 9) | 3,625 | 1,585 | 1,585 | |
| 16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I) | 4,026,033 | 4,154,097 | 4,741,110 | |
| 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 ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31. | | | |
| | 24 Unrestricted | | | |
| | 25 Temporarily restricted | | | |
| | 26 Permanently restricted | | | |
| | Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31. | | | |
| | 27 Capital stock, trust principal, or current funds | 4,026,033 | 4,154,097 | |
| | 28 Paid-in or capital surplus, or land, bldg., and equipment fund | | | |
| 29 Retained earnings, accumulated income, endowment, or other funds | | | | |
| 30 Total net assets or fund balances (see page 17 of the instructions) | 4,026,033 | 4,154,097 | | |
| 31 Total liabilities and net assets/fund balances (see page 17 of the instructions) | 4,026,033 | 4,154,097 | | |

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 | 4,026,033 |
| 2 Enter amount from Part I, line 27a | 2 | 128,064 |
| 3 Other increases not included in line 2 (itemize) ▶ | 3 | |
| 4 Add lines 1, 2, and 3 | 4 | 4,154,097 |
| 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 | 4,154,097 |

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 Publicly traded securities | | | | |
| 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 1,170,650 | | 1,145,670 | 24,980 | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |
| Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69 | | | | |
| (i) FMV as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col. (i) over col. (j), if any | (l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h)) | |
| a | | | 24,980 | |
| 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 | 24,980 |
| 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 | 0 | 4,696,861 | 0.0000000000 |
| 2007 | 0 | 5,342,203 | 0.0000000000 |
| 2006 | 0 | 4,721,015 | 0.0000000000 |
| 2005 | 398,915 | 4,589,359 | 0.08692172480 |
| 2004 | 382,825 | 4,641,254 | 0.08248309616 |
| 2 Total of line 1, column (d) | | | 2 0.16940482096 |
| 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 0.03388096419 |
| 4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 | | | 4 4,093,423 |
| 5 Multiply line 4 by line 3 | | | 5 138,689 |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | | | 6 1,307 |
| 7 Add lines 5 and 6 | | | 7 139,996 |
| 8 Enter qualifying distributions from Part XII, line 4 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. | | | 8 None |

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

| | | | | |
|-----------|---|-----------|--|-------|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions) | | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b | 1 | | 2,614 |
| 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 | | 2,614 |
| 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 | | 2,614 |
| 6 | Credits/Payments: | | | |
| a | 2009 estimated tax payments and 2008 overpayment credited to 2009 | 6a | | 3,990 |
| 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 | | 3,990 |
| 8 | Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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 | | 1,376 |
| 11 | Enter the amount of line 10 to be: Credited to 2010 estimated tax 1,376 Refunded | 11 | | |

Part VII-A Statements Regarding Activities

| | | | |
|-----------|--|------------|-----------|
| 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? | Yes | No |
| 1a | | | ✓ |
| 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)? | | ✓ |
| | <i>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.</i> | | |
| c | Did the foundation file Form 1120-POL for this year? | | ✓ |
| d | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ <u>None</u> (2) On foundation managers. ▶ \$ <u>None</u> | | |
| e | Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ <u>None</u> | | |
| 2 | Has the foundation engaged in any activities that have not previously been reported to the IRS? | | ✓ |
| | <i>If "Yes," attach a detailed description of the activities.</i> | | |
| 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? <i>If "Yes," attach a conformed copy of the changes</i> | | ✓ |
| 4a | Did the foundation have unrelated business gross income of \$1,000 or more during the year? | | ✓ |
| b | If "Yes," has it filed a tax return on Form 990-T for this year? | N/A | |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year? | | ✓ |
| | <i>If "Yes," attach the statement required by General Instruction T.</i> | | |
| 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? | ✓ | |
| 7 | Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i> | ✓ | |
| 8a | Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ <u>Washington</u> | | |
| 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? <i>If "No," attach explanation</i> | ✓ | |
| 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)? <i>If "Yes," complete Part XIV</i> | | ✓ |
| 10 | Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i> | | ✓ |

Part VII-A Statements Regarding Activities (continued)

| | | | | |
|----|---|----|---|---|
| 11 | At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) | 11 | | ✓ |
| 12 | Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? | 12 | | ✓ |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ None | 13 | ✓ | |
| 14 | The books are in care of ▶ S.R. Rector Telephone no. ▶ 509 459-5220 Located at ▶ 999 W Riverside Ave #626 Spokane, WA ZIP+4 ▶ 99201 | | | |
| 15 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 | | | |

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

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

| | Yes | No |
|---|-----|-----|
| 1a During the year did the foundation (either directly or indirectly): | | |
| (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/> | 1b | N/A |
| 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2b | N/A |
| c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20____, 20____, 20____, 20____ | | |
| 3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3b | N/A |
| 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | ✓ |
| 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 | ✓ |

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)? Organizations relying on a current notice regarding disaster assistance check here ☐ **5b** *N/A*
- 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? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870
- 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** *N/A*

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see 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 |
|--|---|---|---|---------------------------------------|
| W.S. Cowles 999 W Riverside Ave Spokane, WA 99201 | President / Trustee | None | None | None |
| E.A. Cowles same | Vice Pres. / Trustee | None | None | None |
| S.R. Rector same | Secretary | None | None | None |
| | | | | |

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

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

| | | | |
|----------|---|-----------|-----------|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes. | | |
| a | Average monthly fair market value of securities | 1a | 3,976,329 |
| b | Average of monthly cash balances | 1b | 179,430 |
| c | Fair market value of all other assets (see page 24 of the instructions) | 1c | None |
| d | Total (add lines 1a, b, and c) | 1d | 4,155,759 |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) | 1e | None |
| 2 | Acquisition indebtedness applicable to line 1 assets | 2 | None |
| 3 | Subtract line 2 from line 1d | 3 | 4,155,759 |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) | 4 | 62,336 |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4 | 5 | 4,093,423 |
| 6 | Minimum investment return. Enter 5% of line 5 | 6 | 204,671 |

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 | 204,671 |
| 2a | Tax on investment income for 2009 from Part VI, line 5 | 2a | 2,614 |
| b | Income tax for 2009 (This does not include the tax from Part VI.) | 2b | None |
| c | Add lines 2a and 2b | 2c | 2,614 |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | 3 | 202,057 |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | None |
| 5 | Add lines 3 and 4 | 5 | 202,057 |
| 6 | Deduction from distributable amount (see page 25 of the instructions) | 6 | None |
| 7 | Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 | 7 | 202,057 |

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 | None |
| b | Program-related investments—total from Part IX-B | 1b | None |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes | 2 | None |
| 3 | Amounts set aside for specific charitable projects that satisfy the: | | |
| a | Suitability test (prior IRS approval required) | 3a | None |
| b | Cash distribution test (attach the required schedule) | 3b | None |
| 4 | Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | None |
| 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 | None |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | None |

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 | | | | 202,057 |
| 2 Undistributed income, if any, as of the end of 2009: | | | | |
| a Enter amount for 2008 only | | | None | |
| b Total for prior years: 20____, 20____, 20____ | | None | | |
| 3 Excess distributions carryover, if any, to 2009: | | | | |
| a From 2004 | None | | | |
| b From 2005 | 88,489 | | | |
| c From 2006 | None | | | |
| d From 2007 | None | | | |
| e From 2008 | None | | | |
| f Total of lines 3a through e | 88,489 | | | |
| 4 Qualifying distributions for 2009 from Part XII, line 4: \$ _____ | | | | None |
| a Applied to 2008, but not more than line 2a | | | None | |
| b Applied to undistributed income of prior years (Election required—see page 26 of the instructions) | | None | | |
| c Treated as distributions out of corpus (Election required—see page 26 of the instructions) | None | | | |
| d Applied to 2009 distributable amount | | | | None |
| e Remaining amount distributed out of corpus | None | | | |
| 5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).) | 88,489 | | | 88,489 |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 | None | | | |
| b Prior years' undistributed income. Subtract line 4b from line 2b | | None | | |
| 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 | | None | | |
| d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions | | None | | |
| e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions | | | None | |
| f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 | | | | 113,568 |
| 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) | None | | | |
| 8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) | None | | | |
| 9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a | None | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2005 | None | | | |
| b Excess from 2006 | None | | | |
| c Excess from 2007 | None | | | |
| d Excess from 2008 | None | | | |
| e Excess from 2009 | None | | | |

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

N/A

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

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

| | Tax year | Prior 3 years | | | (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:

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 None | | | | |
| Total | | | | 3a |
| b Approved for future payment | | | | |
| Total | | | | 3b |

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

| Enter gross amounts unless otherwise indicated. | | | | | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) Related or exempt function income (See page 28 of the instructions.) |
|---|--|----------------------|---------------|-----------------------|---------------------------|--|--------------------------------------|--|--|
| | | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | | | | |
| 1 | Program service revenue: | | | | | | | | |
| a | | | | | | | | | |
| 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 | 669 | | | | |
| 4 | Dividends and interest from securities | | | 14 | 132,003 | | | | |
| 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 | | | 18 | 24,980 | | | | |
| 9 | Net income or (loss) from special events | | | | | | | | |
| 10 | Gross profit or (loss) from sales of inventory | | | | | | | | |
| 11 | Other revenue: a Other income | | | 14 | 1,650 | | | | |
| b | | | | | | | | | |
| c | | | | | | | | | |
| d | | | | | | | | | |
| e | | | | | | | | | |
| 12 | Subtotal. Add columns (b), (d), and (e) | | | | 159,302 | | | | |
| 13 | Total. Add line 12, columns (b), (d), and (e) | | | | 13 | | 159,302 | | |

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

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

[illegible]

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

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2009

EIN: 91-6020496

STATEMENT #1 - PART I LINE 11 - Other income

| | <u>Column (a)</u> | <u>Column (b)</u> |
|---|-------------------|-------------------|
| Inflation-indexed revaluation adjustments | \$1,328 | \$1,328 |
| Proceeds from class action settlements | 322 | 322 |
| | <u>\$1,650</u> | <u>\$1,650</u> |

STATEMENT #2 - PART I LINE 16c - Professional fees

| | <u>Column (a)</u> | <u>Column (b)</u> |
|----------------------------|-------------------|-------------------|
| Investment management fees | \$22,591 | \$22,591 |
| tax review fees | 4,050 | 4,050 |
| | <u>\$26,641</u> | <u>\$26,641</u> |

STATEMENT #3 - PART I LINE 18 - Taxes

| | <u>Column (a)</u> | <u>Column (b)</u> |
|--------------------|-------------------|-------------------|
| Federal excise tax | <u>\$2,614</u> | <u>\$0</u> |

STATEMENT #4 - PART I LINE 23 - Other expenses

| | <u>Column (a)</u> | <u>Column (b)</u> |
|-----------------------------------|-------------------|-------------------|
| Investment cost basis adjustments | \$1,947 | \$1,947 |
| Miscellaneous | 36 | 0 |
| | <u>\$1,983</u> | <u>\$1,947</u> |

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2009

EIN: 91-6020496

STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations

| | Beginning of year | End of Year | |
|---|----------------------|---------------|-------------------------|
| | Book Value | Book Value | Fair Market Value |
| Government obligations: Part II Line 10a | | | |
| U.S. Treasury Bonds | | | |
| 6 2500% due 8/15/23 | \$152,587 | \$34,869 | \$35,831 |
| Inflation-Indexed Treasury Securities | | | |
| 3.875% due 4/15/29 | 9,490 | 9,470 | 11,845 |
| Inflation-Indexed Treasury Securities | | | |
| 2.0000% due 1/15/14 | 22,841 | 35,396 | 38,353 |
| U.S. Treasury Notes | | | |
| 3 8750% Due 09/15/10 | 14,438 | | |
| U S. Treasury Notes | | | |
| 4 6250% Due 02/15/17 | 117,964 | 33,842 | 37,792 |
| U.S. Treasury Notes | | | |
| 3 625% Due 10/31/09 | 127,876 | | |
| Inflation-Indexed Treasury Securities | | | |
| 1.625% Due 01/15/18 | 10,323 | 20,188 | 21,126 |
| US Treasury Security Stripped Interest Payment | | | |
| O I.D. 0.0% Due 08/15/25 | 36,539 | | |
| Freddie Mac Series MTN | | | |
| 5 2500% Due 02/24/11 | 4,990 | | |
| Freddie Mac | | | |
| 5.3750% due 1/9/14 | 32,631 | | |
| Federal Home Loan Mortgage Corp. Gold | | | |
| 5.000% due 10/01/39 | | 30,893 | 30,620 |
| Federal Farm Credit Bank | | | |
| 4.8750% due 01/17/17 | 44,609 | 24,687 | 26,602 |
| Freddie Mac | | | |
| 5.0000% due 07/15/14 | 47,192 | 36,705 | 38,456 |
| Fannie Mae | | | |
| 7.1250% due 1/15/30 | 12,915 | | |
| Fannie Mae | | | |
| 3 2500% due 02/15/09 | 15,098 | | |
| Fannie Mae | | | |
| 3.7500% due 03/27/19 | | 29,881 | 29,409 |
| Fannie Mae | | | |
| 3 2500% due 04/09/13 | 48,508 | | |
| Fannie Mae | | | |
| 2.7500% due 02/05/14 | | 34,972 | 35,394 |
| Fannie Mae Mortgage Backed Securities | | | |
| 6 000% due 05/01/38 | 14,573 | | |

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2009

EIN: 91-6020496

STATEMENT #5 - PART II LINE 10a - Investments - U.S. and state government obligations (cont)

| | | | |
|--|--------------------|------------------|------------------|
| Fannie Mae Mortgage Backed Securities | | | |
| 6.500% due 06/01/38 | 14,720 | | |
| Fannie Mae Mortgage Backed Securities | | | |
| 5 0000% due 07/01/38 | 23,376 | 20,135 | 21,349 |
| Fannie Mae Mortgage Backed Securities | | | |
| 4 500% due 05/01/38 | 27,238 | 25,763 | 27,591 |
| Fannie Mae Mortgage Backed Securities | | | |
| 4 500% due 08/01/38 | 14,176 | 11,953 | 12,604 |
| Fannie Mae Mortgage Backed Securities | | | |
| 5.000% due 07/01/23 | 14,462 | 12,149 | 12,803 |
| Fannie Mae Mortgage Backed Securities | | | |
| 5.000% due 08/01/38 | 14,606 | | |
| Federal Home Loan Bank Bond | | | |
| 3.500% due 07/16/10 | 59,966 | | |
| Federal Home Loan Bank Bond | | | |
| 3 625% due 07/01/11 | 49,929 | 34,950 | 36,367 |
| Federal Home Loan Bank Bond | | | |
| 3 625% due 10/18/13 | 83,123 | 33,616 | 36,663 |
| Federal Home Loan Bank Bond | | | |
| 1.625% due 01/21/11 | | 19,976 | 20,219 |
| Total U.S. and State Government Obligations | \$1,014,172 | \$449,445 | \$473,021 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock**

| | Beginning of year | End of Year | |
|---|----------------------|---------------|-------------------------|
| | Book Value | Book Value | Fair Market Value |
| Corporate Stocks: Part II Line 10b | | | |
| AFLAC, Inc. | \$440 | \$945 | \$4,255 |
| The AES Corporation | 1,110 | 1,110 | 1,464 |
| AK Steel Holding Corp | 628 | 628 | 363 |
| AT&T Inc. | 31,244 | 34,206 | 30,525 |
| Abbott Laboratories | 793 | 2,693 | 15,441 |
| Abercrombie & Fitch | 1,086 | 1,086 | 488 |
| Adobe Systems Incorporated | 2,079 | 2,079 | 3,421 |
| Advanced Micro Devices, Inc | 1,573 | 1,573 | 755 |
| Aetna, Inc. | 1,455 | 1,455 | 2,631 |
| Affiliated Computer Services, Inc | 1,112 | 1,112 | 1,253 |
| Agilent Technologies, Inc. | 2,160 | 2,160 | 1,926 |
| Air Products & Chemicals, Inc. | 1,848 | 1,848 | 2,999 |
| Airgas, Inc | | 691 | 714 |
| Akamai Technologies Inc | 1,375 | 1,375 | 684 |
| Alcoa, Inc. | 4,585 | 5,078 | 2,724 |
| Allegheny Energy, Inc. | 750 | 750 | 751 |
| Allegheny Technologies Incorporated | 262 | 262 | 492 |
| Allergan, Inc | 1,824 | 2,644 | 3,844 |
| The Allstate Corporation | 4,637 | 4,637 | 3,064 |
| Altera Corporation | 1,327 | 1,327 | 1,335 |
| Altria Group, Inc | 4,199 | 5,342 | 7,675 |
| Amazon.com, Inc. | 2,349 | 3,213 | 8,071 |
| Ameren Corporation | 1,449 | 1,501 | 1,258 |
| American Capital Ltd | 1,281 | | |
| American Electric Power Company, Inc. | 2,125 | 3,013 | 3,444 |
| American Express Company | 8,989 | 9,744 | 9,198 |
| American International Group, Inc | 26,203 | | |
| American International Group | | 25,377 | 600 |
| American Tower Corp A | 2,744 | 2,744 | 2,895 |
| AmeriSourceBergen Corporation | 962 | 721 | 1,408 |
| Ameriprise Financial | 1,403 | 1,403 | 1,669 |
| Amgen, Inc | 7,455 | 7,838 | 10,748 |
| Amphenol Corp A | 1,201 | 915 | 1,478 |
| Anadarko Petroleum Corporation | 1,800 | 2,630 | 5,555 |
| Analog Devices, Inc. | 2,442 | 2,442 | 1,611 |
| Aon Corporation | 1,257 | 1,257 | 1,955 |
| Apache Corporation | 2,081 | 2,818 | 6,500 |
| Apartment Investment and Management Company | 478 | 491 | 271 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|------------------------------------|--------|--------|--------|
| Apollo Group, Inc | 1,563 | 1,563 | 1,272 |
| Apple Computer, Inc. | 2,594 | 5,716 | 35,192 |
| Applied Materials, Inc. | 4,844 | 4,844 | 3,109 |
| Archer-Daniels- Midland Company | 1,665 | 1,999 | 3,726 |
| Ashland Inc. | 419 | | |
| Assurant, Inc. | 837 | 837 | 442 |
| Autodesk, Inc | 463 | 463 | 915 |
| Automatic Data Processing, Inc. | 2,999 | 3,722 | 4,196 |
| AutoNation, Inc. | 345 | 345 | 402 |
| AutoZone, Inc. | 169 | 924 | 1,106 |
| Avalonbay Communications, Inc. | 1,898 | 1,860 | 1,067 |
| Avery Dennison Corporation | 1,120 | 1,120 | 657 |
| Avon Products, Inc. | 2,121 | 2,121 | 2,111 |
| BB&T Corporation | 3,118 | 3,751 | 2,791 |
| BJ Services, Company | 1,018 | 1,018 | 967 |
| BMC Software, Inc. | 679 | 679 | 1,363 |
| Baker Hughes Incorporated | 1,932 | 1,932 | 2,226 |
| Ball Corporation | 563 | 663 | 724 |
| Bank of America Corporation | 30,218 | 49,369 | 27,710 |
| The Bank of New Mellon Corporation | 3,350 | 4,503 | 6,153 |
| Bard (C.R.), Inc. | 800 | 800 | 1,324 |
| Baxter International Inc. | 3,010 | 3,715 | 6,866 |
| Becton Dickinson and Company | 1,847 | 1,847 | 3,233 |
| Bed Bath & Beyond, Inc | 1,999 | 1,999 | 1,892 |
| Bemis Company, Inc | 1,069 | 379 | 415 |
| Best Buy Company, Inc. | 2,184 | 2,184 | 2,565 |
| Big Lots, Inc. | 85 | 85 | 174 |
| Biogen Idcc, Inc | 2,447 | 2,447 | 3,050 |
| Black & Decker Corporation | 667 | 667 | 843 |
| Block (H&R), Inc | 1,565 | 1,565 | 1,221 |
| Boeing Company | 5,396 | 5,779 | 7,362 |
| Boston Properties Inc | 2,367 | 1,740 | 1,811 |
| Boston Scientific Corporation | 5,606 | 6,697 | 2,673 |
| Bristo-Myers Squibb Company | 9,644 | 8,407 | 7,929 |
| Broadcom Corporation | 1,706 | 2,117 | 2,518 |
| Brown-Forman Corporation | 473 | 473 | 696 |
| Brunswick Corporation | 523 | | |
| Burlington Northern Santa Fe Corp | 1,544 | 1,755 | 5,030 |
| CBS Corp Class B | 3,728 | 3,728 | 1,546 |
| CB Richard Ellis Group, Inc | 979 | 979 | 407 |
| CF Industries | 698 | 698 | 545 |
| C.H. Robinson Worldwide, Inc. | 1,364 | 1,364 | 1,644 |
| CIGNA Corporation | 1,075 | 1,075 | 1,834 |
| CIT Group | 1,553 | | |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|--------------------------------------|--------|--------|--------|
| CME Group Inc. | 5,414 | 5,414 | 3,696 |
| CMS Energy Corporation | 519 | 519 | 626 |
| CSX Corporation | 1,106 | 1,106 | 3,394 |
| CVS Caremark Corporation | 4,564 | 5,119 | 8,375 |
| CA, Inc | 1,761 | 1,761 | 1,505 |
| Cabot Oil & Gas Corp | 600 | 600 | 697 |
| Cameron International Corporation | 1,547 | 1,547 | 1,505 |
| Campbell Soup Company | 870 | 870 | 1,115 |
| Capital One Financial Corporation | 4,735 | 5,294 | 3,067 |
| Cardinal Health, Inc. | 4,235 | 3,061 | 2,128 |
| Carefusion Corporation | | 1,068 | 1,125 |
| Carnival Corporation, Inc | 2,936 | 3,303 | 2,472 |
| Caterpillar Inc. | 4,110 | 4,610 | 6,725 |
| Celegene Corporation | 4,303 | 4,303 | 4,287 |
| CenterPoint Energy, Inc. | 473 | 473 | 653 |
| Centex Corporation | 987 | | |
| CenturyTel, Inc. | 318 | 1,434 | 1,811 |
| Cephalon Inc | 820 | 820 | 687 |
| Cheasapeake Energy Corporation | 3,145 | 3,616 | 2,795 |
| Chevron Corporation | 14,886 | 16,864 | 28,640 |
| Chubb Corporation | 2,288 | 2,288 | 3,148 |
| CIENA Corporation | 926 | | |
| Cincinnati Financial Corporation | 1,099 | 1,099 | 735 |
| Circuit City Stores, Inc. | 11 | | |
| Cisco Systems | 7,270 | 9,151 | 25,664 |
| Cintas Corporation | | 502 | 678 |
| Citigroup, Inc | 13,002 | 22,858 | 11,856 |
| Citrix Systems, Inc. | 530 | 753 | 1,415 |
| Cliffs Natural Resources Inc | | 1,056 | 1,106 |
| The Clorox Company | 881 | 1,455 | 1,769 |
| Coach, Inc. | 1,757 | 1,757 | 2,338 |
| Coca-Cola Company | 1,185 | 5,823 | 24,453 |
| Coca Cola Enterprises, Inc. | 918 | 1,421 | 1,463 |
| Cognizant Technology Solutions Corp. | 1,770 | 1,770 | 1,995 |
| Colgate-Palmolive Company | 4,107 | 4,978 | 7,722 |
| Comcast Corporation | 11,285 | 11,778 | 8,885 |
| Comerica Incorporated | 1,600 | 1,600 | 828 |
| Computer Sciences Corporation | 1,385 | 1,385 | 1,783 |
| Compuware Corporation | 330 | 330 | 304 |
| ConAgra Foods, Inc. | 2,132 | 2,132 | 1,890 |
| ConocoPhillips | 8,803 | 9,525 | 14,146 |
| Consolidated Energy | 1,336 | 1,336 | 1,444 |
| Consolidated Edison, Inc. | 1,712 | 2,191 | 2,453 |
| Constellation Brands A | 1,013 | 1,013 | 542 |

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2009

EIN: 91-6020496

STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)

| | | | |
|---------------------------------|-------|-------|--------|
| Constellation Energy Group | 1,130 | 1,130 | 985 |
| Convergys Corporation | 200 | | |
| Cooper Industries, Ltd. | 844 | | |
| Corning Incorporated | 3,516 | 4,262 | 5,812 |
| Costco Wholesale Corporation | 2,551 | 3,104 | 4,793 |
| Coventry Health Care, Inc. | 1,584 | 1,584 | 680 |
| Covidien Ltd. | 2,735 | | |
| Cummins, Inc. | 355 | 355 | 1,284 |
| D R Horton, Inc | 1,744 | 1,744 | 500 |
| DTE Energy Company | 1,095 | 1,095 | 1,221 |
| Danaher Corporation | 1,743 | 2,348 | 3,610 |
| Darden Restaurants, Inc | 481 | 481 | 842 |
| Davita Inc. | 633 | 885 | 1,116 |
| Dean Foods Co | 898 | 898 | 379 |
| Deere & Company | 805 | 1,288 | 4,489 |
| Dell Inc | 7,223 | 7,730 | 4,782 |
| Dentsply International Inc | 972 | 527 | 474 |
| Developers Realty Corporation | 1,292 | 972 | 1,161 |
| Devon Energy Corporation | 1,972 | 2,732 | 6,027 |
| DeVry Inc. | | 506 | 511 |
| Diamond Offshore Drilling | | 638 | 1,083 |
| Dillard's, Inc. | 391 | | |
| The Directv Group | 1,749 | | |
| The Walt Disney Company | 6,569 | 7,558 | 11,384 |
| Discover Financial Services | 568 | 568 | 1,250 |
| Directv | | 4,673 | 5,803 |
| Dominion Resources, Inc | 3,596 | 3,596 | 4,359 |
| Donnelley (R R.) & Sons Company | | 526 | 891 |
| Dover Corp. | 1,363 | 1,363 | 1,373 |
| Dow Chemical Company | 6,299 | 7,446 | 5,940 |
| Dr Pepper Snapple Group Inc | 992 | 992 | 1,245 |
| DuPont Company | 6,457 | 6,799 | 5,623 |
| Duke Energy Corporation | 2,418 | 3,030 | 4,079 |
| Dun and Bradstreet Corp | 1,058 | 1,123 | 1,181 |
| Dynegy Inc | 993 | | |
| EMC Corporation | 5,429 | 5,429 | 6,394 |
| Ensco International, Inc. | 1,207 | | |
| EOG Resources, Inc | 862 | 1,525 | 4,573 |
| EQT Corporation | | 722 | 1,142 |
| E*TRADE Financial Corporation | 1,260 | 1,260 | 396 |
| Eastman Chemical Company | 479 | 479 | 723 |
| Eastman Kodak Company | 1,309 | 1,309 | 194 |
| Eaton Corporation | 1,459 | 1,459 | 1,591 |
| eBay, Inc. | 5,901 | 6,303 | 4,918 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|---|-------|-------|--------|
| Ecolab Inc. | 680 | 1,379 | 1,783 |
| Edison International | 1,168 | 1,168 | 1,843 |
| El Paso Corporation | 861 | 861 | 993 |
| Electronic Arts, Inc. | 2,350 | 2,854 | 1,331 |
| Embarq Corporation | 609 | | |
| Emerson Electric Co. | 3,109 | 3,603 | 6,049 |
| Ensco International Plc | | 754 | 599 |
| Entergy Corp. | 1,812 | 1,812 | 2,537 |
| Equifax Inc | 545 | 545 | 649 |
| Equity Residential Properties Trust | 1,340 | 1,340 | 1,554 |
| Exelon Corporation | 3,485 | 4,139 | 5,718 |
| Expedia Inc | 1,114 | 1,114 | 849 |
| Expeditors International of Washington, Inc | 1,743 | 1,743 | 1,217 |
| Express Scripts, Inc. | 478 | 1,425 | 4,321 |
| ExxonMobil Corp. | 1,926 | 4,781 | 59,462 |
| FLIR Systems | | 512 | 851 |
| FMC Corp | | 568 | 558 |
| FMC Technologies Inc | | 1,008 | 1,388 |
| FPL Group, Inc | 2,039 | 2,545 | 3,803 |
| Fairpoint Communications Inc | 65 | | |
| Family Dollar Stores, Inc | 763 | 763 | 612 |
| Fastenal Company | 1,043 | 1,043 | 1,166 |
| Federated Investors, Inc. | 495 | 495 | 440 |
| FedEx Corporation | 1,171 | 1,971 | 5,090 |
| Fidelity National Information Services | 596 | 1,211 | 1,195 |
| Fifth Third Bancorp | 4,914 | 3,694 | 1,550 |
| First Horizon National Corporation | 820 | 732 | 791 |
| First Solar Inc | | 1,328 | 1,219 |
| Fiserv, Inc | 1,155 | 1,155 | 1,503 |
| FirstEnergy Corporation | 2,029 | 2,029 | 2,508 |
| Fluor Corporation | | 958 | 1,666 |
| Flextronics International Ltd. | 680 | | |
| Flour Corporation | 482 | | |
| Flowserve Corp | 507 | 507 | 851 |
| Ford Motor Company | 5,140 | 5,683 | 5,370 |
| Forest Laboratories, Inc. | 3,715 | 3,715 | 1,606 |
| Fortune Brands, Inc. | 1,581 | 1,581 | 1,037 |
| Franklin Resources, Inc | 1,387 | 1,697 | 3,055 |
| Freddie Mac | | | |
| Freeport-McMoRan Copper & Gold Inc. | 3,039 | 4,025 | 6,503 |
| Frontier Communications Corp. | 601 | 601 | 398 |
| Gamestop Corp A | 1,227 | 1,227 | 570 |
| Gannett Co., Inc | 3,088 | 3,088 | 535 |
| The Gap, Inc | 1,489 | 1,489 | 1,676 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|---|--------|--------|--------|
| General Dynamics Corporation | 2,789 | 3,548 | 5,113 |
| General Electric Co | 4,357 | 7,200 | 29,670 |
| General Growth Properties | 2,207 | | |
| General Mills Incorporated | 2,499 | 2,763 | 4,249 |
| General Motors Corporation | 4,057 | | |
| Genuine Parts Company | 924 | 924 | 1,063 |
| Genworth Financial Inc. - Class A | 2,063 | 2,063 | 670 |
| Genzyme Corporation | 2,141 | 3,186 | 2,745 |
| Gilead Sciences, Inc | 2,445 | 3,561 | 7,399 |
| The Goldman Sachs Group, Inc | 7,401 | 9,893 | 15,871 |
| Goodrich Corporation | 553 | 553 | 1,157 |
| Goodyear Tire & Rubber Co | 239 | 711 | 888 |
| Google Inc. | 17,248 | 19,465 | 27,279 |
| Grainger (W W), Inc | 674 | 979 | 1,356 |
| Guaranty Financial Group | 54 | | |
| HCP | 1,329 | 1,690 | 1,558 |
| Halliburton Co | 2,444 | 2,644 | 5,025 |
| Harley-Davidson, Inc | 2,092 | 2,092 | 1,033 |
| Harman International Industries, Inc | 1,078 | 1,078 | 353 |
| Harris Corporation | 983 | 983 | 1,331 |
| The Hartford Financial Services Group | 3,153 | 3,618 | 1,814 |
| Hasbro, Inc | 515 | 515 | 834 |
| Health Care REIT, Inc | | 500 | 753 |
| Heinz (H J) Company | 2,016 | 2,016 | 2,437 |
| The Hershey Company | 1,020 | 1,020 | 966 |
| Hess Corporation | 1,584 | 2,285 | 3,388 |
| Hewlett-Packard Company | 340 | 1,531 | 22,819 |
| Home Depot, Inc | 7,219 | 8,117 | 8,997 |
| Honeywell International, Inc | 4,774 | 4,774 | 5,174 |
| Hormel Foods | | 277 | 346 |
| Hospira, Inc | 56 | 56 | 1,275 |
| Host Hotels & Resort | 2,221 | 2,219 | 980 |
| Hudson City Bancorp, Inc | 1,073 | 1,177 | 1,222 |
| Humana Inc | 559 | 559 | 1,053 |
| Huntington Bancshares, Inc. | 807 | 807 | 131 |
| IMS Health Incorporated | 876 | 876 | 716 |
| Ingersoll-Rand Company | 2,082 | | |
| ITT Industries, Inc | 1,122 | 1,122 | 1,492 |
| Illinois Tool Works Inc. | 2,427 | 2,835 | 3,599 |
| Intel Corporation | 5,129 | 6,509 | 20,726 |
| Integrus Energy Group, Inc | 986 | 616 | 630 |
| International Exchange Inc. | 2,057 | 2,057 | 1,572 |
| International Business Machines Corporation | 1,986 | 3,890 | 31,940 |
| International Flavors & Fragrances Inc. | 514 | 514 | 576 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|--|--------|--------|--------|
| International Game Technology | 2,099 | 2,099 | 1,051 |
| International Paper Company | 3,339 | 3,339 | 2,116 |
| Interpublic Group of Companies, Inc | 1,092 | 1,092 | 487 |
| Interval Liesure Group, Inc. | 27 | | |
| Intuit, Inc | 1,107 | 1,640 | 2,028 |
| Intuitive Surgical Inc. | 2,211 | 1,100 | 2,427 |
| Iron Mountain Inc | | 495 | 660 |
| Invesco Ltd. | 1,206 | 1,830 | 2,091 |
| JDS Uniphase Corp | 1,109 | 1,109 | 223 |
| Morgan (J.P.) Chase & Company | 24,048 | 28,158 | 30,294 |
| Jabil Circuit, Inc | 886 | 886 | 521 |
| Jacobs Engineering Group | 1,937 | 1,937 | 752 |
| Janus Capital Group, Inc. | 606 | 606 | 484 |
| Johnson & Johnson | 7,197 | 10,011 | 32,785 |
| Johnson Controls, Inc | 1,823 | 2,304 | 3,214 |
| Jones Apparel Group, Inc | 647 | | |
| Juniper Networks, Inc | 1,496 | 1,496 | 2,320 |
| KLA-Tencor Corporation | 1,821 | 1,821 | 1,157 |
| KB Home | 383 | | |
| Kellogg Company | 1,704 | 1,704 | 2,394 |
| KeyCorp | 2,084 | 2,550 | 783 |
| Kimberly-Clark Corporation | 4,180 | 4,180 | 4,587 |
| Kimco Realty Corp. | 1,262 | 1,262 | 460 |
| King Pharmaceuticals, Inc | 569 | 569 | 417 |
| Kohl's Corporation | 2,812 | 2,812 | 2,912 |
| Kraft Foods | 5,367 | 6,275 | 7,773 |
| Kroger Co | 1,892 | 2,586 | 2,751 |
| LSI Logic Corporation | 1,153 | 1,153 | 697 |
| L-3 Communications Holdings, Inc | 1,266 | 1,961 | 2,261 |
| Laboratory Corporation of America Holdings | 890 | 890 | 1,347 |
| The Estee Lauder Companies, Inc. | 733 | 733 | 967 |
| Leggett & Platt, Inc | 742 | 742 | 612 |
| Legg Mason, Inc. | 2,386 | 2,386 | 573 |
| Lennar Corporation Class A | 1,364 | 1,364 | 281 |
| Leucadia National Corp | 1,360 | 1,360 | 642 |
| Lexmark International, Inc | | 491 | 779 |
| Life Technologies Corporation | 252 | 1,156 | 1,932 |
| Lilly (Eli) and Company | 10,598 | 11,588 | 6,749 |
| Limited Brands, Inc. | 875 | 875 | 924 |
| Lincoln National Corporation | 2,286 | 2,286 | 1,169 |
| Linear Technology Corp. | 2,003 | 2,003 | 1,528 |
| Lockheed Martin Corporation | 2,819 | 2,819 | 4,370 |
| Loews Corporation | 1,184 | 1,184 | 2,399 |
| Lorillard Inc | 2,279 | 2,279 | 2,728 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|----------------------------------|--------|--------|--------|
| Lowe's Companies, Inc | 6,535 | 7,259 | 6,596 |
| M&T Bank Corporation | 1,065 | 1,065 | 803 |
| MBIA Inc. | 1,807 | | |
| MEMC Electronic Materials, Inc. | 2,253 | 2,065 | 449 |
| MGIC Investment Corporation | 169 | | |
| Macy's Retail Holdings Inc | 2,138 | 2,138 | 1,291 |
| Manitowoc Inc | 794 | | |
| Marathon Oil Corporation | 1,922 | 2,666 | 4,433 |
| Marsh & McLennan Companies, Inc. | 4,133 | 4,133 | 1,943 |
| Marshall & Ilsley Corporation | 1,289 | 1,289 | 256 |
| Marriot International. Inc. | 1,113 | 1,101 | 1,363 |
| Masco Corporation | 1,628 | 1,628 | 842 |
| Massey Energy Corp | | 175 | 714 |
| MasterCard Incorporated | 2,482 | 4,047 | 4,608 |
| Mattel, Inc. | 1,250 | 1,250 | 1,319 |
| Mcaffe Inc | | 1,287 | 1,542 |
| McCormick & Company, Inc | 654 | 654 | 795 |
| McDonald's Corporation | 907 | 1,941 | 12,738 |
| McGraw-Hill Companies, Inc | 2,325 | 2,213 | 1,977 |
| McKesson Corporation | 1,412 | 1,412 | 3,000 |
| Mead Johnson Nutrition Co | | 1,578 | 1,661 |
| MeadWestvaco Corporation | 864 | 864 | 916 |
| Medco Health Solutions, Inc | 90 | 90 | 5,496 |
| Medtronic, Inc. | 6,308 | 7,346 | 9,192 |
| Merck & Co., Inc. | 133 | 4,305 | 20,645 |
| Meredith Corporation | | 461 | 463 |
| Merrill Lynch & Co., Inc | 11,137 | | |
| MetLife, Inc. | 3,971 | 5,024 | 5,338 |
| MetroPCS Communications | | 508 | 305 |
| Microsoft Corporation | 39,452 | 42,196 | 43,282 |
| Microchip Technology Corporation | 1,090 | 1,090 | 1,017 |
| Micron Technology, Inc | 1,552 | 1,552 | 1,014 |
| Millipore Corporation | | 527 | 724 |
| Molex Incorporated | 1,005 | 1,005 | 625 |
| Molson Coors Brewing Company | 565 | 1,195 | 1,581 |
| Monsanto Company | 1,344 | 2,462 | 8,257 |
| Monster Worldwide, Inc. | 444 | 444 | 313 |
| Moody's Corporation | 1,215 | 1,215 | 1,018 |
| Morgan Stanley | 2,874 | 4,974 | 7,311 |
| Motorola, Inc. | 5,776 | 5,776 | 2,995 |
| Murphy Oil Company | 1,378 | 1,926 | 2,060 |
| Mylan Labs Inc. | 1,008 | 1,008 | 756 |
| NYSE Euronext | 3,799 | 3,799 | 1,088 |
| Nabors Industries, Ltd | 1,057 | 1,057 | 1,051 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|------------------------------------|-------|--------|--------|
| Perry Corp | | 467 | 496 |
| National City Corporation | 3,751 | | |
| National Oilwell Varco, Inc. | 1,996 | 2,588 | 3,659 |
| National Semiconductor Corporation | 1,079 | 1,079 | 860 |
| NetApp Inc. | 1,288 | 1,288 | 1,993 |
| New York Times Company | 1,119 | 1,119 | 284 |
| Newell Rubbermaid, Inc. | 995 | 664 | 1,141 |
| Newmont Mining Corporation | 2,832 | 3,772 | 4,258 |
| News Corporation | 6,867 | 7,420 | 5,900 |
| Nicor, Inc. | 419 | 419 | 421 |
| NIKE, Inc | 2,163 | 2,641 | 4,691 |
| NiSource, Inc | 862 | 862 | 631 |
| Noble Corporation | 780 | | |
| Noble Energy, Inc | 2,182 | 2,182 | 1,994 |
| Nordstrom, Inc. | 610 | 610 | 1,165 |
| Norfolk Southern Corporation | 1,426 | 1,426 | 3,355 |
| Northeast Utilities | | 507 | 619 |
| Northern Trust Corporation | 2,397 | 2,064 | 2,201 |
| Northrop Grunman Corporation | 2,613 | 3,106 | 3,574 |
| Novellus, Inc | | 536 | 540 |
| Novellus Systems, Inc. | 748 | 748 | 513 |
| Nucor Corporation | 733 | 733 | 2,426 |
| NVIDIA Corporation | 556 | 556 | 1,401 |
| Occidental Petroleum Corporation | 2,906 | 3,975 | 12,121 |
| Office Depot, Inc. | 767 | 767 | 310 |
| Omnicom Group Inc. | 2,558 | 2,558 | 2,427 |
| Oracle Corporation | 9,069 | 10,630 | 17,686 |
| O'Reilly Automotive Inc | | 1,066 | 1,105 |
| Owens-Illinois, Inc. | | 448 | 1,282 |
| PG&E Corporation | 1,478 | 2,140 | 3,259 |
| PNC Financial Services Group | 3,758 | 7,623 | 4,382 |
| PPG Industries, Inc | 1,633 | 1,633 | 1,639 |
| PP&L Corporation | 1,417 | 1,417 | 2,003 |
| PACCAR, Inc. | 1,503 | 1,503 | 2,321 |
| Pactiv Corporation | 304 | 304 | 338 |
| Pall Corporation | 494 | 494 | 688 |
| Parker-Hannifin Corporation | 1,102 | 1,102 | 1,616 |
| Patterson Companies | 831 | 712 | 504 |
| Paychex, Inc. | 1,394 | 2,332 | 2,175 |
| Peabody Energy Corp | 1,847 | 1,847 | 1,899 |
| Penney (J.C) Company, Inc. | 970 | 970 | 985 |
| People's United Financial | 981 | 981 | 902 |
| Pepco Holdings, Inc. | 694 | 694 | 472 |
| Pepsi Bottling Group, Inc | 451 | 451 | 638 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|---|--------|--------|--------|
| PepsiCo, Inc. | 11,774 | 13,709 | 17,510 |
| PerkinElmer, Inc | 372 | 310 | 309 |
| Pfizer, Inc | 40,719 | 46,243 | 27,067 |
| Philip Morris International | 10,171 | 10,438 | 16,915 |
| Pinnacle West Capital Corporation | 548 | 548 | 512 |
| Pioneer Natural Resources Company | 1,074 | 1,074 | 915 |
| Pitney Bowes Inc | 1,056 | 1,541 | 1,092 |
| Plum Creek Timber Co. Inc | 873 | 873 | 1,095 |
| Polo Ralph Lauren Corporation | 833 | 833 | 729 |
| Praxair, Inc. | 1,875 | 1,875 | 4,256 |
| Precision Castparts | 2,894 | 2,894 | 2,428 |
| T. Rowe Price, Inc | 1,098 | 1,554 | 2,876 |
| Priceline com Incorporated | | 1,376 | 1,747 |
| Principal Financial Group, Inc | 1,465 | 1,867 | 1,731 |
| Procter & Gamble Company | 18,858 | 20,324 | 32,558 |
| Progress Energy, Inc | 1,791 | 2,501 | 2,461 |
| The Progressive Corporation | 1,736 | 2,370 | 2,393 |
| ProLogis | 1,329 | 1,905 | 1,437 |
| Prudential Financial, Inc. | 3,363 | 3,363 | 3,832 |
| Public Service Enterprise Group, Incorporated | 1,775 | 2,319 | 3,159 |
| Public Storage, Inc. | 1,588 | 1,588 | 1,629 |
| Pulte Homes, Inc. | 761 | 1,727 | 580 |
| QLogic Corporation | 585 | 585 | 491 |
| QUALCOMM Incorporated | 7,632 | 9,477 | 14,063 |
| Quanta Services, Inc | | 603 | 542 |
| Quest Diagnostics, Inc. | 1,021 | 1,282 | 1,751 |
| Questar Corporation | 1,218 | 1,218 | 1,164 |
| Qwest Communications International, Inc. | 853 | 1,347 | 1,360 |
| RadioShack Corporation | 816 | 816 | 488 |
| Range Resources Corp | 1,774 | 1,774 | 1,496 |
| Raytheon Company | 2,263 | 2,263 | 3,812 |
| Red Hat Inc. | | 1,060 | 1,143 |
| Regions Financial Corporation | 3,701 | 4,106 | 1,016 |
| Republic Services, Inc | | 1,076 | 1,444 |
| Reynolds American Inc. | 709 | 709 | 1,271 |
| Robert Half International, Inc. | 637 | 637 | 722 |
| Rockwell Automation, Inc. | 977 | 977 | 1,409 |
| Rockwell Collins, Inc | 915 | 915 | 1,550 |
| Rohm and Haas Company | 788 | | |
| Roper Industries Inc | | 901 | 890 |
| Ross Sores, Inc | | 858 | 854 |
| Rowan Companies, Inc. | 345 | 345 | 340 |
| Ryder System, Inc. | 368 | 368 | 412 |
| SAIC Inc. | | 1,056 | 1,061 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|-----------------------------------|-------|-------|--------|
| SLM Corporation | 2,456 | 1,553 | 1,172 |
| SAFECO Corporation | | | |
| Safeway Inc | 1,610 | 1,610 | 1,512 |
| St Jude Medical, Inc. | 2,086 | 2,086 | 2,133 |
| Salesforce.com Inc | 977 | 749 | 1,697 |
| Sandisk Corporation | 1,745 | 1,534 | 1,594 |
| Sara Lee Corporation | 2,031 | 2,031 | 1,364 |
| Scana Corp | | 713 | 942 |
| Schering-Plough Corporation | 5,180 | | |
| Schlumberger N V. | 3,153 | 4,462 | 14,385 |
| Schwab (Charles) Corporation | 2,095 | 2,095 | 3,124 |
| Scripps Networks Interactive, Inc | 540 | 540 | 498 |
| Sealed Air Corporation | 647 | 647 | 568 |
| Sears Holding Corp | 2,001 | 2,001 | 1,085 |
| Sempra Energy | 1,154 | 1,660 | 2,687 |
| The Sherwin-Williams Company | 505 | 505 | 925 |
| Sigma-Aldrich Corporation | 644 | 644 | 1,112 |
| Simon Property Group, Inc. | 2,197 | 3,192 | 4,469 |
| Smith International, Inc | 1,373 | 1,940 | 1,386 |
| Smucker (J.M) Company | 1,014 | 1,014 | 1,606 |
| Snap-on Incorporated | | 511 | 761 |
| The Southern Company | 3,697 | 4,277 | 4,798 |
| Southwest Airlines Co. | 1,552 | 1,552 | 1,143 |
| Southwestern Energy | 2,109 | 2,109 | 3,278 |
| Sovereign Bancorp, Inc. | 1,295 | | |
| Spectra Energy | 1,792 | 2,374 | 2,666 |
| Sprint Nextel Corporation | 7,909 | 8,614 | 2,174 |
| The Stanley Works | 493 | 493 | 670 |
| Staples, Inc | 1,953 | 2,352 | 3,123 |
| Starbucks Corporation | 1,977 | 2,279 | 3,182 |
| Starwood Hotels & Resorts | 837 | 837 | 1,243 |
| State Street Corporation | 3,324 | 4,257 | 3,657 |
| Stericycle Inc | 1,278 | 852 | 883 |
| Stryker Corporation | 1,912 | 1,912 | 2,166 |
| Sun Microsystems, Inc. | 2,289 | 2,780 | 1,527 |
| Sunoco, Inc | 666 | 666 | 626 |
| SunTrust Banks, Inc. | 4,345 | 4,162 | 2,191 |
| SUPERVALU Inc | 899 | 899 | 394 |
| Symantec Corporation | 3,596 | 3,596 | 2,934 |
| SYSCO Corporation | 156 | 649 | 3,073 |
| TECO Energy, Inc | 401 | 401 | 454 |
| TJX Companies, Inc | 1,426 | 1,955 | 2,961 |
| Target Corporation | 4,869 | 5,339 | 6,723 |
| Tellabs, Inc | 598 | 598 | 346 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)**

| | | | |
|-------------------------------------|--------|--------|--------|
| Tenet Healthcare Corporation | 883 | 883 | 383 |
| Teradata Corporation | | 513 | 1,037 |
| Terex Corp | 328 | | |
| Tesoro Petroleum Corporation | 1,167 | 1,167 | 298 |
| Teva Pharmaceutical | 424 | | |
| Texas Instruments Incorporated | 6,796 | 6,796 | 5,655 |
| Textron Inc | 1,227 | 987 | 696 |
| Thermo Electron Corporation | 1,906 | 2,489 | 3,815 |
| 3M Company | 7,116 | 7,497 | 10,499 |
| Tiffany & Company | 833 | 833 | 903 |
| Time Warner, Inc. | 10,787 | 7,729 | 6,527 |
| Time Warner Cable, Inc | | 3,232 | 2,897 |
| Titanium Metals Corp | | 85 | 238 |
| Torchmark Corp | 664 | 664 | 615 |
| Total System Services | 719 | 719 | 414 |
| Transocean, Inc | 2,868 | | |
| The Travelers Companies, Inc. | 4,352 | 4,352 | 5,185 |
| Tyco Electronics Ltd | 2,482 | | |
| Tyco International Ltd | 3,371 | | |
| Tyson Foods, Inc. | 865 | 865 | 589 |
| UST Inc | 929 | | |
| U S Bancorp | 8,251 | 9,440 | 7,901 |
| Union Pacific Corporation | 2,774 | 3,367 | 6,262 |
| Unisys Corporation | 1,082 | | |
| United Parcel Service, Inc | 11,738 | 13,134 | 10,843 |
| United States Steel Corporation | 612 | 612 | 992 |
| United Technologies Corporation | 7,648 | 8,488 | 12,216 |
| UnitedHealth Group, Inc | 6,119 | 6,622 | 6,736 |
| UnumProvident Corp | 721 | 721 | 898 |
| VF Corporation | 723 | 722 | 1,245 |
| Valero Energy | 1,894 | 1,894 | 1,575 |
| Varian Medical Systems, Inc | 970 | 970 | 937 |
| Ventas Inc | | 529 | 1,050 |
| Versign Inc | 978 | 978 | 994 |
| Verizon Communications | 16,717 | 18,388 | 17,658 |
| Viacom, Inc Class B | 5,731 | 5,731 | 3,300 |
| Visa Inc | | 7,297 | 7,172 |
| Vornado Realty Trust | 1,444 | 2,206 | 2,308 |
| Vulcan Materials Company | 769 | 1,281 | 1,422 |
| Wachovia Corporation | 16,960 | | |
| Wal-Mart Stores, Inc. | 1,249 | 2,819 | 21,006 |
| Walgreen Company | 5,363 | 6,016 | 6,610 |
| The Washington Post Company Class B | | 483 | 440 |
| Waste Management, Inc | 2,366 | 2,366 | 2,874 |

William H. Cowles Foundation, Inc.

FORM 990-PF

Year Ending December 31, 2009

EIN: 91-6020496

STATEMENT #6 - PART II LINE 10b - Investments - corporate stock (cont)

| | | | |
|------------------------------|--------------------|--------------------|--------------------|
| Waters Corporation | 720 | 720 | 1,177 |
| Watson Pharmaceuticals, Inc | 559 | 614 | 792 |
| Weatherford International | 1,776 | | |
| Wellpoint, Inc | 6,827 | 6,266 | 4,955 |
| Wells Fargo & Company | 17,723 | 41,022 | 25,344 |
| Wendy's/Arby's Group Inc. | 263 | | |
| Western Digital Corp. | | 1,272 | 1,722 |
| Western Union Corp | 2,193 | 2,193 | 2,319 |
| Weyerhaeuser Company | 193 | 193 | 1,380 |
| Whirlpool Corporation | 943 | 943 | 968 |
| Whole Foods Market, Inc. | 1,697 | 1,697 | 604 |
| Williams Companies, Inc. | 896 | 1,221 | 2,298 |
| Windstream Corp. | 545 | 545 | 670 |
| Wisconsin Energy Corporation | 1,012 | 1,012 | 1,196 |
| Wyeth | 8,767 | | |
| Wyndham Worldwide Corp | 1,499 | 1,306 | 545 |
| Wynn Resorts | | 314 | 1,048 |
| XTO Energy, Inc. | 1,985 | 3,043 | 5,072 |
| Xcel Energy, Inc. | 1,092 | 1,804 | 2,164 |
| Xilinx, Inc | 2,344 | 2,344 | 1,403 |
| XL Capital, Ltd | 1,833 | 605 | 1,283 |
| Xerox Corporation | 2,165 | 2,165 | 1,252 |
| Yahoo! Inc. | 5,766 | 4,955 | 4,061 |
| Yum! Brands, Inc | 1,530 | 1,530 | 3,147 |
| Zimmer Holdings, Inc. | 3,213 | 3,213 | 2,483 |
| Zions Bancorporation | 823 | 823 | 180 |
| Total Common Stock | \$1,320,213 | \$1,466,841 | \$1,820,236 |

STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds

| | Beginning | End of Year | |
|--|--------------|--------------|---------------|
| | of year | | |
| | Book | Book | Fair |
| <u>Corporate bonds: Part II Line 10c</u> | <u>Value</u> | <u>Value</u> | <u>Market</u> |
| New Cingular Wireless Service | | | |
| 8 125% due 05/01/12 | | 7,685 | 7,910 |
| Abbott Laboratories | | | |
| 5 6% due 11/30/17 | | 5,448 | 5,430 |
| ACE INA Holdings, Inc | | | |
| 5 7% due 02/15/17 | | 6,526 | 7,429 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)**

| | | |
|--------------------------------|--------|--------|
| Aetna Inc. | | |
| 5 75% due 06/16/11 | 3,133 | 3,146 |
| Allied Waste North America | | |
| Call 6/2/12 @ 103 44 | | |
| 6 875% due 06/01/17 | 3,930 | 4,245 |
| American Express Company | | |
| 7 25% due 05/20/14 | 2,995 | 3,385 |
| Autozone Inc | | |
| Senior Unsecured Debt | | |
| 5 75% due 01/15/15 | 3,211 | 3,254 |
| Avon Products Inc | | |
| Senior Unsecured Debt | | |
| 5.625% due 03/01/14 | 4,339 | 4,360 |
| BB&T Corporation | | |
| 5 7% due 04/30/14 | 2,964 | 3,247 |
| BHP Billiton Financial USA Ltd | | |
| 6.5% due 04/01/19 | 3,233 | 3,441 |
| Bank of America Corporation | | |
| Subordinated Notes | | |
| 7.4000% due 01/15/11 | 5,318 | 5,293 |
| Bank of America Corporation | | |
| Medium Term Notes Series L | | |
| 3.1250% due 06/15/12 | 20,523 | 20,724 |
| Bank of New York Mellon | | |
| Medium Term Notes Series G | | |
| 7 25% due 02/01/18 | 3,079 | 3,168 |
| Bear Stearns Companies LLC | | |
| 7 25% due 02/01/18 | 3,119 | 3,444 |
| Bellsouth Corp Notes | | |
| 4 2000% due 09/15/09 | 4,750 | |
| Boston Scientific Corporation | | |
| 6 25% due 11/15/15 | 5,106 | 5,375 |
| Bottling Group LLC | | |
| 6.95% due 03/15/14 | 7,990 | 8,054 |
| Burlington Northern Santa Fe | | |
| Senior Unsecured | | |
| 5 65% due 05/01/17 | 3,052 | 3,193 |
| CVS Caremark Corp | | |
| 6 6% due 03/15/19 | 3,195 | 3,283 |
| Capital One Financial Co | | |
| 7 375% due 05/23/14 | 3,062 | 3,397 |
| Caterpillar Financial Services | | |
| Senior Unsecured Notes | | |
| 7 15% due 02/15/19 | 4,055 | 4,626 |

William H. Cowles Foundation, Inc.

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STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)

| | | | |
|--------------------------------------|-------|--------|--------|
| Cisco Systems Inc | | | |
| Notes | | | |
| 5 5000% due 02/22/16 | 3,999 | 3,999 | 4,392 |
| Citigroup Inc. | | | |
| 6 5% due 08/19/13 | | 6,423 | 7,456 |
| ConocoPhillips | | | |
| 5 75% due 01/02/19 | | 7,106 | 7,662 |
| Costco Companies | | | |
| Senior Unsecured | | | |
| 5.5000% due 03/15/17 | 5,023 | 5,023 | 5,336 |
| Credit Suisse New York | | | |
| 6% due 02/15/18 | | 4,942 | 5,232 |
| John Deere Capital Corporation | | | |
| Notes | | | |
| 5 25% due 10/01/12 | | 5,230 | 5,400 |
| The Dow Chemical Co. | | | |
| Senior Unsecured Debt | | | |
| 8 55% due 05/15/19 | | 3,037 | 3,579 |
| E I DuPont DeNemours | | | |
| 4 75% due 03/15/15 | | 4,057 | 4,254 |
| FPL Group Capital Inc. | | | |
| 5 35% due 06/15/13 | | 3,184 | 3,219 |
| Fifth Third Bank | | | |
| Subordinated Bonds | | | |
| 5.4500% due 01/15/17 | 4,972 | | |
| Flextronics Intl Ltd | | | |
| 6 5% due 05/15/13 | | 5,005 | 5,013 |
| Florida Power Corp. | | | |
| First Mortgage Bonds | | | |
| 6 35% due 09/15/37 | | 4,467 | 4,335 |
| General Electric Capital Corp. Notes | | | |
| Medium Term, Series A | | | |
| 6.875% due 01/10/39 | | 6,081 | 7,229 |
| Goldman Sachs Group Inc | | | |
| 5 65% due 01/15/17 | | 3,712 | 4,085 |
| Goldman Sachs Group Inc. | | | |
| 3.25% due 06/15/12 | | 25,747 | 25,973 |
| Honeywell International | | | |
| 5 625% due 08/01/12 | 8,444 | 8,444 | 8,740 |
| Ingersoll-Rand Global Holding Co | | | |
| 9.5% due 04/15/14 | | 3,251 | 3,585 |
| JPMorgan Chase & Co | | | |
| 5 375% due 10/01/12 | | 3,160 | 3,246 |

William H. Cowles Foundation, Inc.**FORM 990-PF****Year Ending December 31, 2009****EIN: 91-6020496****STATEMENT #7 - PART II LINE 10c - Investments - corporate bonds (cont)**

| | | |
|---|--------|--------|
| JPMorgan Chase & Co | | |
| 3.125% due 12/01/11 | 25,670 | 25,875 |
| JPMorgan Chase & Co. | | |
| 2.625% due 12/01/10 | 35,622 | |
| Kinder Morgan Energy Partners | | |
| 5.85% due 09/15/12 | 5,096 | 5,381 |
| Marsh & McLennan Cos Inc. | | |
| Senior Unsecured Debt | | |
| 9 25% due 04/15/19 | 3,752 | 3,640 |
| McDonald's Corp | | |
| 5% due 02/01/19 | 7,120 | 7,316 |
| Merrill Lynch & Co | | |
| Medium Term Notes, Series C | | |
| 6 4% due 08/28/17 | 3,434 | 4,210 |
| Metlife Inc | | |
| callable 12/15/31 @ 100 | | |
| 6.4% due 12/15/36 | 4,313 | 5,250 |
| Morgan Stanley | | |
| 5 3% due 03/01/13 | 6,806 | 7,378 |
| News America Holdings | | |
| 8% due 10/17/16 | 4,146 | 4,710 |
| Northern States Power-Minnesota | | |
| 8% due 08/28/12 | 7,876 | 8,031 |
| Oracle Corp | | |
| 5.75% due 04/15/18 | 3,201 | 3,244 |
| PNC Funding Corporation | | |
| 5 125% due 12/14/10 | 6,995 | 7,277 |
| Petrobras International Finance Company | | |
| 7 875% due 03/15/19 | 3,228 | 3,471 |
| Pfizer Inc. | | |
| 5 35% due 03/15/15 | 6,486 | 6,557 |
| The Procter & Gamble Co | | |
| 4.7% due 02/15/19 | 5,105 | 5,118 |
| Southern Power Company Series B | | |
| 4 875% due 07/15/15 | 5,133 | 5,204 |
| Telecom Italia Capital | | |
| 6 175% due 06/18/14 | 4,100 | 4,336 |
| Time Warner Cable Inc | | |
| 6.2% due 07/01/13 | 3,123 | 3,295 |
| United Parcel Service | | |
| Senior Unsecured | | |
| 5.5% due 01/15/18 | 3,184 | 3,234 |
| United Technologies Corporation | | |
| 5 375% due 12/15/17 | 7,184 | 7,460 |

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\$368,124

William H. Cowles Foundation, Inc.

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STATEMENT #8 - PART II LINE 13 - Investments - other

| | Beginning | End of Year | |
|---|--------------------|--------------------|--------------------|
| | of year | | |
| | Book | Book | Fair |
| | Value | Value | Market |
| Other investments: Part II Line 13 | | | Value |
| Artio International Equity Fund II | \$308,690 | \$391,569 | \$465,160 |
| GMO International Intrinsic Value Fund | 498,692 | 581,667 | 455,304 |
| 1Shares Russell 2000 Index Fund | 582,675 | 743,135 | 974,501 |
| SPDR Barclays Capital High Yield Bond ETF | | 49,980 | 65,511 |
| Total Investments-other | \$1,390,057 | \$1,766,351 | \$1,960,477 |

STATEMENT #9 - PART II LINE 15 - Other assets

| | Beginning | End |
|-------------------------------|-----------|---------|
| | of Year | of Year |
| | Book | Book |
| | Value | Value |
| Interest receivable | \$635 | \$209 |
| Federal excise tax refundable | 2,990 | 1,376 |
| Interest receivable | \$3,625 | \$1,585 |