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Form **990-PF**  
 Department of the Treasury  
 Internal Revenue Service (77)

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

OMB No 1545-0052

**2009**

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

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 <b>THE SATO FOUNDATION</b>		A Employer identification number <b>94-3356933</b>	
	Number and street (or P O box number if mail is not delivered to street address) Room/suite		B Telephone number (see page 10 of the instructions) <b>(609)274-6968</b>	
	P O Box 1525			
	City or town, state, and ZIP code <b>Pennington NJ 08534-1525</b>		C If exemption application is pending, check here <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		D 1. Foreign organizations, check here <input type="checkbox"/>		2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 8,614,827</b>		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		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"/>

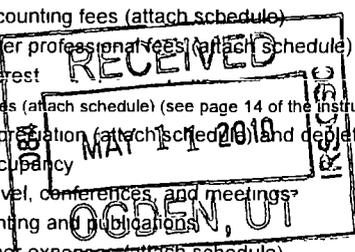
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b) (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	0	0		
	4 Dividends and interest from securities	321,276	321,276		
	5 a Gross rents		0		
	b Net rental income or (loss) 0				
	6 a Net gain or (loss) from sale of assets not on line 10	31,827			
	b Gross sales price for all assets on line 6a 541,000				
	7 Capital gain net income (from Part IV, line 2)		31,827		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10 a Gross sales less returns and allowances 0				
b Less Cost of goods sold 0					
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	0	0	0		
12 Total. Add lines 1 through 11	353,103	353,103	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	3,000	0	0	3,000
	c Other professional fees (attach schedule)	51,397	46,257	0	5,140
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	1,317	1,317	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	4,813	0	0	4,813
	24 Total operating and administrative expenses. Add lines 13 through 23	60,527	47,574	0	12,953
	25 Contributions, gifts, grants paid	504,863			504,863
26 Total expenses and disbursements. Add lines 24 and 25	565,390	47,574	0	517,816	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-212,287				
b Net investment income (if negative, enter -0-)		305,529			
c Adjusted net income (if negative, enter -0-)			0		

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

Form 990-PF (2009)

(HTA)

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing	18,621	20,080	20,080
	2	Savings and temporary cash investments	324,006	416,807	416,807
	3	Accounts receivable	0		
		Less allowance for doubtful accounts	0	0	0
	4	Pledges receivable	0		
		Less allowance for doubtful accounts	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule)	0		
		Less allowance for doubtful accounts	0	0	0
	8	Inventories for sale or use		0	
	9	Prepaid expenses and deferred charges		0	
	10 a	Investments—U S and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	924,466	719,510	657,456
	c	Investments—corporate bonds (attach schedule)	0	0	0
	11	Investments—land, buildings, and equipment basis	0		
	Less accumulated depreciation (attach schedule)	0	0	0	
12	Investments—mortgage loans				
13	Investments—other (attach schedule)	7,314,107	7,212,666	7,520,484	
14	Land, buildings, and equipment basis	0			
	Less accumulated depreciation (attach schedule)	0	0	0	
15	Other assets (describe)	0	0	0	
16	<b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I)	8,581,200	8,369,063	8,614,827	
Liabilities	17	Accounts payable and accrued expenses		0	
	18	Grants payable			
	19	Deferred revenue		0	
	20	Loans from officers, directors trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe)	0	0	
23	<b>Total liabilities</b> (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	8,581,200	8,369,063	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
29	Retained earnings accumulated income endowment or other funds				
30	<b>Total net assets or fund balances</b> (see page 17 of the instructions)	8,581,200	8,369,063		
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions)	8,581,200	8,369,063		

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	8,581,200
2	Enter amount from Part I, line 27a	2	-212,287
3	Other increases not included in line 2 (itemize) <b>REDEPOSIT OF STATE AG FILING FEE</b>	3	150
4	Add lines 1, 2, and 3	4	8,369,063
5	Decreases not included in line 2 (itemize)	5	0
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5)—Part II, column (b), line 30	6	8,369,063

**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.)
<b>1a</b> See Attached Statement				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
(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)	
<b>a</b> 0	0	0	0	
<b>b</b> 0	0	0	0	
<b>c</b> 0	0	0	0	
<b>d</b> 0	0	0	0	
<b>e</b> 0	0	0	0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))	
(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		
<b>a</b> 0	0	0	0	
<b>b</b> 0	0	0	0	
<b>c</b> 0	0	0	0	
<b>d</b> 0	0	0	0	
<b>e</b> 0	0	0	0	
<b>2</b> 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 }		<b>2</b>	31,827	
<b>3</b> 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 }		<b>3</b>	0	

**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	575,173	10,313,581	0.055769
2007	591,209	11,847,924	0.049900
2006	480,378	11,664,523	0.041183
2005	439,366	10,144,618	0.043310
2004	396,258	9,246,570	0.042855
<b>2</b> Total of line 1, column (d)		<b>2</b>	0.233017
<b>3</b> 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		<b>3</b>	0.046603
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5		<b>4</b>	8,468,600
<b>5</b> Multiply line 4 by line 3		<b>5</b>	394,662
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)		<b>6</b>	3,055
<b>7</b> Add lines 5 and 6		<b>7</b>	397,717
<b>8</b> 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		<b>8</b>	517,816

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

1	a 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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	3,055
	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	3,055
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-	5	3,055
6	Credits/Payments		
	a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	2,899
	b Exempt foreign organizations—tax withheld at source	6b	
	c Tax paid with application for extension of time to file (Form 8868)	6c	0
	d Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	2,899
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	156
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	0
11	Enter the amount of line 10 to be <b>Credited to 2010 estimated tax</b> <input type="checkbox"/> <u>0</u> <b>Refunded</b> <input type="checkbox"/>	11	0

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <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>		X
c Did the foundation file <b>Form 1120-POL</b> for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
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>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on <b>Form 990-T</b> 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>		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?	X	
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>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> <u>CA</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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

**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		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? Website address ▶ N/A	13	X	
14	The books are in care of ▶ MLTC, a Division of Bank of America, N A Telephone no ▶ 609-274-6968 Located at ▶ 1300 Merrill Lynch Drive Pennington NJ ZIP+4 ▶ 08534			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			

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

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

		Yes	No
<b>1a</b>	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>b</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)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	N/A
<b>c</b>	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
<b>2</b>	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))		
<b>a</b>	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>b</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 )	2b	N/A
<b>c</b>	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		
<b>3a</b>	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>b</b>	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009 )	3b	N/A
<b>4a</b>	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
<b>b</b>	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

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

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

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

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

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

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions)  Yes  No

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

**b** If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?  **5b** N/A

Organizations relying on a current notice regarding disaster assistance check here

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

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 **6b** X

If "Yes" to 6b, file Form 8870

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

**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No **7b** X

**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
KOZO SATO P O BOX 6540 INCLINE VILLAGE NV 89450-6	PRESIDENT 1 00	0	0	0
NIEVES SATO P O BOX 6540 INCLINE VILLAGE NV 89450-6	SEC/TREAS 1 00	0	0	0
SONIA SATO 369-B THIRD STREET #462 SAN RAFAEL CA	DIRECTOR 5 00	0	0	0
KATE SATO BURTON 16 PATRICK STREET ARLINGTON MA 02474-	DIRECTOR 1 00	0	0	0

**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** ▶ 1

**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		0
.....		0
.....		0
.....		0
.....		0
.....		0
<b>Total number of others receiving over \$50,000 for professional services</b>		<b>0</b>

**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	0	
<b>Total. Add lines 1 through 3</b>		<b>0</b>

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	8,276,256
<b>b</b>	Average of monthly cash balances	<b>1b</b>	321,307
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	8,597,563
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	8,597,563
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	128,963
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	8,468,600
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	423,430

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	423,430
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	3,055
<b>b</b>	Income tax for 2009 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	3,055
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	420,375
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	420,375
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	420,375

**Part XII Qualifying Distributions** (see page 25 of the instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	517,816
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	0
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	0
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	517,816
<b>5</b>	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)	<b>5</b>	3,055
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	514,761

**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
<b>1</b> Distributable amount for 2009 from Part XI, line 7				420,375
<b>2</b> Undistributed income, if any, as of the end of 2009				
<b>a</b> Enter amount for 2008 only			504,863	
<b>b</b> Total for prior years 20____, 20____, 20____		0		
<b>3</b> Excess distributions carryover, if any, to 2009				
<b>a</b> From 2004	NONE			
<b>b</b> From 2005	NONE			
<b>c</b> From 2006	NONE			
<b>d</b> From 2007	NONE			
<b>e</b> From 2008	NONE			
<b>f</b> Total of lines 3a through e	0			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ <u>517,816</u>				
<b>a</b> Applied to 2008, but not more than line 2a			504,863	
<b>b</b> Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
<b>c</b> Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
<b>d</b> Applied to 2009 distributable amount				12,953
<b>e</b> Remaining amount distributed out of corpus	0			
<b>5</b> Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a) )	0			0
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0		
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
<b>e</b> Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
<b>f</b> Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				407,422
<b>7</b> 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)				
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0			
<b>10</b> Analysis of line 9				
<b>a</b> Excess from 2005	0			
<b>b</b> Excess from 2006	0			
<b>c</b> Excess from 2007	0			
<b>d</b> Excess from 2008	0			
<b>e</b> Excess from 2009	0			

**Part XIV Private Operating Foundations** (see page 27 of the 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)

**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

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
	0				0
<b>b</b> 85% of line 2a	0	0	0	0	0
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed	0				0
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					0
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	0	0	0	0	0
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test—enter					
<b>(1)</b> Value of all assets					0
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					0
<b>b</b> "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0				0
<b>c</b> "Support" alternative test—enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0
<b>(3)</b> Largest amount of support from an exempt organization					0
<b>(4)</b> Gross investment income					0

**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))

KOZO AND NIEVES SATO

**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 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







**Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year**

Recipient(s) paid during the year

Name

MARIN THEATRE COMPANY

 Person  Business

Street

City MILL VALLEY	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 15,000

Name

NATIONAL GARDENING ASSOCIATION

 Person  Business

Street

City SO BURLINGTON	State VT	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 5,292

Name

THE MARINE MAMMAL CENTER

 Person  Business

Street

City SAUSALITO	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 30,000

Name

NAPA VALLEY COMMUNITY FOUNDATION

 Person  Business

Street

City NAPA	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 189,571

Name

NEVADA MUSEUM OF ART

 Person  Business

Street

City RENO	State NV	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 15,000

Name

SAFARI WEST WILDLIFE FOUNDATION

 Person  Business

Street

City SANTA ROSA	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 15,000

**Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year**

Recipient(s) paid during the year

Name

CALIFORNIA ACADEMY OF SCIENCES

 Person  Business

Street

City SAN FRANCISCO	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 15,000

Name

STANFORD UNIVERSITY INTER-UNIV CENTER FOR JAPANESE LANG STUD

 Person  Business

Street

City STANFORD	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 60,000

Name

MUSEUM OF CRAFT AND FOLK ART

 Person  Business

Street

City SAN FRANCISCO	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 25,000

Name

KALA ART INSTITUTE

 Person  Business

Street

City BERKELEY	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 20,000

Name

RENO PHILHARMONIC ASSOCIATION

 Person  Business

Street

City RENO	State NV	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 20,000

Name

YERBA BUENA CENTER FOR THE ARTS

 Person  Business

Street

City SAN FRANCISCO	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 15,000

**Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year**

Recipient(s) paid during the year

Name  
MARIN PERFORMING STARS  Person  Business

Street

City MARIN CITY	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 10,000

Name  
THE BREAKTHROUGH COLLABORATIVE  Person  Business

Street

City SAN FRANCISCO	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 50,000

Name  
CHEZ PANISSE FOUNDATION  Person  Business

Street

City BERKELEY	State CA	Zip code	Foreign Country
Relationship NONE	Foundation Status 501(C)(3)		
Purpose of grant/contribution GENERAL OPERATING			Amount 20,000

Name  
 Person  Business

Street

City	State	Zip code	Foreign Country
Relationship	Foundation Status		
Purpose of grant/contribution			Amount 0

Name  
 Person  Business

Street

City	State	Zip code	Foreign Country
Relationship	Foundation Status		
Purpose of grant/contribution			Amount 0

Name  
 Person  Business

Street

City	State	Zip code	Foreign Country
Relationship	Foundation Status		
Purpose of grant/contribution			Amount 0

**Line 6 (990-PF) - Gain/Loss from Sale of Assets Other Than Inventory**

Index	Check "X" if Sale of Security	Description	CUSIP #	Purchaser	Check "X" if Purchaser is a Business	Date Acquired	Acquisition Method	Date Sold	Gross Sales Price	Cost or Other Basis (Enter one field only)		Expense of Sale and Cost of Improvements	Net Gain or Loss
										Cost	Donated Value		
		Long Term CG Distributions	2,629						541,000	509,173		31,827	
		Short Term CG Distributions							0	0		0	
1	X	BLACKROCK BOND PORTFO	091928341			6/9/2008		4/23/2009	29,336	30,660			
2	X	BLACKROCK BOND PORTFO	091928341			5/22/2008		11/30/2009	39,738	39,527			
3	X	BLACKROCK INFLATION	091937748			10/3/2008		11/30/2009	79,487	73,140			
4	X	BLACKROCK INFLATION	091937748			10/6/2008		12/18/2009	15,609	14,549			
5	X	BLACKROCK GLOBAL	09251T509			6/8/2004		11/18/2009	30,423	25,655			
6	X	BLACKROCK GLOBAL	09251T509			4/14/2005		11/18/2009	8,778	7,936			
7	X	BLACKROCK GLOBAL	09251T509			4/14/2005		11/30/2009	78,136	71,032			
8	X	BLACKROCK GLOBAL	09251T509			2/2/2006		12/18/2009	25,201	24,862			
9	X	BLACKROCK GLOBAL	09251T509			3/9/2006		12/18/2009	17,115	16,856			
10	X	NORTEL NETWORKS CORP	656568508			7/15/2008		1/16/2009	1	0			
11	X	ROHM 6963	J65328122			7/2/2004		11/17/2009	112,982	203,456			
12	X	ROHM 6963	J65328122			7/10/2001		12/11/2009	101,565	1,500			
Totals													
Securities													
Other sales													

**Line 16b (990-PF) - Accounting Fees**

		3,000	0	0	0	3,000
	Name of Organization or Person Providing Service	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)	
1	TAX PREP FEES	3,000			3,000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

**Line 16c (990-PF) - Other Fees**

		51,397	46,257	0	5,140
	Name of Organization or Person Providing Service	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	MLTC FEE AS AGENT	51,397	46,257		5,140
2					
3					
4					
5					
6					
7					
8					
9					
10					

**Line 18 (990-PF) - Taxes**

		1,317	1,317	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	FOREIGN TAXES WITHHELD	1,317	1,317		
2					
3					
4					
5					
6					
7					
8					
9					
10					

**Line 23 (990-PF) - Other Expenses**

	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
		4,813	0	0	4,813
1	Amortization See attached statement	0	0	0	0
2	STATE AG FEES	10			10
3	BANK CHARGES	75			75
4	TELEPHONE	627			627
5	POSTAGE	269			269
6	COMPUTER EXPENSE - SONY	3,252			3,252
7	COMPUTER EXPENSE - ANTIVIRUS SOFTWARE	54			54
8	INTERNET	86			86
9	CCC FEE	240			240
10	OFFICE SUPPLIES	200			200

**Part III (990-PF) - Changes in Net Assets or Fund Balances**

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Line 3 - Other increases not included in Part III, Line 2

1	REDEPOSIT OF STATE AG FILING FEE	1	150
2	Total	2	150

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Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

	Kind(s) of Property Sold	CUSIP #	How Acquired	Date Acquired	Date Sold	Totals		Gross Sales Price	Depreciation Allowed	Cost or Other Basis Plus Expense of Sale	Gain or Loss	FMV as of 12/31/09	Adjusted Basis as of 12/31/09	Excess of FMV Over Adj Basis	Gains Minus Excess of FMV Over Adjusted Basis of Losses
						Amount	2,629								
	Long Term CG Distributions						538,371			509,173	29,198				29,198
	Short Term CG Distributions						0			0	0				0
1	BLACKROCK BOND PORTFOLIO	091928341		6/9/2008	4/23/2009		29,336	0	30,660	-1,324				0	-1,324
2	BLACKROCK BOND PORTFOLIO	091928341		5/22/2008	11/30/2009		39,738	0	39,527	211				0	211
3	BLACKROCK INFLATION	091937748		10/3/2008	11/30/2009		79,487	0	73,140	6,347				0	6,347
4	BLACKROCK INFLATION	091937748		10/6/2008	12/18/2009		15,609	0	14,549	1,060				0	1,060
5	BLACKROCK GLOBAL	09251T509		6/8/2004	11/18/2009		30,423	0	25,655	4,768				0	4,768
6	BLACKROCK GLOBAL	09251T509		4/14/2005	11/18/2009		8,778	0	7,936	842				0	842
7	BLACKROCK GLOBAL	09251T509		4/14/2005	11/30/2009		78,136	0	71,032	7,104				0	7,104
8	BLACKROCK GLOBAL	09251T509		2/2/2006	12/18/2009		25,201	0	24,862	339				0	339
9	BLACKROCK GLOBAL	09251T509		3/9/2006	12/18/2009		17,115	0	16,856	259				0	259
10	NORTEL NETWORKS CORP	656568508		7/15/2008	1/16/2009		1	0	0	1				0	1
11	ROHM 6963	J55328122		7/2/2004	11/17/2009		112,982	0	203,456	-90,474				0	-90,474
12	ROHM 6963	J65328122		7/10/2001	12/11/2009		101,565	0	1,500	100,065				0	100,065

**Part VIII, Line 1 (990-PF) - Compensation of Officers, Directors, Trustees and Foundation Managers**

	Name	Check "X" if Business	Street	City	State	Zip Code	Foreign Country	Title	Average Hours	Compensation
1	KOZO SATO		P O BOX 6540	INCLINE VILLAGE	NV	89450-6540		PRESIDENT	1	0
2	NIEVES SATO		P O BOX 6540	INCLINE VILLAGE	NV	89450-6540		SECRETREAS	1	
3	SONIA SATO		369-B THIRD STREET #462	SAN RAFAEL	CA	94901-3581		DIRECTOR	5	
4	KATE SATO BURTON		16 PATRICK STREET	ARLINGTON	MA	02474-3504		DIRECTOR	1	
5										
6										
7										
8										
9										
10										

0

**Part VI, Line 6a (990-PF) - Estimated Tax Payments**

	<u>Date</u>	<u>Amount</u>
1 Credit from prior year return	<u>1</u>	<u>2,899</u>
2 First quarter estimated tax payment	<u>2</u>	<u>0</u>
3 Second quarter estimated tax payment	<u>3</u>	<u>0</u>
4 Third quarter estimated tax payment	<u>4</u>	<u>0</u>
5 Fourth quarter estimated tax payment	<u>5</u>	<u>0</u>
6 Other payments	<u>6</u>	<u>0</u>
7 Total	<u>7</u>	<u>2,899</u>

**Part XIII, Line 2a, Column C (990-PF) - Prior Year Undistributed Income**

1	Distributable amounts for 2008 that remained undistributed at the beginning of the 2009 tax year	1	504,863
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10	Total	10	504,863

**Part XV, Lines 1a-1b (990-PF) - Information Regarding Foundation Managers**

---

List Managers who contributed more than 2%  
of the total contributions received by the foundation

List Managers who own 10% or more of the stock  
of a corporation of which the foundation has a 10%  
or greater interest

1 KOZO AND NIEVES SATO  
2 \_\_\_\_\_  
3 \_\_\_\_\_  
4 \_\_\_\_\_  
5 \_\_\_\_\_  
6 \_\_\_\_\_  
7 \_\_\_\_\_  
8 \_\_\_\_\_  
9 \_\_\_\_\_  
10 \_\_\_\_\_

NONE  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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Account Number: 80C-74C08

TOTAL MERRILL\*

MERRILL LYNCH TRUST COMPANY,  
A DIVISION OF BANK OF AMERICA, N.A.  
AGENT OF THE  
SATO FOUNDATION - GENERAL FUND  
DATED MARCH 28, 2000

**Net Portfolio Value:**

**\$2,156,045.58**

**Your Financial Advisor:**  
VOTH/HEFLEBOWER  
1715 SECOND STREET  
NAPA CA 94559  
(800) 637-6272

**Trust Officer:**  
GINA SOUTHGATE  
310-203-3302

**TRUST MANAGEMENT ACCOUNT**

Your Investment Manager - Private Investors/ MFO Conservative (R)

December 01, 2009 - December 31, 2009

**ASSETS**

	December 31	November 30
Cash/Money Accounts	118,344.90	74,022.67
Fixed Income	-	-
Equities	201,793.57	303,301.46
Mutual Funds	1,835,907.11	1,935,765.90
Options	-	-
Other	-	-
Subtotal (Long Portfolio)	2,156,045.58	2,313,090.03
<b>TOTAL ASSETS</b>	<b>\$2,156,045.58</b>	<b>\$2,313,090.03</b>

**LIABILITIES**

Debit Balance	-	-
Short Market Value	-	-
<b>NET PORTFOLIO VALUE</b>	<b>\$2,156,045.58</b>	<b>\$2,313,090.03</b>

**CASH FLOW**

	This Statement	Year to Date
Opening Cash/Money Accounts	\$74,022.67	-
<b>CREDITS</b>		
Funds Received	-	-
Electronic Transfers	-	-
Other Credits	-	1,068.48
Subtotal	-	1,068.48
<b>DEBITS</b>		
Electronic Transfers	-	-
Other Debits	(140,307.82)	(143,536.56)
ML Trust Fees	(2,547.21)	(30,552.61)
Non ML Trust Fees	-	-
Bill Payment	-	-
Subtotal	(\$142,855.03)	(\$174,089.17)
<b>Net Cash Flow</b>	<b>(\$142,855.03)</b>	<b>(\$173,020.69)</b>
Dividends/Interest Income	27,686.90	80,368.63
Security Purchases/Debits	-	(44,473.90)
Security Sales/Credits	159,490.36	188,826.75
<b>Closing Cash/Money Accounts</b>	<b>\$118,344.90</b>	<b>-</b>
Securities You Transferred In/Out	-	-

+

SATO FOUNDATION - GENERAL FUND

Account Number: 80C-74C08

# YOUR TRUST MANAGEMENT ACCOUNT STATEMENT OF PRINCIPAL INVESTMENTS

December 01, 2009 - December 31, 2009

CASH/MONEY ACCOUNTS	Description	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Estimated Annual Income	Est. Annual Yield%
CASH		12,532.14	12,532.14		12,532.14		
CMA MONEY FUND		100,936.00	100,936.00	1.0000	100,936.00	101	.10
<b>TOTAL</b>			113,468.14		113,468.14	101	.10

EQUITIES	Description	Symbol	Acquired	Quantity	Unit Cost Basis	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Annual Income	Estimated Current Yield%
ROHM 6963		ROHCF	07/10/01	3,100	1.0000	3,100.01	65.0947	201,793.57	198,693.56		
JPY PAR ORDINARY											
<b>TOTAL</b>						3,100.01		201,793.57	198,693.56		

MUTUAL FUNDS/CLOSED END FUNDS/UIT	Description	Quantity	Total Client Investment	Cumulative Investment Return	Unit Cost Basis	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Annual Income	Estimated Current Yield%
BLACKROCK INFLATION		36,912	353,688	44,223	353,688.26	10,7800	397,911.36	44,223.10	5,094	1.28	
PROTECTED BD FD INST CL											
SYMBOL: BPRX	Initial Purchase: 10/06/08										
Fixed Income 100%											

BLACKROCK BOND PORTFOLIO		72,325	635,132	33,150	635,132.93	9,2400	668,283.00	33,150.07	32,547	4.87
FUND CL INSTL										
SYMBOL: PNBIX	Initial Purchase: 06/09/08									
Fixed Income 100%										

BLACKROCK GNMA INST		46,242	452,462	13,656	452,462.98	10,0800	466,119.36	13,656.38	18,729	4.01
SYMBOL: BGNIX	Initial Purchase: 11/20/08									
Fixed Income 100%										

BLACKROCK GLOBAL		16,903	303,021	556	303,021.30	17,9600	303,577.88	556.58	5,917	1.94
ALLOCATION FD INC INSTL										
SYMBOL: MALOX	Initial Purchase: 03/09/06 .8640 Fractional Share									
Fixed Income 39% Equity 61%										



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SATO FOUNDATION - GENERAL FUND

Account Number: 80C-74C08

TOTAL MERRILL\*

**YOUR TRUST MANAGEMENT ACCOUNT STATEMENT OF PRINCIPAL INVESTMENTS**

December 01, 2009 - December 31, 2009

MUTUAL FUNDS/CLOSED END FUNDS/UIT (continued) Description	Quantity	Total Client Investment	Cumulative Investment Return	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Current Annual Income	Estimated Current Yield%
Subtotal (Fixed Income)						1,650,715.14			
Subtotal (Equities)						185,191.97			
<b>TOTAL</b>			91.585	1,744,305.47		<b>1,835,907.11</b>	91,586.13	<b>62,288</b>	<b>3.39</b>
<b>TOTAL PRINCIPAL INVESTMENTS</b>				1,860,873.62		<b>2,151,168.82</b>	290,279.69	<b>62,389</b>	<b>2.90</b>

**Total Client Investment:** Cost of shares directly purchased and still held. Does not include shares purchased through reinvestment.  
**Cumulative Investment Return:** Estimated Market Value minus Total Client Investment. Cumulative Investment Return is the capital appreciation (depreciation) of all shares purchased, including shares purchased through reinvestment.  
**Initial Purchase:** Date of your initial investment in this fund.

**Market Timing:** Merrill Lynch's policies prohibit mutual fund market timing, which involves the purchase and sale of mutual fund shares within short periods of time with the intention of capturing short-term profits resulting from market volatility. Market timing may result in lower returns for long-term fund shareholders because market timers capture short-term gains that would otherwise pass to all shareholders and due to increased transaction costs and fewer assets for investment due to the need to retain cash to satisfy redemptions.

0000Total values exclude N/A items

**YOUR TRUST MANAGEMENT ACCOUNT STATEMENT OF INCOME INVESTMENTS**

CASH/MONEY ACCOUNTS Description	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Estimated Annual Income	Est. Annual Yield%
CMA MONEY FUND	12,537.00	12,537.00	1.0000	<b>12,537.00</b>	<b>13</b>	.10
<b>TOTAL INCOME INVESTMENTS</b>		12,537.00		<b>12,537.00</b>	<b>12</b>	.10

Income Debit Balance 7,660.24

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TOTAL MERRILL

Account Number: 80C-74C06

MERRILL LYNCH TRUST COMPANY,  
A DIVISION OF BANK OF AMERICA, N.A  
AGENT OF THE  
SATO FOUNDATION - SEPARATE FUND  
DATED MARCH 28, 2000

**Net Portfolio Value:**

**\$6,455,170.20**

**Your Financial Advisor:**  
VOTH/HEFLEBOWER  
1715 SECOND STREET  
NAPA CA 94559  
(800) 637-6272

**Trust Officer:**  
GINA SOUTHGATE  
310-203-3302

**TRUST MANAGEMENT ACCOUNT**

Your Investment Manager - Private Investors / MFO Conservative (R)

December 01, 2009 - December 31, 2009

**ASSETS**

	December 31	November 30
Cash/Money Accounts	314,930.50	133,309.30
Fixed Income		
Equities	455,662.90	461,545.70
Mutual Funds	5,684,576.80	6,008,973.63
Options		
Other		
<i>Subtotal (Long Portfolio)</i>	<b>6,455,170.20</b>	<b>6,603,828.63</b>
<b>TOTAL ASSETS</b>	<b>\$6,455,170.20</b>	<b>\$6,603,828.63</b>

**LIABILITIES**

Debit Balance		
Short Market Value		
<b>NET PORTFOLIO VALUE</b>	<b>\$6,455,170.20</b>	<b>\$6,603,828.63</b>

**CASH FLOW**

	This Statement	Year to Date
<b>Opening Cash/Money Accounts</b>	<b>\$133,309.30</b>	
<b>CREDITS</b>		
Funds Received		
Electronic Transfers		
Other Credits		1,229.80
<i>Subtotal</i>		<b>1,229.80</b>
<b>DEBITS</b>		
Electronic Transfers		
Other Debits	(95,739.89)	(371,153.59)
ML Trust Fees		(22,194.84)
Non ML Trust Fees		
Bill Payment		
<i>Subtotal</i>	<b>(95,739.89)</b>	<b>(393,348.43)</b>
<b>Net Cash Flow</b>	<b>(95,739.89)</b>	<b>(392,118.63)</b>
Dividends/Interest Income	79,999.60	241,387.07
Security Purchases/Debits		(158,302.14)
Security Sales/Credits	197,361.49	349,544.49
<b>Closing Cash/Money Accounts</b>	<b>\$314,930.50</b>	
Securities You Transferred In/Out		

SATO FOUNDATION - SEPARATE FUND

Account Number: 80C-74C06

December 01, 2009 - December 31, 2009

**YOUR TRUST MANAGEMENT ACCOUNT STATEMENT OF PRINCIPAL INVESTMENTS**

CASH/MONEY ACCOUNTS		Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Estimated Annual Income	Est. Annual Yield%
CASH		33,095.71	33,095.71		33,095.71		
CMA MONEY FUND		266,602.00	266,602.00	1.0000	266,602.00	267	.10
<b>TOTAL</b>			299,697.71		299,697.71	267	10

EQUITIES		Symbol	Acquired	Quantity	Unit Cost Basis	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Current Annual Income	Estimated Current Yield%
ROHM 6963		ROHCF	07/02/04	100	119.6801	11,968.01	65.0947	6,509.47	(5,458.54)		
JPY PAR ORDINARY			10/28/04	3,200	100.5300	321,696.00	65.0947	208,303.04	(113,392.96)		
			01/03/05	3,700	103.4449	382,746.13	65.0947	240,850.39	(141,895.74)		
				7,000		716,410.14		455,662.90	(260,747.24)		
<b>Subtotal</b>						716,410.14		455,662.90	(260,747.24)		
<b>TOTAL</b>						716,410.14		455,662.90	(260,747.24)		

MUTUAL FUNDS/CLOSED END FUNDS/UIT		Quantity	Total Client Investment	Cumulative Return	Total Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Current Annual Income	Estimated Current Yield%	
BLACKROCK INFLATION		111,426	1,093,615	107,556	1,093,615.66	10.7800	1,201,172.28	107,556.62	15,375	1.28	
PROTECTED BD FD INST CL											
SYMBOL BPRX Initial Purchase 10/03/08											
Fixed Income 100%											

BLACKROCK BOND PORTFOLIO		228,880	2,057,829	57,021	2,057,829.32	9.2400	2,114,851.20	57,021.88	102,996	4.87	
FUND CL INSTL											
SYMBOL PNBIX Initial Purchase 05/22/08											
Fixed Income 100%											

BLACKROCK GNMA INST		144,352	1,413,192	41,875	1,413,192.79	10.0800	1,455,068.16	41,875.37	58,464	4.01	
SYMBOL BGMIX Initial Purchase 10/03/08											
Fixed Income 100%											

BLACKROCK GLOBAL ALLOCATION FD INC INSTL		50,862	903,722	9,758	903,722.78	17.9600	913,481.52	9,758.74	17,802	1.94
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TOTAL MERRILL

SATO FOUNDATION - SEPARATE FUND

Account Number: 80C-74C06

December 01, 2009 - December 31, 2009

## YOUR TRUST MANAGEMENT ACCOUNT STATEMENT OF PRINCIPAL INVESTMENTS

MUTUAL FUNDS/CLOSED END FUNDS/UIT (continued)	Description	Quantity	Total Client Investment	Cumulative Investment Return	Cost Basis	Estimated Market Price	Estimated Market Value	Unrealized Gain/(Loss)	Estimated Current Annual Income	Estimated Current Yield%
	SYMBOL MALOX Initial Purchase 04/14/05 Fixed Income 39% Equity 61%				N/A	17 9600	3 64		1	1 94
	Subtotal (Fixed Income)						5,127,350.85			
	Subtotal (Equities)			216,210	5,468,360.55		557,225.95	216,212.61	194,638	3 42
	<b>TOTAL</b>						<b>5,684,576.80</b>	<b>216,212.61</b>	<b>194,638</b>	<b>3 42</b>
	<b>TOTAL PRINCIPAL INVESTMENTS</b>				6,484,468 40		<b>6,439,937.41</b>	<b>(44,534.63)</b>	<b>194,905</b>	<b>3 03</b>

**Total Client Investment:** Cost of shares directly purchased and still held. Does not include shares purchased through reinvestment.

**Cumulative Investment Return:** Estimated Market Value minus Total Client Investment Cumulative Return is the capital appreciation (depreciation) of all shares purchased, including shares purchased through reinvestment.

**Market Timing:** Merrill Lynch's policies prohibit mutual fund market timing, which involves the purchase and sale of mutual fund shares within short periods of time with the intention of capturing short-term profits resulting from market volatility. Market timing may result in lower returns for long-term fund shareholders because market timers capture short-term gains that would otherwise pass to all shareholders and due to increased transaction costs and fewer assets for investment due to the need to retain cash to satisfy redemptions.

**Initial Purchase:** Date of your initial investment in this fund

0000 Total values exclude N/A items

## YOUR TRUST MANAGEMENT ACCOUNT STATEMENT OF INCOME INVESTMENTS

CASH/MONEY ACCOUNTS	Description	Quantity	Total Cost Basis	Estimated Market Price	Estimated Market Value	Estimated Annual Income	Estimated Annual Yield%
	CMA MONEY FUND	33,121.00	33,121.00	1.0000	33,121.00	33	.10
	<b>TOTAL INCOME INVESTMENTS</b>		33,121.00		33,121.00	33	.10

Income Debit Balance 17,888.21

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