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: CHANNEL FOUNDATION

Number and street (or P O box number if mail is not delivered to street address): 603 STEWART ST — Room/suite: 415

City or town, state, and ZIP code: SEATTLE, WA 98101

A Employer identification number 91-6478055

B Telephone number 206.621.5447

C If exemption application is pending, check here ▶☐

D 1. Foreign organizations, check here ▶☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 7,074,936.

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

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

		(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	239,799.		N/A	
	2 Check ▶☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	59,923.	59,923.		STATEMENT 1
	4 Dividends and interest from securities	65,710.	65,710.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	7,170.			
	b Gross sales price for all assets on line 6a 1,038,060.				
	7 Capital gain net income (from Part IV, line 2)		7,170.		
	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	69.	69.		STATEMENT 3
	12 **Total** Add lines 1 through 11	372,671.	132,872.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	67,002.	0.		67,002.
	14 Other employee salaries and wages	2,306.	0.		2,306.
	15 Pension plans, employee benefits	6,442.	0.		6,442.
	16a Legal fees STMT 4	2,964.	0.		2,964.
	b Accounting fees STMT 5	13,651.	6,826.		6,825.
	c Other professional fees STMT 6	13,939.	12,914.		1,025.
	17 Interest				
	18 Taxes STMT 7	5,734.	94.		5,640.
	19 Depreciation and depletion				
	20 Occupancy	6,091.	0.		6,091.
	21 Travel, conferences, and meetings	11,592.	0.		11,592.
	22 Printing and publications				
	23 Other expenses STMT 8	12,300.	1,383.		10,917.
	24 **Total operating and administrative expenses** Add lines 13 through 23	142,021.	21,217.		120,804.
	25 Contributions, gifts, grants paid	434,323.			434,323.
	26 **Total expenses and disbursements.** Add lines 24 and 25	576,344.	21,217.		555,127.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-203,673.			
	b **Net investment income** (if negative, enter -0-)		111,655.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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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	(c) Fair Market Value
Assets			
1 Cash - non-interest-bearing	589.	3,800.	3,800.
2 Savings and temporary cash investments	545,929.	647,165.	647,165.
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			
7 Other notes and loans receivable ▶			
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			
b Investments - corporate stock STMT 10	3,655,531.	3,132,811.	3,132,811.
c Investments - corporate bonds STMT 11	704,810.	1,272,385.	1,272,385.
11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation ▶			
12 Investments - mortgage loans			
13 Investments - other STMT 12	2,645,662.	2,018,775.	2,018,775.
14 Land, buildings, and equipment: basis ▶			
Less accumulated depreciation ▶			
15 Other assets (describe ▶)			
16 **Total assets** (to be completed by all filers)	7,552,521.	7,074,936.	7,074,936.
Liabilities			
17 Accounts payable and accrued expenses	1,636.	1,543.	
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)	1,636.	1,543.	
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted			
25 Temporarily restricted			
26 Permanently restricted			
Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
27 Capital stock, trust principal, or current funds	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	7,550,885.	7,073,393.	
30 **Total net assets or fund balances**	7,550,885.	7,073,393.	
31 **Total liabilities and net assets/fund balances**	7,552,521.	7,074,936.	

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	7,550,885.
2 Enter amount from Part I, line 27a	2	-203,673.
3 Other increases not included in line 2 (itemize) ▶ UNREALIZED NET CAPITAL GAINS 2009	3	780,617.
4 Add lines 1, 2, and 3	4	8,127,829.
5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9	5	1,054,436.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,073,393.

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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 STATEMENTS			
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	1,038,060.		1,030,890.	7,170.

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				7,170.

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** 7,170.

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	488,116.	5,106,043.	.095596
2007	516,046.	5,825,383.	.088586
2006	347,135.	5,249,256.	.066130
2005	401,752.	4,629,894.	.086773
2004	224,048.	3,658,071.	.061248

2	**Total** of line 1, column (d)	2	.398333
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	.079667
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,637,224.
5	Multiply line 4 by line 3	5	369,434.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,117.
7	Add lines 5 and 6	7	370,551.
8	Enter qualifying distributions from Part XII, line 4	8	555,127.

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	1,117.
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	1,117.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5 **Tax based on investment income** Subtract line 4 from line 3. If zero or less, enter -0-			5	1,117.
6 Credits/Payments:				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	6,865.		
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	6,865.
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	5,748.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 5,748. **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)? *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.*	1b		X
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) ▶ WA			
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 ▶ WWW.CHANNELFOUNDATION.ORG

14 The books are in care of ▶ SHERIDA BORNFLETH Telephone no. ▶ 206.621.5447

Located at ▶ 603 STEWART ST. STE 415, SEATTLE, WA ZIP+4 ▶ 98101

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)?		1b	X	
	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)? **5b** X (No)

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? SEE STATEMENT 13 ☒ 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 (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? 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
ELAINE NONNEMAN 603 STEWART ST, STE 415 SEATTLE, WA 98101	TRUSTEE 10.00	0.	0.	0.
KATRIN WILDE 603 STEWART ST, STE 415 SEATTLE, WA 98101	EXECUTIVE DIRECTOR 40.00	67,002.	6,442.	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	4,196,217.
b	Average of monthly cash balances		1b	511,625.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	4,707,842.
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	4,707,842.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	70,618.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	4,637,224.
6	**Minimum investment return** Enter 5% of line 5		6	231,861.

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	231,861.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 1,117.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	1,117.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	230,744.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	230,744.
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	230,744.

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	555,127.
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	555,127.
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	1,117.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	554,010.

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				230,744.
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 — 44,866.				
b From 2005 — 182,095.				
c From 2006 — 93,230.				
d From 2007 — 230,857.				
e From 2008 — 235,336.				
f **Total** of lines 3a through e	786,384.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 555,127.				
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				230,744.
e Remaining amount distributed out of corpus	324,383.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,110,767.			
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	44,866.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	1,065,901.			
10 Analysis of line 9:				
a Excess from 2005 — 182,095.				
b Excess from 2006 — 93,230.				
c Excess from 2007 — 230,857.				
d Excess from 2008 — 235,336.				
e Excess from 2009 — 324,383.				

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).)

ELAINE NONNEMAN

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 14				
Total			▶ 3a	434,323.
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	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (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	59,923.	
4 Dividends and interest from securities			14	65,710.	
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			41	69.	
8 Gain or (loss) from sales of assets other than inventory			18	7,170.	
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.		132,872.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 132,872.

(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).

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

Elaine Nonneman — Signature of officer or trustee | 10/15/10 — Date | TRUSTEE — Title

Paid Preparer's Use Only

Preparer's signature	WENDY S. JACOBSON	Date 10/04/10	Check if self-employed ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code	JACOBSON JARVIS & CO, PLLC 600 STEWART STREET, SUITE 1900 SEATTLE, WA 98101-1219	EIN	
		Phone no. (206)-628-8990	

Form 990-PF (2009)

923622
02-02-10

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

2009

Name of the organization

CHANNEL FOUNDATION

Employer identification number

91-6478055

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year ▶ $ ______________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization: CHANNEL FOUNDATION

Employer identification number: 91-6478055

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 131,842.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
2	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 10,240.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
3	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 10,210.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
4	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 7,688.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
5	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 11,010.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
6	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 10,836.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
CHANNEL FOUNDATION	91-6478055

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 18,526.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
8	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 6,450.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
9	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 2,322.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
10	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 9,900.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
11	ELAINE NONNEMAN 603 STEWART ST SEATTLE, WA 98101	$ 20,775.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
CHANNEL FOUNDATION	91-6478055

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	12485 SH FRANKLIN STR PPTYS CORP	$ 131,842.	03/09/09
2	200 BURLINGTON N SNTA FE	$ 10,240.	03/09/09
3	200 BAXTER INTL	$ 10,210.	03/09/09
4	200 COSTCO	$ 7,688.	03/09/09
5	200 COLGATE PALMOLIVE	$ 11,010.	03/09/09
6	100 FIRST SOLAR INC	$ 10,836.	03/09/09

Name of organization	Employer identification number
CHANNEL FOUNDATION	91-6478055

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
7	200 GENENTECH INC	$ 18,526.	03/09/09
8	200 ITT	$ 6,450.	03/09/09
9	200 PRUDENTIAL FINANCIAL	$ 2,322.	03/09/09
10	300 QUALCOMM	$ 9,900.	03/09/09
11	500 ITT	$ 20,775.	04/24/09
		$	

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	THE DENALI FUND INC	P	02/24/05	01/02/09
b	COCA COLA	P	/ /07	12/18/09
c	PEPSICO INC	P	/ /05	12/21/09
d	TRAVELERS COS INC	P	/ /06	12/24/09
e	GENENTECH INC NEW	P	11/21/08	04/24/09
f	UNITED HEALTHGROUP INC	P	/ /07	11/05/09
g	BMC SOLFWARE INC	P	02/20/07	12/18/09
h	HARTFORD FINL SVCS GROUP	P	02/20/07	12/28/09
i	MCDONALDS CORP	P	01/11/08	12/17/09
j	PRUDENTIAL FINANCIAL	P	06/23/08	12/22/09
k	MICROSOFT	P	04/18/05	12/29/09
l	MICROSOFT	P	05/06/05	12/29/09
m	MICROSOFT	P	05/04/06	12/29/09
n	HEWLETT PACKARD	P	09/15/06	12/29/09
o	HEWLETT PACKARD	P	10/05/06	12/29/09

	(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	500,008.		500,000.	8.
b	52,838.		40,084.	12,754.
c	32,527.		29,773.	2,754.
d	20,983.		18,623.	2,360.
e	19,000.		14,662.	4,338.
f	52,751.		100,189.	-47,438.
g	14,630.		12,274.	2,356.
h	3,120.		12,627.	-9,507.
i	47,135.		41,148.	5,987.
j	10,200.		13,588.	-3,388.
k	689.		545.	144.
l	80,647.		65,457.	15,190.
m	43,221.		32,430.	10,791.
n	14,369.		9,928.	4,441.
o	17,894.		12,849.	5,045.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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	
a				8.
b				12,754.
c				2,754.
d				2,360.
e				4,338.
f				-47,438.
g				2,356.
h				-9,507.
i				5,987.
j				-3,388.
k				144.
l				15,190.
m				10,791.
n				4,441.
o				5,045.

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

923591
04-24-09

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	HEWLETT PACKARD	P	03/02/07	12/29/09
b	LUBRIZOL CORP	P	07/11/07	12/29/09
c	MEMC ELECTR MTLS INC	P	06/24/08	12/29/09
d	MEMC ELECTR MTLS INC	P	07/10/08	12/29/09
e	MCKESSON CORP	P	05/25/06	12/29/09
f	MICROSOFT	P	08/22/06	12/29/09
g	HEWLETT PACKARD	P	10/25/06	12/29/09
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	27,894.		20,539.	7,355.
b	35,588.		32,322.	3,266.
c	4,020.		19,500.	-15,480.
d	2,680.		10,061.	-7,381.
e	43,194.		32,743.	10,451.
f	7,830.		6,475.	1,355.
g	6,842.		5,073.	1,769.
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			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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	
a				7,355.
b				3,266.
c				-15,480.
d				-7,381.
e				10,451.
f				1,355.
g				1,769.
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	7,170.
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

923591
04-24-09

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

SOURCE	AMOUNT
EMA MERRILL LYNCH	59,390.
SRI MERRILL LYNCH	533.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	59,923.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
EMA MERRILL LYNCH	32,134.	0.	32,134.
NEW ALTERNATIVES	651.	0.	651.
SRI MERRILL LYNCH	32,925.	0.	32,925.
TOTAL TO FM 990-PF, PART I, LN 4	65,710.	0.	65,710.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
BENSON EAST GAIN	69.	69.	
TOTAL TO FORM 990-PF, PART I, LINE 11	69.	69.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ATTORNEY	2,964.	0.		2,964.
TO FM 990-PF, PG 1, LN 16A	2,964.	0.		2,964.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOOKEEPING	8,085.	4,043.		4,042.
ACCOUNTING	5,566.	2,783.		2,783.
TO FORM 990-PF, PG 1, LN 16B	13,651.	6,826.		6,825.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MGMT FEES	12,914.	12,914.		0.
TRANSLATION SERVICES	215.	0.		215.
CONSULTING	810.	0.		810.
TO FORM 990-PF, PG 1, LN 16C	13,939.	12,914.		1,025.

FORM 990-PF TAXES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	5,640.	0.		5,640.
FOREIGN TAXES PAID	94.	94.		0.
TO FORM 990-PF, PG 1, LN 18	5,734.	94.		5,640.

FORM 990-PF — OTHER EXPENSES — STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
IT/ WEB SERVICES	936.	234.		702.
INSURANCE	1,501.	375.		1,126.
LICENSES/FEES/PERMITS	84.	0.		84.
MEMBERSHIP	4,910.	0.		4,910.
MISCELLANEOUS	1,613.	0.		1,613.
POSTAGE/DELIVERY	61.	0.		61.
TELEPHONE	3,095.	774.		2,321.
WIRE FEES	100.	0.		100.
TO FORM 990-PF, PG 1, LN 23	12,300.	1,383.		10,917.

FORM 990-PF — OTHER DECREASES IN NET ASSETS OR FUND BALANCES — STATEMENT 9

DESCRIPTION	AMOUNT
ADJUST BOOK VALUE FROM COST TO FAIR MARKET VALUE 1/1/09	1,054,436.
TOTAL TO FORM 990-PF, PART III, LINE 5	1,054,436.

FORM 990-PF — CORPORATE STOCK — STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MERRILL LYNCH CORPORATE STOCK	3,132,811.	3,132,811.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,132,811.	3,132,811.

FORM 990-PF CORPORATE BONDS STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MERRILL LYNCH CORPORATE BONDS	1,272,385.	1,272,385.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,272,385.	1,272,385.

FORM 990-PF OTHER INVESTMENTS STATEMENT 12

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
NEW ALTERNATIVES FUND INC	COST	64,468.	64,468.
BENSON EAST LLC	COST	1,954,307.	1,954,307.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,018,775.	2,018,775.

FORM 990-PF	EXPENDITURE RESPONSIBILITY STATEMENT PART VII-B, LINE 5C	STATEMENT 13

GRANTEE'S NAME

FUNDACION MERCED QUERETARA

GRANTEE'S ADDRESS

CERRO DE LA ESTRELLA 133 COLINAS DEL CIMATARIO
QUERETARO, QRO C.CP, MEXICO, MEXICO

GRANT AMOUNT	DATE OF GRANT	AMOUNT EXPENDED
10,000.	03/08/09	10,000.

PURPOSE OF GRANT

TO ASSIST IN THE CREATION OF A SCHOLARSHIP PROGRAM TO PROMOTE EDUCATIONAL SUPPORT FOR EMPLOYEES AND FAMILIES OF THE QUERETARO AND GUADALAJARA COMPANIES ROBIN MEXICANA AND SYZ ROLMEX. THE GOAL OF THE PROGRAM IS IMPROVING AND ENRICHING THEIR LIVES BY ALLOWING THEM OPPORTUNITIES FOR EDUCATION.

DATES OF REPORTS BY GRANTEE

OCTOBER, 2009

ANY DIVERSION BY GRANTEE

NONE NOTED

GRANTEE'S NAME

FUNDACION MERCED QUERETARA

GRANTEE'S ADDRESS

CERRO DE LA ESTRELLA 133 COLINAS DEL CIMATARIO
QUERETARO, QRO C.CP, MEXICO, MEXICO

GRANT AMOUNT	DATE OF GRANT	AMOUNT EXPENDED
5,000.	12/03/09	

PURPOSE OF GRANT

TO ASSIST IN THE CREATION OF A SCHOLARSHIP PROGRAM TO PROMOTE EDUCATIONAL SUPPORT FOR EMPLOYEES AND FAMILIES OF THE QUERETARO AND GUADALAJARA COMPANIES ROBIN MEXICANA AND SYZ ROLMEX. THE GOAL OF THE PROGRAM IS IMPROVING AND ENRICHING THEIR LIVES BY ALLOWING THEM OPPORTUNITIES FOR EDUCATION.

ANY DIVERSION BY GRANTEE

NONE NOTED

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
FUNDACION MERCED QUERETARO - CERRO DE LA ESTRELLA 133 COLONIA COLINAS DEL CIMATARIO, QUERETARO, MEXICO 76090	NONE EMPLOYEE EDUCATION RESOURCE FUND	SEE STATEMENT 13	10,000.
GRANTMAKERS WITHOUT BORDERS 1009 GENERAL KENNEDY AVE #2 SAN FRANCISCO, CA 94129	NONE GENERAL SUPPORT	PUBLIC CHARITY	250.
GLOBAL FUND FOR WOMEN 1375 SUTTER ST, SUITE 400 SAN FRANCISCO, CA 94109	NONE MONGOLIAN WOMEN'S FUND	PUBLIC CHARITY	25,000.
PROMETHEUS RADIO PROJECT PO BOX 42158 PHILADELPHIA, PA 19101	NONE PALABRA RADIO PROJECT	PUBLIC CHARITY	3,500.
GLOBAL FUND FOR WOMEN 1375 SUTTER ST, SUITE 400 SAN FRANCISCO, CA 94109	NONE HUMAN RIGHTS ACTIVIST TRAVEL TO IHRFG CONFERENCE	PUBLIC CHARITY	1,207.
INTRN'L CIVIL SOCIETY ACTION NETWORK 3027 O ST NW WASHINGTON, DC 20007	NONE ASSESSMENT OF UN SECURITY COUNCIL RESOLUTION 1325	PUBLIC CHARITY	20,000.
CENTRAL AMERICAN WOMEN'S FUND 3543 18TH ST #10 SAN FRANCISCO, CA 94110	NONE WOMEN'S FORUM FOR LIFE, HONDURAS	PUBLIC CHARITY	1,000.
IPAS 300 MARKET ST, SUITE 200 CHAPEL HILL, NC 27516	NONE WOMEN'S REPRODUCTIVE RIGHTS IN NICARAQUA	PUBLIC CHARITY	20,000.

AMERICANS FOR UNFPA 370 LEXINGTON AVE, SUITE 702 NEW YORK, NY 10017	NONE CHELANGAT HONORARIUM	PUBLIC CHARITY	2,500.
GRANTMAKERS WITHOUT BORDERS 1009 GENERAL KENNEDY AVE #2 SAN FRANCISCO, CA 94129	NONE GENERAL SUPPORT	PUBLIC CHARITY	2,500.
FUND FOR GLOBAL HUMAN RIGHTS 1666 CONNECTICUT AVE NW, SUITE 410 WASHINGTON, DC 20009	NONE WOMEN'S RIGHTS & LEADERSHIP IN SUB-SAHARAN AFRICA	PUBLIC CHARITY	25,000.
CENTRAL AMERICAN WOMEN'S FUND 3543 18TH ST #10 SAN FRANCISCO, CA 94110	NONE STRENGTHENING INDIGENOUS YOUNG WOMEN'S LEADERSHIP PROJECT	PUBLIC CHARITY	25,000.
FUNDACION MERCED QUERETARO - CERRO DE LA ESTRELLA 133 COLONIA COLINAS DEL CIMATARIO, QUERETARO, MEXICO 76090	NONE EMPLOYEE EDUCATION RESOURCE FUND	GRANT	5,000.
GLOBAL FUND FOR WOMEN 1375 SUTTER ST, SUITE 400 SAN FRANCISCO, CA 94109	NONE FIELD OF INTEREST FUND	PUBLIC CHARITY	25,000.
WOMEN'S LEARNING PARTNERSHIP 4343 MONTGOMERY AVE, SUITE 201 BETHESDA, MD 20814	NONE TRANSNATIONAL WOMEN'S RIGHTS ADVOCACY	PUBLIC CHARITY	25,000.
WORLD AFFAIRS COUNCIL 2200 ALASKAN WAY SUITE 450 SEATTLE, WA 98121	NONE PACIFIC NORTHWEST GLOBAL DONORS CONFERENCE	PUBLIC CHARITY	2,500.
WORLD PULSE 4223A NE FREMONT ST PORTLAND, OR 97213	NONE VOICES OF THE FUTURE CORRESPONDENTS NETWORK	PUBLIC CHARITY	10,000.
CHIRAPAQ - CENTRO DE CULTURAS INDIGENAS DE PERU HORACIO URTEAGA 534-203 LIMA, PERU	NONE INDIGENOUS WOMEN'S FUND	PUBLIC CHARITY EQUIVALENT	20,000.

CONSORCIO PARA EL DIALOGO PARLAMENTARIO Y LA EQUIDAD OAXACA A.C. - TERCERA CERRADA DE ALCALA 101 COLINIA DIAZ ORDAZ, OAXACA, MEXICO 68040	NONE COMMUNITY LEGAL ADVISOR TRAINING PROGRAM	PUBLIC CHARITY EQUIVALENT	15,000.
UNIVERSITY OF THE PHILIPPINES DILIMAN 1101 QUEZON CITY, PHILIPPINES	NONE NOVIO, EUNICE - SCHOLARSHIP	N/A	10,000.
LATIN AMERICAN SCHOOL OF SOCIAL SCIENCES AYACUCHO 551 CIUDAD AUTONOMA BUENOS AIRES, ARGENTINA	NONE FASCENDINI, ROMINIA - SCHOLARSHIP	N/A	2,350.
INSTITUTE OF SOCIAL STUDIES 2502 LT THE HAGUE, NETHERLANDS	NONE MANAMBOWOH, LUEONG GLORY - SCHOLARSHIP	N/A	14,915.
VAN HALL LARENSTEIN UNIVERSITY 6700 PB WAGENINGEN, NETHERLANDS	NONE AGWA, TABI CHERRYCHARRY - SCHOLARSHIP	N/A	15,000.
CORDILLERA UNIVERSITY CALLE CHACO #1151 ESQ. A. OSTRIA LA PAZ, BOLIVIA	NONE PAREDES, JULIETA -SCHOLARSHIP	N/A	11,500.
A PLACE TO LIVE 2407 FIRST AVE #200 SEATTLE, WA	N/A GENERAL SUPPORT	N/A	142,101.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			434,323.

CHANNEL FOUNDATION 91-6478055

Form **990-W**

(WORKSHEET)

Department of the Treasury
Internal Revenue Service

Estimated Tax on Unrelated Business Taxable Income for Tax-Exempt Organizations

(and on Investment Income for Private Foundations) FORM 990-PF

(Keep for your records Do not send to the Internal Revenue Service.)

OMB No. 1545-0976

2010

1	Unrelated business taxable income expected in the tax year	1	
2	**Tax on the amount on line 1.** See instructions for tax computation	2	
3	Alternative minimum tax (see instructions)	3	
4	Total. Add lines 2 and 3	4	
5	Estimated tax credits (see instructions)	5	
6	Subtract line 5 from line 4	6	
7	Other taxes (see instructions)	7	
8	Total. Add lines 6 and 7	8	
9	Credit for federal tax paid on fuels (see instructions)	9	
10a	Subtract line 9 from line 8. **Note** If less than $500, the organization is not required to make estimated tax payments. Private foundations, see instructions — 10a		
b	Enter the tax shown on the 2009 return (see instructions). **Caution.** If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c — 10b 1,117.		
c	**2010 Estimated Tax** Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c ADJUSTED TO	10c	1,120.

		(a)	(b)	(c)	(d)
11 **Installment due dates** (see instructions)	11	05/17/10	06/15/10	09/15/10	12/15/10
12 **Required installments.** Enter 25% of line 10c in columns **(a)** through **(d)** unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization" (see instructions)	12	280.	280.	280.	280.
13 **2009 Overpayment** (see instructions)	13				
14 **Payment due.** (Subtract line 13 from line 12.)	14				

LHA **For Paperwork Reduction Act Notice, see instructions** Form **990-W** (2010)

ESTIMATED TAX	1,120.
OVERPAYMENT APPLIED	5,748.
AMOUNT DUE	0.

923801
03-10-10

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
	Cash and Money Funds			
	CASH		645.27	645.27
214,433	ML BANK DEPOSIT PROGRAM	12/24/09	214,433.00	214,433.00
5,549	ISA CAPITAL ONE NA		5,549.00	5,549.00
	Total Cash and Money Funds		**220,627.27**	**220,627.27**
			SOLD 12/29	132,386.79
				353,014.06
	Corporate Bonds			
50,000	AMGEN INC GLB 04.850% NOV 18 2014	01/26/06	49,512.50	53,829.00
50,000	WELLPOINT INC 06.800% AUG 01 2012 MOODY'S: BAA1 S&P A-	03/10/08	53,749 55	55,166.00
50,000	ALLSTATE CORP 07.450% MAY 16 2019 MOODY'S: A3 S&P: A-	05/27/09	52,872.56	58,091.00
50,000	AFLAC INC 08.500% MAY 15 2019 MOODY'S· A2 S&P: A-	05/27/09	52,507.51	57,599.50
50,000	BELLSOUTH TELECOMMUNTNS 07.000% OCT 01 2025 MOODY'S· A2 S&P: A	01/21/09	53,770.90	52,987.00
50,000	BELLSOUTH CORP GLB 06 875% OCT 15 2031	02/10/09	51,675.94	52,515.00

EMA™ Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
	Corporate Bonds			
50,000	BANK OF AMERICA GLB 05.125% NOV 15 2014	08/26/03	49,625.98	51,839.50
25,000	CISCO SYSTEMS INC GLB 05.500% FEB 22 2016	06/13/08	25,454.50	27,447.50
25,000	COSTCO WHOLESALE CORP 05.500% MAR 15 2017 MOODY'S A2 S&P A	06/13/08	25,416.17	26,682.00
50,000	CONSOLIDATED EDISON CO SER 02-A 05.625% JUL 01 2012	08/26/03	50,931.78	54,013.50
50,000	JP MORGAN CHASE SUBORDINATED 05.150% OCT 01 2015	11/04/08	44,670.50	51,777.50
50,000	JP MORGAN CHASE & CO SUBORDINATED GLB 05.250% MAY 01 2015	08/26/03	49,390.39	52,035.00
50,000	MICROSOFT CORP GLB 04.200% JUN 01 2019	05/18/09	51,142.83	49,921.50
22,000	MICROSOFT CORP	06/05/09	21,600.70	21,965.46
28,000	MICROSOFT CORP	06/09/09	27,487.32	27,956.04

PLEASE SEE REVERSE SIDE

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
	Corporate Bonds			
50,000	PROCTER & GAMBLE CO GLB 04.850% DEC 15 2015	01/26/06	50,277.52	54,482.00
25,000	VERIZON COMMUNICATIONS GLB 05.550% FEB 15 2016	06/13/08	25,147.58	26,950.00
50,000	SBC COMMUNICATIONS GLB 05.875% FEB 01 2012	08/26/03	50,891.19	54,070.00
50,000	SOUTHWEST AIRLINES CO 05.750% DEC 15 2016 MOODY'S: BAA3 S&P BBB	03/10/08	51,111.92	49,416.00
50,000	VERIZON VIRGINIA INC SER A GLB 04.625% MAR 15 2013	08/26/03	48,127.96	51,923.00
50,000	VERIZON NEW ENGLAND INC GLB 06.500% SEP 15 2011	01/26/06	50,768.84	53,293.00
50,000	WELLS FARGO COMPANY SUBORDINATED GLB 05.125% SEP 01 2012	03/07/08	51,357.01	52,571.50
50,000	WELLS FARGO COMPANY 05.625% DEC 11 2017 MOODY'S. A1 S&P: AA-	01/14/09	51,907.80	52,008.00

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
	Corporate Bonds			
50,000	WASHINGTON POST CO NOTES 07.250% FEB 01 2019	05/26/09	50,836.90	54,906.50
25,000	GLAXOSMITHKLINE CAPITAL COMPANY GUARNT GLB 05.650% MAY 15 2018	06/13/08	25,071.05	26,964.75
50,000	PITNEY BOWES INC SER MTN 05.250% JAN 15 2037	02/02/09	50,201.99	50,987.50
50,000	PITNEY BOWES INC ORIGINAL UNIT/TOTAL COST: 100.4100/50,205.00	02/03/09	50,202.00	50,987.50
	Total Corporate Bonds		**1,215,710.89**	**1,272,385.25**

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
110	AT& T INC	10/25/06	3,777.40	3,083.30
834	AT& T INC	12/14/06	29,375.51	23,377 02
570	AT& T INC	12/20/06	19,611.48	15,977.10
150	AT& T INC	02/20/07	5,637.00	4,204 50
1,090	AT& T INC	03/02/07	40,122.36	30,552.70
550	BEMIS CO INC	10/05/06	18,419.06	16,307.50
578	BEMIS CO INC	11/03/06	19,237.57	17,137.70
700	BEMIS CO INC	01/25/07	23,131.22	20,755.00
300	COLGATE PALMOLIVE	07/15/08	20,118.00	24,645.00
200	COLGATE PALMOLIVE	10/10/08	11,993.30	16,430.00
200	COLGATE PALMOLIVE	10/23/08	11,600.00	16,430.00
200	COLGATE PALMOLIVE	10/27/08	11,060.00	16,430.00
200	COLGATE PALMOLIVE	11/25/08	12,639.20	16,430 00
1,260	EMERSON ELEC CO	04/06/06	52,358.67	53,676.00
80	EMERSON ELEC CO	10/25/06	3,399.60	3,408.00
90	EMERSON ELEC CO	02/20/07	4,077.00	3,834 00
230	EMERSON ELEC CO	12/14/07	13,109.77	9,798.00

PLEASE SEE REVERSE SIDE

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	
			Equities		
12,485	FRANKLIN STR PPTYS CORP	03/09/09	130,426.63	182,405.85	
541	JOHNSON AND JOHNSON COM	01/26/06	32,038.02	34,845.81	
820	JOHNSON AND JOHNSON COM	08/03/06	51,907.39	52,816.20	
90	JOHNSON AND JOHNSON COM	08/22/06	5,770.80	5,796.90	
49	JOHNSON AND JOHNSON COM	10/25/06	3,373.16	3,156.09	
517	JOHNSON AND JOHNSON COM	11/21/06	34,344.31	33,299.97	
130	JOHNSON AND JOHNSON COM	02/05/07	8,626.80	8,373.30	
180	JOHNSON AND JOHNSON COM	02/20/07	11,764.80	11,593.80	
671	MERCK AND CO INC SHS	10/25/06	30,805.61	24,518.34	
110	MERCK AND CO INC SHS	02/20/07	4,893.90	4,019.40	
322	MERCK AND CO INC SHS	06/04/07	16,647.40	11,765.88	
~~22~~	~~MICROSOFT CORP~~	~~04/18/05~~	~~545.38~~	~~670.56~~	Sold 12/29
~~2,575~~	~~MICROSOFT CORP~~	~~05/06/05~~	~~65,456.50~~	~~78,486.00~~	Sold 12/29
330	MICROSOFT CORP	08/08/05	9,032.10	10,058.40	
640	MICROSOFT CORP	09/14/05	16,876.80	19,507.20	
930	MICROSOFT CORP	01/26/06	24,700.80	28,346 40	
~~1,380~~	~~MICROSOFT CORP~~	~~05/04/06~~	~~32,430.00~~	~~42,062.40~~	Sold 12/29

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	
			Equities		
~~250~~	~~MICROSOFT CORP~~	~~08/22/06~~	~~6,475.00~~	~~7,620.00~~	Sold 12/29
193	MICROSOFT CORP	10/25/06	5,467.69	5,882 64	
560	MICROSOFT CORP	02/20/07	16,077.60	17,068.80	
620	MICROSOFT CORP	12/14/07	22,171.20	18,897.60	
300	NTHWEST NATURAL GAS CO	03/17/08	12,450.00	13,512.00	
200	NTHWEST NATURAL GAS CO	06/26/08	9,292.00	9,008.00	
200	NTHWEST NATURAL GAS CO	10/10/08	8,214 00	9,008.00	
100	NTHWEST NATURAL GAS CO	02/19/09	4,283.00	4,504.00	
710	NUCOR CORPORATION	08/31/06	34,790.00	33,121.50	
70	NUCOR CORPORATION	10/25/06	4,166.40	3,265.50	
210	NUCOR CORPORATION	12/13/06	12,589.75	9,796.50	
110	NUCOR CORPORATION	02/20/07	7,076 30	5,131.50	
330	NUCOR CORPORATION	06/04/07	22,499.40	15,394.50	
170	PEPSICO INC	01/26/06	9,800.50	10,336.00	
200	PEPSICO INC	08/22/06	12,742 00	12,160.00	
270	PEPSICO INC	10/11/06	17,228.70	16,416.00	
172	PEPSICO INC	10/25/06	10,949.52	10,457 60	

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
270	PEPSICO INC	12/20/06	17,076.99	16,416 00
100	PEPSICO INC	02/20/07	6,462.00	6,080.00
320	PEPSICO INC	04/23/07	21,367.20	19,456.00
300	PITNEY BOWES INC	03/17/08	10,434.00	6,828.00
200	PITNEY BOWES INC	06/26/08	6,872.00	4,552.00
200	PITNEY BOWES INC	09/16/08	7,000.00	4,552.00
200	PITNEY BOWES INC	10/23/08	4,400.00	4,552.00
100	PITNEY BOWES INC	11/20/08	2,165.00	2,276.00
90	PROCTER & GAMBLE CO	05/06/05	4,960.69	5,456.70
170	PROCTER & GAMBLE CO	09/14/05	9,353.40	10,307.10
260	PROCTER & GAMBLE CO	01/26/06	15,311.40	15,763 80
50	PROCTER & GAMBLE CO	08/22/06	3,050.00	3,031.50
43	PROCTER & GAMBLE CO	10/25/06	2,718.03	2,607.09
40	PROCTER & GAMBLE CO	02/20/07	2,592.80	2,425 20
50	SUNOCO INC PV$1 PA	09/14/05	3,775.51	1,305 00
120	SUNOCO INC PV$1 PA	01/26/06	10,677.60	3,132.00
240	SUNOCO INC PV$1 PA	05/25/06	16,190.40	6,264 00

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
40	SUNOCO INC PV$1 PA	02/20/07	2,490.40	1,044.00
620	SUNOCO INC PV$1 PA	12/14/07	42,325.73	16,182.00
310	J M SMUCKER CO	07/17/07	18,802.34	19,142.50
380	J M SMUCKER CO	07/24/07	21,968.98	23,465 00
300	SEASPAN CORP	06/23/08	7,743.00	2,766 00
200	SEASPAN CORP	07/10/08	4,538.00	1,844.00
200	SEASPAN CORP	09/19/08	4,576.00	1,844 00
300	SEASPAN CORP	10/23/08	3,513.00	2,766 00
10	TRAVELERS COS INC	01/05/06	469.40	498.60
130	TRAVELERS COS INC	01/26/06	6,026.80	6,481 80
70	TRAVELERS COS INC	10/25/06	3,373 30	3,490 20
157	TRAVELERS COS INC	11/08/06	8,303.73	7,828.02
370	TRAVELERS COS INC	12/13/06	19,380.42	18,448 20
140	TRAVELERS COS INC	02/20/07	7,434 00	6,980 40
410	TRAVELERS COS INC	03/02/07	20,952.85	20,442.60
240	TRAVELERS COS INC	03/15/07	11,989.42	11,966 40
200	UNITED PARCEL SVC CL B	05/23/08	13,510 00	11,474.00

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
200	UNITED PARCEL SVC CL B	06/26/08	12,000.00	11,474.00
	Total Equities		1,349,384.99	1,328,920.57
		less sold 12/29	(104,906.88)	(128,838.96)
			------------	-----------
			1,244,478.11	1,200,081.61

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	Unreal Gain (Los
	Cash and Money Funds				
	CASH		3,155.29	3,155.29	
13	ML BANK DEPOSIT PROGRAM	12/30/09	13.00	13.00	
31,224	ISA ASSOCIATED BK NA		31,224.00	31,224.00	
48,307	ISA M&T TRUST COMPANY		48,307.00	48,307.00	
27,529	ISA CAPITAL ONE NA		27,529.00	27,529.00	
35,482	FIFTH THIRD BANK ISA		35,482 00	35,482.00	
	Total Cash and Money Funds		**145,710.29**	**145,710.29**	
			Sold 12/28	152,480.83	

				298,191.12	

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
	Equities			
20	AOL INC	11/03/06	681 13	465.60
26	AOL INC	01/11/07	939.38	605.28
4	AOL INC	02/20/07	139.53	93.12
200	APACHE CORP	02/19/09	13,250.00	20,634 00
200	APACHE CORP	03/09/09	10,480.00	20,634.00

Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
300	APOGEE ENTERPRISES	03/17/08	4,326.00	4,200.00
1,740	APPLIED MATERIAL INC	01/11/07	34,050.41	24,255 60
1,300	APPLIED MATERIAL INC	01/18/07	23,790.00	18,122.00
140	APPLIED MATERIAL INC	02/20/07	2,634 79	1,951.60
200	APPLIED MATERIAL INC	04/11/08	3,800.00	2,788.00
300	AUTODESK INC DEL PV$0.01	03/17/08	10,056.00	7,623.00
587	BMC SOFTWARE INC	02/20/07	18,960 11	23,538.70
740	BMC SOFTWARE INC	02/23/07	23,684 00	29,674 00
200	BMC SOFTWARE INC	04/23/07	6,593.66	8,020.00
380	BMC SOFTWARE INC	08/10/07	10,673.29	15,238.00
500	BURLNGTN N SNTA FE$0 01	06/26/08	49,000 00	49,310.00
500	BURLNGTN N SNTA FE$0.01	09/16/08	47,800.00	49,310.00
200	BURLNGTN N SNTA FE$0 01	10/08/08	15,298 00	19,724.00
200	BURLNGTN N SNTA FE$0.01	11/20/08	14,761.25	19,724.00
340	BIOGEN IDEC INC	01/11/08	20,207.83	18,190.00
200	BAXTER INTERNTL INC	11/21/08	10,116.38	11,736.00
300	CVS CAREMARK CORP	03/14/08	11,676 00	9,663.00

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
300	CVS CAREMARK CORP	07/15/08	11,400.00	9,663.00
200	CVS CAREMARK CORP	09/16/08	7,196.00	6,442.00
200	CVS CAREMARK CORP	10/10/08	5,565.30	6,442.00
203	COSTCO WHOLESALE CRP DEL	09/22/06	10,152 24	12,011.51
50	COSTCO WHOLESALE CRP DEL	10/25/06	2,609.00	2,958.50
110	COSTCO WHOLESALE CRP DEL	02/20/07	6,426.20	6,508.70
100	COSTCO WHOLESALE CRP DEL	10/10/08	5,293.00	5,917.00
100	COSTCO WHOLESALE CRP DEL	10/10/08	5,295.00	5,917 00
200	COSTCO WHOLESALE CRP DEL	11/20/08	9,197 90	11,834.00
1,020	CINN FINCL CRP OHIO	08/10/07	41,478.50	26,764 80
2,363	CISCO SYSTEMS INC COM	05/06/05	42,557.64	56,570.22
990	CISCO SYSTEMS INC COM	01/26/06	18,315.00	23,700.60
312	CISCO SYSTEMS INC COM	10/25/06	7,525.44	7,469.28
640	CISCO SYSTEMS INC COM	01/11/07	18,393.60	15,321.60
940	CISCO SYSTEMS INC COM	01/18/07	24,863.00	22,503.60
680	CISCO SYSTEMS INC COM	01/25/07	17,850.00	16,279.20
1,850	CISCO SYSTEMS INC COM	02/20/07	50,949.00	44,289.00

PLEASE SEE REVERSE SIDE

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
26	CLEAN HARBORS INC	09/04/08	2,054.00	1,549.86
33	CLEAN HARBORS INC	09/04/08	2,607 00	1,967 13
100	CLEAN HARBORS INC	09/04/08	7,900.00	5,961.00
41	CLEAN HARBORS INC	09/04/08	3,239.00	2,444 01
300	CLEAN HARBORS INC	09/16/08	21,750.00	17,883 00
200	CLEAN HARBORS INC	09/19/08	14,172.00	11,922.00
200	CLEAN HARBORS INC	10/02/08	13,000.00	11,922.00
200	CLEAN HARBORS INC	02/19/09	10,000.00	11,922.00
2,616	COMPUWARE CORP	09/01/06	19,989.12	18,913.68
4,320	COMPUWARE CORP	09/15/06	34,149.60	31,233.60
360	COMPUWARE CORP	10/25/06	2,671 16	2,602.80
950	COMPUWARE CORP	01/26/07	8,474.00	6,868.50
1,200	COMPUWARE CORP	02/09/07	10,997.04	8,676.00
600	COMPUWARE CORP	02/20/07	5,675.94	4,338.00
1,510	DELL INC	06/28/07	42,962.67	21,683.60
800	DELL INC	07/11/07	22,715.44	11,488.00
200	DEVON ENERGY CORP NEW	02/19/09	9,910.00	14,700 00

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	
			Equities		
1,240	DEERE CO	10/05/07	92,476 84	67,071 60	
168	DISNEY (WALT) CO COM STK	09/22/06	5,036.04	5,418.00	
93	DISNEY (WALT) CO COM STK	10/25/06	2,860.60	2,999 25	
170	DISNEY (WALT) CO COM STK	02/20/07	5,869 89	5,482.50	
300	EBAY INC COM	06/23/08	8,523.00	7,059.00	
100	FIRST SOLAR INC	06/23/08	27,517.00	13,540.00	
100	FIRST SOLAR INC	09/02/08	26,940 00	13,540.00	
100	FIRST SOLAR INC	09/23/08	21,500 00	13,540.00	
100	FIRST SOLAR INC	10/02/08	19,000 00	13,540.00	
100	FIRST SOLAR INC	11/20/08	9,578.76	13,540.00	
100	FIRST SOLAR INC	02/19/09	13,206.00	13,540.00	
100	HARTFORD FINL SVCS GROUP	02/20/07	9,713.01	2,326.00	
130	HARTFORD FINL SVCS GROUP	06/04/07	13,390.00	3,023 80	
~~273~~	~~HEWLETT PACKARD CO DEL~~	~~09/15/06~~	~~9,927.95~~	~~14,062.23~~	Sold 12/29
~~340~~	~~HEWLETT PACKARD CO DEL~~	~~10/05/06~~	~~12,848.60~~	~~17,513.40~~	
~~130~~	~~HEWLETT PACKARD CO DEL~~	~~10/25/06~~	~~5,072.60~~	~~6,696.30~~	
180	HEWLETT PACKARD CO DEL	02/20/07	7,738 20	9,271.80	

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EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	
			Equities		
790	HEWLETT PACKARD CO DEL	02/23/07	32,272 29	40,692 90	
~~530~~	~~HEWLETT PACKARD CO DEL~~	~~03/02/07~~	~~20,539.33~~	~~27,300.30~~	Sold 12/29
370	HEWLETT PACKARD CO DEL	06/04/07	17,020.00	19,058.70	
510	HEWLETT PACKARD CO DEL	01/11/08	22,994.12	26,270.10	
147	HUMANA INC	10/25/06	9,359.50	6,451.83	
661	HUMANA INC	12/01/06	35,258.14	29,011.29	
50	HUMANA INC	02/20/07	3,167.50	2,194.50	
200	ITRON INC	09/03/08	19,800.00	13,514.00	
100	ITRON INC	09/30/08	8,923.00	6,757.00	
200	ITRON INC	10/10/08	13,410 00	13,514 00	
200	ITT CORP	06/26/08	12,400.00	9,948.00	
100	ITT CORP	06/26/08	6,200.00	4,974.00	
100	ITT CORP	07/10/08	6,037.00	4,974.00	
200	ITT CORP	07/10/08	12,074 00	9,948.00	
200	ITT CORP	07/15/08	11,600 00	9,948 00	
200	ITT CORP	09/19/08	11,600.00	9,948.00	
200	ITT CORP	11/20/08	7,663 03	9,948.00	

CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09	
			Equities		
500	ITT CORP	01/22/09	22,809.35	24,870.00	
350	JPMORGAN CHASE & CO	07/20/06	15,102.50	14,584.50	
220	JPMORGAN CHASE & CO	08/22/06	9,961.60	9,167.40	
282	JPMORGAN CHASE & CO	10/25/06	13,313.22	11,750.94	
190	JPMORGAN CHASE & CO	11/08/06	9,053.50	7,917.30	
550	JPMORGAN CHASE & CO	02/20/07	28,418 50	22,918.50	
389	JPMORGAN CHASE & CO	06/04/07	20,087.96	16,209 63	
720	KROGER CO	04/02/07	20,568.67	14,781.60	
1,080	KROGER CO	04/23/07	32,785.78	22,172.40	
200	LEXMARK INTL INC CL A	03/17/08	6,176.00	5,196.00	
~~490~~	~~LUBRIZOL CORP~~	~~07/11/07~~	~~32,321.53~~	~~35,745.50~~	Sold 12/29
~~300~~	~~MEMC ELECTR MATLS INC~~	~~06/24/08~~	~~10,500.00~~	~~4,086.00~~	
~~200~~	~~MEMC ELECTR MATLS INC~~	~~07/10/08~~	~~10,061.46~~	~~2,724.00~~	
~~680~~	~~MCKESSON CORPORATION COM~~	~~05/25/06~~	~~32,743.36~~	~~42,500.00~~	
60	MCKESSON CORPORATION COM	10/25/06	3,070.20	3,750.00	
210	MCKESSON CORPORATION COM	12/20/06	10,733.10	13,125.00	
50	MCKESSON CORPORATION COM	02/20/07	2,868.50	3,125.00	

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
	Equities			
360	MCKESSON CORPORATION COM	04/23/07	21,743.60	22,500.00
300	PRUDENTIAL FINANCIAL INC	06/23/08	20,382.00	14,928.00
200	PRUDENTIAL FINANCIAL INC	09/29/08	13,600.00	9,952.00
200	PRUDENTIAL FINANCIAL INC	10/10/08	7,159.30	9,952.00
100	PRUDENTIAL FINANCIAL INC	10/30/08	3,100.00	4,976.00
200	PRUDENTIAL FINANCIAL INC	11/21/08	2,939.03	9,952.00
300	QUALCOMM INC	11/21/08	8,697.38	13,878.00
1,990	SEAGATE TECHNOLOGY	12/14/07	54,102 93	36,198.10
580	SAFEWAY INC NEW	01/11/07	19,586.60	12,348.20
1,130	SAFEWAY INC NEW	01/18/07	38,690.86	24,057.70
400	SAFEWAY INC NEW	02/05/07	14,395.52	8,516.00
110	SAFEWAY INC NEW	02/20/07	4,070.00	2,341 90
510	SAFEWAY INC NEW	03/02/07	17,459.09	10,857.90
300	TEXAS INSTRUMENTS	03/17/08	8,355.00	7,818.00
500	TEXAS INSTRUMENTS	06/23/08	14,755.00	13,030.00
350	3M COMPANY	12/14/07	30,381.40	28,934.50
231	TIME WARNER INC SHS	11/03/06	9,700 85	6,731.34

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CHANNEL FOUNDATION

EMA Fiscal Statement

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
280	TIME WARNER INC SHS	01/11/07	13,379.05	8,159.20
44	TIME WARNER INC SHS	02/20/07	1,987.22	1,282.16
58	TIME WARNER CABLE INC SHS	11/03/06	3,420.70	2,400.62
70	TIME WARNER CABLE INC SHS	01/11/07	4,717.71	2,897.30
11	TIME WARNER CABLE INC SHS	02/20/07	700.73	455.29
193	TORO CO	06/04/07	11,620.53	8,069.33
410	TORO CO	07/31/07	23,162.42	17,142.10
140	WATERS CORP	02/05/07	7,908.07	8,674.40
80	WATERS CORP	02/20/07	4,645.60	4,956 80
500	WATERS CORP	02/23/07	28,070.95	30,980 00
430	WATERS CORP	07/24/07	25,731.33	26,642.80
290	ZIMMER HOLDINGS INC COM	02/05/07	24,242.49	17,141.90
30	ZIMMER HOLDINGS INC COM	02/20/07	2,610.30	1,773.30
260	ZIMMER HOLDINGS INC COM	04/23/07	22,685.00	15,368 60
300	XTO ENERGY INC	02/19/09	10,194.00	13,959.00

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
200	XTO ENERGY INC	03/09/09	6,154.00	9,306 00
500	XTO ENERGY INC	04/30/09	17,500 00	23,265 00
1,391	XEROX CORP	12/13/06	23,749.38	11,767.86
1,380	XEROX CORP	01/18/07	23,456 96	11,674.80
1,220	XEROX CORP	01/25/07	20,702.91	10,321.20
260	XEROX CORP	02/20/07	4,693.00	2,199.60
2,290	XEROX CORP	04/24/07	41,743.27	19,373.40
72	WELLS FARGO & CO NEW DEL	01/27/04	2,096 73	1,943 28
58	WELLS FARGO & CO NEW DEL	02/24/04	1,644.59	1,565.42
20	WELLS FARGO & CO NEW DEL	05/12/04	553.10	539.80
32	WELLS FARGO & CO NEW DEL	01/13/05	972 64	863 68
70	WELLS FARGO & CO NEW DEL	01/24/05	2,103.50	1,889.30
80	WELLS FARGO & CO NEW DEL	01/24/05	2,405.60	2,159.20
6	WELLS FARGO & CO NEW DEL	02/23/05	178.17	161 94
58	WELLS FARGO & CO NEW DEL	04/18/05	1,725 50	1,565.42
100	WELLS FARGO & CO NEW DEL	09/14/05	2,961.00	2,699 00
220	WELLS FARGO & CO NEW DEL	01/26/06	6,902 50	5,937 80

EMA Fiscal Statement

CHANNEL FOUNDATION

CURRENT PORTFOLIO SUMMARY

Quantity	Security Description	Date Acquired	Total/Adj Cost Basis	Fiscal Year Value 12/31/09
			Equities	
520	WELLS FARGO & CO NEW DEL	07/20/06	18,566 60	14,034.80
60	WELLS FARGO & CO NEW DEL	08/22/06	2,103.00	1,619.40
68	WELLS FARGO & CO NEW DEL	10/25/06	2,464.32	1,835.32
110	WELLS FARGO & CO NEW DEL	02/20/07	3,943.50	2,968.90
570	WELLS FARGO & CO NEW DEL	03/15/07	19,488.30	15,384 30
	Total Equities		**2,361,646.41**	**2,083,357.22**
		Sold 12/29	(143,014.83)	(152,627.70)
			2,218,631.58	1,932,729.49

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed)

Type or print	Name of Exempt Organization CHANNEL FOUNDATION	**Employer identification number** 91-6478055
File by the extended due date for filing the return See instructions	Number, street, and room or suite no If a P.O box, see instructions 603 STEWART ST, NO. 415	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions SEATTLE, WA 98101	

Check type of return to be filed (File a separate application for each return).

[ ] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [X] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ SHERIDA BORNFLETH 603 STEWART ST. STE 415 - SEATTLE, WA 98101

  Telephone No.▶ 206.621.5447 FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______. If this is for the whole group, check this box ▶ [ ]. If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until NOVEMBER 15, 2010.

5 For calendar year 2009, or other tax year beginning ______, and ending ______

6 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS REQUESTED IN ORDER TO GATHER INFORMATION NEEDED TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	**8a**	$ 1,000.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	**8b**	$ 6,865.
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions.	**8c**	$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Title ▶ TRUSTEE Date ▶

923832
05-26-09