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Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

2009

Department of the Treasury
Internal Revenue Service

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 MAY 1, 2009, and ending APR 30, 2010

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 SHOLLEY FOUNDATION		A Employer identification number 04-6014010		
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite GOODWIN PROCTER LLP EXCHANGE PLACE		B Telephone number 617-570-1133		
	City or town, state, and ZIP code BOSTON, MA 02109-2881		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) \$ 1947595. (Part I, column (d) must be on cash basis)		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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		28755.	28755.		STATEMENT 1
4 Dividends and interest from securities		26654.	26654.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		23276.			
b Gross sales price for all assets on line 6a		282386.			
7 Capital gain net income (from Part IV, line 2)			23276.		
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		1645.	93.		STATEMENT 3
12 Total. Add lines 1 through 11		80330.	78778.		
13 Compensation of officers, directors, trustees, etc		21622.	11892.		9730.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees					
17 Interest					
18 Taxes STMT 4		937.	477.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		885.	885.		0.
24 Total operating and administrative expenses Add lines 13 through 23		23444.	13254.		9730.
25 Contributions, gifts, grants paid		75600.			75600.
26 Total expenses and disbursements. Add lines 24 and 25		99044.	13254.		85330.
27 Subtract line 26 from line 12		-18714.			
a Excess of revenue over expenses and disbursements			65524.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)				N/A	

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			
	2 Savings and temporary cash investments	37096.	38248.	38248.
	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 STMT 7	673094.	622557.	652523.
	b Investments - corporate stock STMT 8	722934.	754297.	1256824.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	1433124.	1415102.	1947595.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds	1433124.	1415102.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	0.	0.	
30 Total net assets or fund balances	1433124.	1415102.		
31 Total liabilities and net assets/fund balances	1433124.	1415102.		

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	1433124.
2 Enter amount from Part I, line 27a	2	-18714.
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	692.
4 Add lines 1, 2, and 3	4	1415102.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1415102.

Part IV Capital Gains and Losses for Tax on Investment Income

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

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 282386.		259110.	23276.

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a			
b			
c			
d			
e			23276.

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	23276.
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	86932.	1865134.	.046609
2007	80515.	2234440.	.036034
2006	66718.	2132354.	.031288
2005	69841.	2011944.	.034713
2004	114932.	1953385.	.058837

2 Total of line 1, column (d)	2	.207481
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	.041496
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	1853764.
5 Multiply line 4 by line 3	5	76924.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	655.
7 Add lines 5 and 6	7	77579.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions	8	85330.

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 <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	655.
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			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		2	0.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		3	655.
3 Add lines 1 and 2		4	0.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	655.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	460.	
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	460.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	195.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b 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		X
1c Did the foundation file Form 1120-POL 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"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 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		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		X
4a 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 Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MA		
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	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(i)(3) or 4942(i)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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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 instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► N/A

14 The books are in care of ► MARY KATHLEEN O'CONNELL Telephone no ► 617-570-1391
 Located at ► GOODWIN PROCTER LLP EXCHANGE PLACE, BOSTON, MA ZIP+4 ► 02109-2881

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ☐
 and enter the amount of tax-exempt interest received or accrued during the year ► 15

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here N/A <input type="checkbox"/>	1b	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009) 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

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

6b

If "Yes" to 6b, file Form 8870.

X

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
JOAN M. SHOLLEY 77 MORTON ROAD MILTON, MA 02186	SECRETARY/TRUSTEE 2.00	0.	0.	0.
MARY KATHLEEN O'CONNELL GOODWIN PROCTER LLP EXCHANGE PL BOSTON, MA 02109-2881	TREASURER/TRUSTEE 2.00	0.	0.	0.

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

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

Total number of other employees paid over \$50,000

0

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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."

[illegible]

Total number of others receiving over \$50,000 for professional services

0

Part IX-A	Summary of Direct Charitable Activities
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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
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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.

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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	1845080.
b	Average of monthly cash balances	1b	36914.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1881994.
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	1881994.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	28230.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1853764.
6	Minimum investment return. Enter 5% of line 5	6	92688.

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	92688.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	655.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	655.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	92033.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	92033.
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	92033.

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	85330.
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	85330.
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	655.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	84675.

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

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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				92033.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			41904.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 85330.				
a Applied to 2008, but not more than line 2a			41904.	
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				43426.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:	0.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				48607.
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	0.			
9 Excess distributions carryover to 2010 Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

Part XV	Supplementary Information (continued)
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3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient		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
Name and address (home or business)					
a <i>Paid during the year</i>					
SEE STATEMENT 9					
Total				▶ 3a	75600.
b <i>Approved for future payment</i>					
NONE					
Total				▶ 3b	0.

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. | | |

[illegible]

- 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		


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.

Sign Here

Signature of officer or trustee Shirleen Connel, Trustee Date 9/30/10

Date _____

Title

Paid Preparer's Use Only	Preparer's signature	
	Firm's name (or yours if self-employed), address, and ZIP code	GOODWIN PROCTER LLP EXCHANGE PLACE BOSTON, MA 02109-2881

Date 9/23/10

Check if self-employed ☐

Preparer's identifying number

EIN ▶	
Phone no	617-570-1133

SHOLLEY FOUNDATION

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	70M US TREAS NTS 6.000% 08/15/09	P	09/18/00	08/17/09
b	.5 SHS PFIZER INC	P	09/19/02	10/27/09
c	2161 SHS UDR INC	P	06/04/98	11/24/09
d	600 SHS WEINGARTEN REALTY INV	P	06/13/03	11/24/09
e	300 SHS CINTAS CORP	P	06/13/03	11/24/09
f	25M US TREAS NTS 2.125% 01/31/10	P	10/14/08	01/05/10
g	100M US TREAS NTS 2.125% 01/31/10	P	10/14/08	02/01/10
h	700 SHS WYETH	P	05/13/08	10/20/09
i	CAPITAL GAINS DIVIDENDS			
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 70000.		70398.	-398.
b 9.		15.	-6.
c 32657.		25854.	6803.
d 11204.		18629.	-7425.
e 8202.		11763.	-3561.
f 25000.		25211.	-211.
g 100000.		100844.	-844.
h 35273.		6396.	28877.
i 41.			41.
j			
k			
l			
m			
n			
o			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			-398.
b			-6.
c			6803.
d			-7425.
e			-3561.
f			-211.
g			-844.
h			28877.
i			41.
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	23276.
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

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

SOURCE	AMOUNT
GOODWIN PROCTER LLP (6021)	28755.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	28755.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
GOODWIN PROCTER LLP (6021)	26695.	41.	26654.
TOTAL TO FM 990-PF, PART I, LN 4	26695.	41.	26654.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
CLASS ACTION SETTLEMENT FOREST LABS	93.	93.	
IRS REFUND	1552.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	1645.	93.	

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	477.	477.		0.
FEDERAL TAXES	460.	0.		0.
TO FORM 990-PF, PG 1, LN 18	937.	477.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
TAX PREP FEE	750.	750.		0.	
PC FILING FEE	35.	35.		0.	
ANNUAL REPORT FILING FEE	100.	100.		0.	
TO FORM 990-PF, PG 1, LN 23	885.	885.		0.	

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	6
DESCRIPTION		AMOUNT	
INCOME/DEDUCTIONS ON BOOKS NOT ON RETURN		692.	
TOTAL TO FORM 990-PF, PART III, LINE 3		692.	

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS			STATEMENT	7
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE	
70M US TREAS NTS DTD 8/15/2010 5.750%	X		69869.	71110.	
70M FEDERAL NATIONAL MORTGAGE ASSN DTD 11/23/2011 5.375%	X		74818.	74791.	
70M US TREAS NTS DTD 2/15/2012 4.875%	X		72319.	75009.	
60M US TREAS NTS DTD 8/15/2013 4.250%	X		59986.	65095.	
70M US TREAS NTS DTD 11/15/2014 4.250%	X		68706.	76262.	
60M US TREAS NTS DTD 11/15/2015 4.500%	X		60193.	66056.	
70M US TREAS NTS DTD 08/15/2016 4.875%	X		70750.	78247.	
70M US TREAS NTS DTD 02/15/2018 3.500%	X		71102.	71099.	

75M US TREAS BILLS 01/13/11	X	74814.	74854.
TOTAL U.S. GOVERNMENT OBLIGATIONS		622557.	652523.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			
TOTAL TO FORM 990-PF, PART II, LINE 10A		622557.	652523.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
600 SHS COCA COLA CO	819.	32070.
600 SHS COLGATE PALMOLIVE	7481.	50460.
1000 SHS PEPSICO INC	15975.	65220.
400 SHS PROCTER & GAMBLE	25003.	24864.
2000 SHS SYSCO CORP	19931.	63080.
600 SHS WALGREEN CO	20272.	21090.
794 SHS BP PLC SPONS ADR	6447.	41407.
1400 SHS EXXON MOBIL CORP	5007.	94878.
200 SHS SCHLUMBERGER LTD	13052.	14284.
500 SHS BERKSHIRE HATHAWAY INC CL B	24240.	38500.
700 SHS JP MORGAN CHASE & CO	11848.	29806.
1000 SHS STATE STREET CORP	7844.	43500.
400 SHS DENTSPLY INTL INC	12959.	14660.
1000 SHS JOHNSON & JOHNSON	5008.	64300.
300 SHS MEDTRONIC INC	15401.	13107.
1000 SHS MERCK & CO INC	15374.	35040.
700 SHS NOVARTIS AG SPONS ADR	38957.	35595.
1289 SHS PFIZER INC	29918.	21552.
400 SHS STRYKER CORP	9258.	22976.
200 SHS CATERPILLAR INC	7832.	13618.
700 SHS EMERSON ELECTRIC	19530.	36561.
800 SHS EXPEDITORS INTL WASH INC	13931.	32568.
900 SHS GENERAL ELECTRIC	6366.	16974.
1012 SHS PACCAR INC	10173.	47078.
400 SHS AUTOMATIC DATA PROCESSING INC	18709.	17348.
600 SHS CISCO SYSTEMS INC	18893.	16158.
800 SHS EMC CORP MASS	19031.	15208.
400 SHS LINEAR TECHNOLOGY CORP	14250.	12016.
700 SHS MICROSOFT CORP	22516.	21375.
1200 SHS WESTERN UNION CO	25282.	21900.
300 SHS BHP BILLITON LTD SPONS ADR	14096.	21837.
200 SHS PRAXAIR INC	12818.	16754.
300 SHS SIGMA ALDRICH CORP	15386.	17790.
1000 SHS SOUTHERN CO	31183.	34560.
3212.96 SHS DODGE & COX INTL STOCK FUND	111927.	104903.
346.10 SHS FIDELITY SELECT BIOTECH	30000.	25137.
1566.05 SHS T TOWE PRICE SCIENCE 7 TECH FD	57679.	37444.
1231.47 SHS VANGUARD INTL GROWTH FD	19901.	21206.
TOTAL TO FORM 990-PF, PART II, LINE 10B	754297.	1256824.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 9

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ST. MICHAEL'S EPISCOPAL CHURCH	NONE SUPPORT	PUBLIC CHARITY	4000.
MILTON PUBLIC LIBRARY FOUNDATION	NONE SUPPORT	PUBLIC CHARITY	3500.
AMERICAN REPERTORY THEATRE	NONE SUPPORT	PUBLIC CHARITY	1500.
BARRIER ISLANDS PARKS SOCIETY	NONE SUPPORT	PUBLIC CHARITY	500.
BUDDY DOG HUMANE SOCIETY	NONE SUPPORT	PUBLIC CHARITY	500.
CAPE ELEUTHERA FOUNDATION	NONE SUPPORT	PUBLIC CHARITY	1000.
COALITION TO SAVE BUZZARDS BAY	NONE SUPPORT	PUBLIC CHARITY	1000.
CUMBERLAND COLLEGE	NONE SUPPORT	PUBLIC CHARITY	500.

SHOLLEY FOUNDATION

04-6014010

FRIENDS OF BOCA GRANDECOMM CTR	NONE SUPPORT	PUBLIC CHARITY	1000.
GULF COAST COMM FOUNDATION OF VENICE	NONE SUPPORT	PUBLIC CHARITY	500.
HEIFER PROJECT	NONE SUPPORT	PUBLIC CHARITY	1000.
HERITAGE PLANTATION OF SANDWICH	NONE SUPPORT	PUBLIC CHARITY	500.
ISLAND SCHOOL	NONE SUPPORT	PUBLIC CHARITY	500.
JOHANN FUST LIBRARY	NONE SUPPORT	PUBLIC CHARITY	1000.
LEMON BAY CONSERVANCY INC	NONE SUPPORT	PUBLIC CHARITY	1000.
NATURE CONSERVANCY	NONE SUPPORT	PUBLIC CHARITY	1000.
NOBLE & GREENOUGH SCHOOL	NONE CLASS OF 1946	PUBLIC CHARITY	12500.
NO BENNET ST INDUSTRIAL SCHOOL	NONE SUPPORT	PUBLIC CHARITY	1000.

<u>SHOLLEY FOUNDATION</u>			<u>04-6014010</u>
NORTHEASTERN UNIVERSITY	NONE SHOLLEY SCHOLARSHIP	PUBLIC CHARITY	5000.
PENIKESE ISLAND SCHOOL	NONE SUPPORT	PUBLIC CHARITY	1000.
PEOPLE OF CATS SHELTER	NONE SUPPORT	PUBLIC CHARITY	500.
PORCHLIGHT THEATRE CO	NONE SUPPORT	PUBLIC CHARITY	1000.
ROLLINS COLLEGE	NONE SUPPORT	PUBLIC CHARITY	2000.
SEEDS OF PEACE	NONE SUPPORT	PUBLIC CHARITY	500.
SALVATION ARMY	NONE SUPPORT	PUBLIC CHARITY	500.
UNITED NEGRO COLLEGE FUND	NONE SUPPORT	PUBLIC CHARITY	1000.
WGBH	NONE SUPPORT	PUBLIC CHARITY	2500.
AMERICAN RED CROSS	NONE SUPPORT	PUBLIC CHARITY	1000.

BEREA COLLEGE	NONE SUPPORT	PUBLIC CHARITY	500.
BOCA GRANDE CHILD CARE CENTER	NONE SUPPORT	PUBLIC CHARITY	500.
BOCA GRANDE HEALTH CLINIC	NONE SUPPORT	PUBLIC CHARITY	5000.
CAPE COD FREE CLINIC	NONE SUPPORT	PUBLIC CHARITY	500.
COMMONWEALTH SHAKESPEARE CO	NONE SUPPORT	PUBLIC CHARITY	3500.
COMMUNITY SERVINGS	NONE SUPPORT	PUBLIC CHARITY	1500.
COMPASSIONATE CAREGIVERS INC	NONE SUPPORT	PUBLIC CHARITY	500.
CROWNINSHIELD HOUSE	NONE SUPPORT	PUBLIC CHARITY	500.
ECHO	NONE SUPPORT	PUBLIC CHARITY	2000.
FALMOUTH ASSOC CONCERNED	NONE SUPPORT	PUBLIC CHARITY	500.

FALMOUTH THREE HUNDRED	NONE SUPPORT	PUBLIC CHARITY	500.
GASPARILLA ISLAND MARITIME MUSUEM	NONE SUPPORT	PUBLIC CHARITY	500.
HOSPICE OF SOUTHWEST FLORIDA	NONE SUPPORT	PUBLIC CHARITY	500.
MASS AUDOBON SOCIETY INC	NONE TRAILSIDE MUSEUM	PUBLIC CHARITY	500.
MOFFITT CANCER CENTER	NONE SUPPORT	PUBLIC CHARITY	500.
MOTE MARINE LABS	NONE SUPPORT	PUBLIC CHARITY	1000.
NATL FDN FOR FACIAL RECONSTRUCTION	NONE SUPPORT	PUBLIC CHARITY	500.
PAACT	NONE SUPPORT	PUBLIC CHARITY	500.
RINGLING MUSEUM OF ARTS	NONE SUPPORT	PUBLIC CHARITY	1000.
ROYAL PALM PLAYERS INC	NONE SUPPORT	PUBLIC CHARITY	500.

S.T.A.R.T BOCA GRANDE CHAPTER	NONE SUPPORT	PUBLIC CHARITY	1000.
SMITHSONIAN INSTITUTION	NONE SUPPORT	PUBLIC CHARITY	500.
SUNCOAST HUMANE SOCIETY	NONE SUPPORT	PUBLIC CHARITY	2000.
WOODS HOLE OCEANOGRAPHIC INSTITUTION	NONE SUPPORT	PUBLIC CHARITY	500.
FOOD FOR THE POOR - BOCA GRANDE FRIENDSHIP VILLAGE IN HAITI	NONE SUPPORT	PUBLIC CHARITY	2600.
BOCA GRANDE HISTORICAL SOCIETY	NONE SUPPORT	PUBLIC CHARITY	500.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			75600.

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ▶ ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed)A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on **e-file for Charities & Nonprofits**

Type or print File by the due date for filing your return. See instructions	Name of Exempt Organization SHOLLEY FOUNDATION	Employer identification number 04-6014010
	Number, street, and room or suite no. If a P.O. box, see instructions. GOODWIN PROCTER LLP EXCHANGE PLACE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. BOSTON, MA 02109-2881	

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

- | | | |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

MARY KATHLEEN O'CONNELL - GOODWIN PROCTER LLP EXCHANGE

- The books are in the care of ▶ **PLACE - BOSTON, MA 02109-2881**

Telephone No ▶ **617-570-1391**FAX No. ▶ **617-523-1231**

- 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 will cover

- 1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **DECEMBER 15, 2010**, to file the exempt organization return for the organization named above. The extension is for the organization's return for
- ▶ ☐ calendar year _____ or
- ▶ ☒ tax year beginning **MAY 1, 2009**, and ending **APR 30, 2010**

- 2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a 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	3a	\$	460.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	460.
c Balance Due. Subtract line 3b from line 3a. 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	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 4-2009)