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

2010

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 2010, or tax year beginning _____, and ending _____

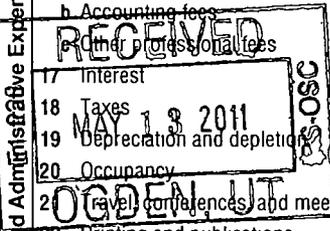
G Check all that apply: Initial return Initial return of a former public charity Final return
 Amended return Address change Name change

Name of foundation THE PAUL D. WASSEROTT FOUNDATION		A Employer identification number 04-3729982
Number and street (or P O box number if mail is not delivered to street address) P.O. BOX 349	Room/suite	B Telephone number 570.287.2176
City or town, state, and ZIP code WILKES BARRE, PA 18703		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) \$ 3,669,333. (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 <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(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		31,952.	26,574.		STATEMENT 1
4 Dividends and interest from securities		57,918.	57,894.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		53,907.			
b Gross sales price for all assets on line 6a 1,916,719.					
7 Capital gain net income (from Part IV, line 2)			53,907.		
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					
12 Total. Add lines 1 through 11		143,777.	138,375.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		9,872.	4,936.		4,936.
c Other professional fees					
17 Interest					
18 Taxes STMT 4		1,845.	1,845.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		51,478.	51,478.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		63,195.	58,259.		4,936.
25 Contributions, gifts, grants paid		172,000.			172,000.
26 Total expenses and disbursements. Add lines 24 and 25		235,195.	58,259.		176,936.
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements		-91,418.			
b Net investment income (if negative, enter -0-)			80,116.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Operating and Administrative Expenses



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	-4.		
	2 Savings and temporary cash investments	275,470.	84,275.	261,276.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock			
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other	STMT 6	2,858,746.	2,958,519.	3,408,057.
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)		3,134,212.	3,042,794.	3,669,333.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)		0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds		0.	0.
28 Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds		3,134,212.	3,042,794.	
30 Total net assets or fund balances		3,134,212.	3,042,794.	
31 Total liabilities and net assets/fund balances		3,134,212.	3,042,794.	

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	3,134,212.
2 Enter amount from Part I, line 27a	2	-91,418.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	3,042,794.
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	3,042,794.

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		1,862,812.	53,907.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(j) F.M.V. as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Adjusted basis as of 12/31/69	
a			
b			
c			
d			
e			53,907.

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	53,907.
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))
2009	206,024.	3,054,463.	.067450
2008	220,892.	3,961,462.	.055760
2007	217,413.	4,644,568.	.046810
2006	195,637.	4,382,903.	.044636
2005	187,960.	4,089,913.	.045957

2 Total of line 1, column (d)	2	.260613
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	.052123
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	3,295,637.
5 Multiply line 4 by line 3	5	171,778.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	801.
7 Add lines 5 and 6	7	172,579.
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	176,936.

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)	
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	1 801.
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	3 801.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4 0.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-	5 801.
6 Credits/Payments	
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 3,668.
b Exempt foreign organizations - tax withheld at source	6b
c Tax paid with application for extension of time to file (Form 8868)	6c
d Backup withholding erroneously withheld	6d
7 Total credits and payments. Add lines 6a through 6d	7 3,668.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10 2,867.
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> 2,867. Refunded <input checked="" type="checkbox"/> 0.	11 0.

Part VII-A Statements Regarding Activities		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?			X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			X
c 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. \$ 0. (2) On foundation managers. \$ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <u>PA</u>			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

N/A

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)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>		X	
14	The books are in care of ► <u>PAUL D. WASSEROTT</u> Telephone no ► <u>570.287.2176</u> Located at ► <u>PO BOX 349, WILKES BARRE, PA</u> ZIP+4 ► <u>18703</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year		15	N/A
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►		16	Yes No X

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 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <u>N/A</u> <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 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <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.) <u>N/A</u>	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 2010 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 2010.) <u>N/A</u>	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 2010?	4b	X

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d) N/A

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

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
PAUL D. WASSEROTT, JR PO BOX 349 WILKES BARRE, PA 18703	PRESIDENT/TREASURER	0.00	0.	0.
MICHAEL MOLEWSKI 100 GATEWAY DRIVE, SUITE 300 LEHIGH VALLEY, PA 18002	SECRETARY	0.00	0.	0.

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

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

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

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions	
3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	3,101,550.
b	Average of monthly cash balances	1b	244,274.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	3,345,824.
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	3,345,824.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	50,187.
5	Net value of noncharitable-use assets Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,295,637.
6	Minimum investment return Enter 5% of line 5	6	164,782.

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	164,782.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	801.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	801.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	163,981.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	163,981.
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	163,981.

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	176,936.
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	176,936.
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	801.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	176,135.

Note The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				163,981.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			143,124.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 176,936.				
a Applied to 2009, but not more than line 2a			143,124.	
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 2010 distributable amount				33,812.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	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 2009 Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				130,169.
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 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011 Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶

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

	Tax year				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)

1 **Information Regarding Foundation Managers:**
 a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

PAUL D. WASSEROTT, JR
 b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed.

SEE STATEMENT 7

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

c Any submission deadlines:

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

Part 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 PUBLICALLY TRADED SECURITIES	P	VARIOUS	VARIOUS
b PUBLICALLY TRADED SECURITIES #579-938459	P	VARIOUS	VARIOUS
c PUBLICALLY TRADED SECURITIES #579-938424	P	VARIOUS	VARIOUS
d FEDL NATL MTG ASSN	P	02/11/10	02/11/10
e FNCL	P	07/14/10	07/14/10
f FNCL	P	09/14/10	09/14/10
g CAPITAL GAINS DIVIDENDS			
h			
i			
j			
k			
l			
m			
n			
o			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 172,363.		154,520.	17,843.
b 656,409.		645,387.	11,022.
c 1,057,192.		1,032,410.	24,782.
d 11,475.		11,475.	0.
e 9,533.		9,453.	80.
f 9,513.		9,567.	-54.
g 234.			234.
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			17,843.
b			11,022.
c			24,782.
d			0.
e			80.
f			-54.
g			234.
h			
i			
j			
k			
l			
m			
n			
o			

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	53,907.
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
FIDELITY MONEY MARKET	31,952.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	31,952.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
FIDELITY MONEY MARKET	58,152.	234.	57,918.
TOTAL TO FM 990-PF, PART I, LN 4	58,152.	234.	57,918.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTANTS	9,872.	4,936.		4,936.
TO FORM 990-PF, PG 1, LN 16B	9,872.	4,936.		4,936.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID	1,845.	1,845.		0.
TO FORM 990-PF, PG 1, LN 18	1,845.	1,845.		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	
INVESTMENT FEES	42,458.	42,458.			0.
MISCELLANEOUS	9,020.	9,020.			0.
TO FORM 990-PF, PG 1, LN 23	51,478.	51,478.			0.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	6
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
SECURITIES	COST	2,958,519.	3,408,057.	
TOTAL TO FORM 990-PF, PART II, LINE 13		2,958,519.	3,408,057.	

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 8

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AMERICAN RED CROSS 256 NORTH SHERMAN STREET WILKES BARRE, PA 18702	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
FM KIRBY CENTER 71 PUBLIC SQUARE WILKES BARRE, PA 18701	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
GEISINGER HEALTH SYSTEM FOUNDATION 100 N. ACADEMY AVENUE WILKES BARRE, PA 18701	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	100,000.
HEART TO HEART 32 CLARK ROAD BROOKLINE, MA 024456030	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	12,000.
KING'S COLLEGE 133 NORTH RIVER STREET WILKES BARRE, PA 18711	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
SALVATION ARMY 17 S PA AVE WILKES BARRE, PA 18703	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	10,000.
ST JOSEPH'S CENTER FOUNDATION 2010 ADAMS AVE SCRANTON, PA 18509	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
ST VINCENT DE PAUL KITCHEN 39 EAST JACKSON STREET WILKES BARRE, PA 18701	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.

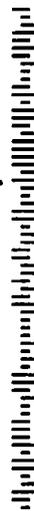
UNITED WAY 8 WEST MARKET STREET WILKES BARRE, PA 18711	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	10,000.
WVIA 100 WVIA WAY PITTSTON, PA 18640	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
WYOMING SEMINARY 201 N SPRAGUE AVENUE KINGSTON, PA 18704	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
YMCA 40 NORTHAMPTON ST WILKES BARRE, PA 18701	NONE TO SUPPORT DONEE'S ACTIVIES	PUBLIC	5,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			<hr/> 172,000.



Investment Report

December 1, 2010 - December 31, 2010

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THE PAUL D WASSEROTT FNDN
PO BOX 349
WILKES BARRE PA 18703-0349

Your Advisor
MOLEWSKI FINANCIAL PARTNERS
100 GATEWAY DR STE 300
BETHLEHEM PA 18017-9431

Brokerage 579-938459 THE PAUL D WASSEROTT FNDN

Account Summary

Beginning value as of Dec 1 \$1,674,513.66
Change in investment value 111,892.14
Ending value as of Dec 31 \$1,786,405.80

Income Summary

Taxable This Period Year to Date
Dividends \$5,453.10 \$39,361.37
Tax-exempt 0.10 1.25
Dividends 0.00 62.46
Return of capital \$39,425.08
Total \$5,453.20 \$39,425.08

Realized Gain/Loss from Sales

Short-term gain This Period Year to Date \$0.00 \$11,157.85
Short-term loss 0.00 -24,288.10
Net short 0.00 -13,130.25
Long-term gain \$0.00 \$35,790.63
Long-term loss 0.00 -11,638.00
Net long 0.00 24,152.63

Holdings (Symbol) as of December 31, 2010

Stocks	Performance		Quantity	Price per Unit		Total Value	
	December 31, 2010	December 31, 2010		December 31, 2010	December 1, 2010	December 31, 2010	December 31, 2010
HERBALIFE LTD COM USD0.002 (HLF)	520.000	\$68.370	520.000	\$28,683.98	\$35,687.60	\$35,552.40	
SEADRILL LTD USD2 (SDRL)	1,320.000	33.920	1,320.000	25,382.41	41,038.80	44,774.40	
TYCO ELECTRONICS LTD COM CHF2 60 (TEL)	1,000.000	35.400	1,000.000	27,207.90	30,420.00	35,400.00	
AT&T INC COM (T)	880.000	29.380	880.000	21,832.80	24,455.20	25,854.40	
ABBOTT LABORATORIES (ABT)	500.000	47.910	500.000	26,207.16	23,255.00	23,955.00	
AMERIPRISE FINL INC COM (AMP)	720.000	57.550	720.000	27,932.47	37,324.80	41,436.00	
APPLE INC (AAPL)	120.000	322.560	120.000	11,121.00	37,338.00	38,707.20	
AUTOLIV INC (ALV)	540.000	78.940	540.000	29,253.58	39,646.80	42,627.60	

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938459 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	
	December 31, 2010	December 31, 2010				December 1, 2010	December 31, 2010
BCE INC COM NPV ISIN #CA05534B7604			740,000	35.460	22,265.34	25,071.20	26,240.40
SEDOL #B188TH2 (BCE)							
BANK OF MONTREAL COM NPV			560,000	57.570	27,609.06	32,900.00	32,239.20
ISIN #CA0636711016 SEDOL #2076009							
(BMO)							
CHEVRON CORP NEW (CVX)			400,000	91.250	33,714.40	32,388.00	36,500.00
COMCAST CORP NEW CL A (CMCSA)			1,700,000	21.970	25,959.00	34,059.50	37,349.00
CONOCOPHILLIPS (COP)			580,000	68.100	28,866.25	34,898.60	39,498.00
CORNING INC (GLW)			1,640,000	19.320	29,708.60	28,962.40	31,684.80
DAVITA INC COM (DVA)			530,000	69.490	27,665.79	38,531.00	36,829.70
DEERE & COMPANY (DE)			450,000	83.050	24,978.92	33,615.00	37,372.50
DOVER CORP (DOV)			570,000	58.450	25,071.28	31,241.70	33,316.50
DR PEPPER SNAPPLE GROUP INC COM (DPS)			600,000	35.160	21,624.24	21,978.00	21,096.00
DU PONT E I DE NEMOURS & CO (DD)			520,000	49.880	16,914.77	24,434.80	25,937.60
E M C CORP MASS (EMC)			1,560,000	22.900	18,824.80	33,524.40	35,724.00
EXXON MOBIL CORP (XOM)			400,000	73.120	30,124.00	27,824.00	29,248.00
FREEMONT MCMORAN COPPER & GOLD INC (FCX)			210,000	120.090	15,833.96	21,277.20	25,218.90
GENERAL DYNAMICS CRP (GD)			400,000	70.960	23,903.67	26,436.00	28,384.00
GENERAL ELECTRIC CO (GE)			2,000,000	18.290	29,318.00	31,660.00	36,580.00
GENERAL MILLS INC (GIS)			560,000	35.590	14,050.40	19,784.80	19,930.40
GOLDMAN SACHS GROUP INC (GS)			210,000	168.160	35,072.89	32,789.40	35,313.60
HEWLETT-PACKARD CO DE (HPQ)			640,000	42.100	28,139.65	26,835.20	26,944.00
HORMEL GEORGE A & CO (HRL)			430,000	51.260	19,109.20	21,104.40	22,041.80
INTL BUSINESS MACH (IBM)			240,000	146.760	19,553.52	33,950.40	35,222.40
JPMORGAN CHASE & CO (JPM)			760,000	42.420	31,586.45	28,424.00	32,239.20
JOHNSON & JOHNSON (JNJ)			480,000	61.850	27,855.70	29,544.00	29,688.00
KIMBERLY CLARK CORP (KMB)			450,000	63.040	26,847.18	27,850.50	28,368.00
LORILLARD INC COM (LO)			370,000	82.060	28,147.82	29,444.60	30,362.20
LUBRIZOL CORPORATION (LZ)			210,000	106.880	15,987.99	21,957.60	22,444.80
MACYS INC (M)			1,520,000	25.300	29,275.20	39,033.60	38,456.00
MARATHON OIL CORP ISIN #US5658491064			690,000	37.030	21,162.23	23,094.30	25,550.70
SEDOL #2910970 (MRO)							
MCKESSON CORP (MCK)			510,000	70.380	21,924.90	32,589.00	35,893.80
METLIFE INC COM (MET)			660,000	44.440	19,487.72	25,179.00	29,330.40



Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938459 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	
	December 31, 2010	December 31, 2010				December 31, 2010	December 31, 2010
MICROSOFT CORP (MSFT)	1,170,000	27.910	1,170,000	34,479.80	29,551.86	32,654.70	
MYLAN INC (MYL)	1,540,000	21.130	1,540,000	28,510.73	30,137.80	32,540.20	
NEWFIELD EXPLORATION CO (NFX)	520,000	72.110	520,000	27,527.76	34,751.60	37,497.20	
NORTHEAST UTILITIES (NU)	1,000,000	31.880	1,000,000	28,395.50	31,100.00	31,880.00	
NORTHROP GRUMMAN CORP HOLDING CO (NOC)	360,000	64.780	360,000	20,372.89	22,204.80	23,320.80	
ORACLE CORPORATION (ORCL)	1,280,000	31.300	1,280,000	24,356.48	34,617.60	40,064.00	
PNC FINL SVCS GROUP (PNC)	620,000	60.720	620,000	27,914.76	33,387.00	37,646.40	
ROSS STORES INC (ROST)	620,000	63.250	620,000	24,412.81	40,225.60	39,215.00	
TECO ENERGY INC (TE)	1,730,000	17.800	1,730,000	29,207.07	28,977.50	30,794.00	
TEXAS INSTRUMENTS INC (TXN)	1,170,000	32.500	1,170,000	28,594.80	37,206.00	38,025.00	
UNION PACIFIC CORP (UNP)	380,000	92.660	380,000	23,468.75	34,241.80	35,210.80	
UNITEDHEALTH GROUP (UNH)	970,000	36.110	970,000	29,019.78	35,424.40	35,026.70	
UNUM GROUP (UNM)	1,400,000	24.220	1,400,000	30,292.24	30,086.00	33,908.00	
WAL-MART STORES INC (WMT)	520,000	53.930	520,000	25,634.44	28,126.80	28,043.60	
WHIRLPOOL CORP (WHR)	380,000	88.830	380,000	30,543.12	27,740.00	33,755.40	
XILINX INC (XLNX)	700,000	28.980	700,000	17,163.23	18,991.00	20,286.00	
Other							
ANNALY CAPITAL MANAGEMENT INC COM (NLY)	1,560,000	17.920	1,560,000	27,698.11	28,376.40	27,955.20	
Core Account							
FIDELITY MUNICIPAL MONEY MARKET (FTEXX)	15,271,900	7-day Yield: 0.01%	15,271,900	not applicable	9,818.70	15,271.90	
Total Market Value						\$1,786,405.80	

Total Cost: 1,395,797.50 GL

All positions held in cash account unless indicated otherwise

Transaction Details (for holdings with activity this period)

Brokerage Activity

Settlement Date	Security	Description	Quantity	Price per Unit	Transaction Amount
12/01	CONOCOPHILLIPS	Dividend received			\$319.00
12/01	XILINX INC	Dividend received			112.00

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 670-295329 THE PAUL D WASSEROTT FNDN
 Separate Account Manager: TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbol) as of December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 31, 2010	Total Value December 31, 2010
Stocks					
AXIS CAPITAL HOLDINGS LTD COM USD0 0125 (AXS)	310.000	\$35.880	\$9,183.53	\$10,955.40	\$11,122.80
UBS AG SHS NEW ISIN #CH0024899483 SEDOL #B17MV57 (UBS)	465.000	16.470	12,669.32 UNKNOWN	7,007.55	7,658.55
ALCATEL LUCENT SPON ADR (ALU) ALLIANZ SE ADR EACH REP 1/10 ORD SH (AZSEY) ALUMINA LTD SPONSORED ADR (AWC) ANGLOGOLD ASHANTI LTD SPONS ADR ISIN #US0351282068 SEDOL #2257495 (AU)	3,123.000 550.000 821.000 305.000	2.960 11.934 10.180 49.230	28,360.47 5,587.12 10,710.73 10,997.43	8,557.02 6,103.35 6,239.60 14,283.15	9,244.08 6,563.70 8,357.78 15,015.15
ASTRAZENECA ADR EACH REP 1 ORD USD0 25(MGT) (AZN)	230.000	46.190	10,863.49	10,793.90	10,623.70
BARRICK GOLD CORP ISIN #CA0679011084 SEDOL #2024644 (ABX)	403.000	53.180	12,885.03	23,397.45	21,431.54
CAMECO CORP ISIN #CA13321L1085 SEDOL #2166160 (CCJ)	424.000	40.380	10,874.88	20,456.28	17,121.12
CARREFOUR UNSP ADR EACH REPR 0.20 ORD (CRERY) CENTRAIS ELETRICAS BRASILEIRAS S A SPONSORED ADR REPSTG 50 PFD CL B (ELECTRO BRAS PFD ADR) (EBRB) CENTRAIS ELETRICAS BRASILEIRAS SA SPONS ADR REPSTG 50 COM SHS (ELECTROBRAS ORD ADR) (EBR)	1,640.000 380.000	8.277 16.660	14,628.22 4,177.86	11,706.75 5,973.60	13,574.28 6,330.80
DAI NIPPON PRITG LTD JAPAN SPONSORED ADR (DNPLY) DAIWA HOUSE IND LTD ADR ISIN #US2340622065 SEDOL #2251798 (DWAHY)	179.000 1,290.000 78.000	13.750 13.637 123.050	2,354.51 18,358.41 7,733.27	2,395.02 16,230.78 8,799.10	2,461.25 17,591.73 9,597.90
ELECTRICITE DE FRANCE ADR (ECIFY) EMBRAER S A SPONSORED ADR REPSTG PFD SHS N/C FROM 29081M102 #REOR M0050667900001 (ERJ)	1,120.000 280.000	8.387 29.400	10,770.71 5,922.52	9,372.16 9,900.80	9,393.44 8,232.00





Investment Report

December 1, 2010 - December 31, 2010

Brokerage 670-295329 THE PAUL D WASSEROTT FNDN

Separate Account Manager: TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbol) as of December 31, 2010

	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis December 1, 2010	Total Value December 31, 2010
FINMECANICA SPA UNSP ADR EACH REPR 0 50 ORD (FINMY)	2,160,000	5.705	12,505.61	12,322.80
FUJIFILM HLDGS CORP ADR 2 ORD N/C FROM 359586302 (FUJIY)	370,000	36.200	12,749.57	13,394.00
GAZPROM O A O SPONSORED ADR ISIN #US3682872078 SEDOL #5140989 (OGZPY)	300,000	25.250	6,432.93	7,575.00
GLAXOSMITHKLINE ADR EACH CNV INTO 2 ORD GBPO.25 (GSK)	310,000	39.220	12,599.00	12,158.20
GOLD FIELDS LTD ADR EACH REPR 1 ORD ZARO 50 LVL II(BNY) (GFI)	1,060,000	18.130	14,619.64	19,217.80
HACHIJUNI BK LTD ADR ISIN #US4045082025 SEDOL #2463311 (HACBY)	109,000	55.977	6,706.88	6,101.49
IMPALA PLATINUM HLDGS SPON ADR 1 REP 1 ORD ZARO 025 (IMPUY)	230,000	35.213	5,843.38	8,098.99
KAO CORP SPONS ADR EACH REPR 1 COM NPV (KCRPY)	550,000	26.977	11,582.54	14,837.35
KINROSS GOLD CORP NEW COM NO PAR ISIN #CA989024047 SEDOL #803Z841 (KGC)	810,000	18.960	14,197.61	15,357.60
KOREA ELECTRIC POWER CORP ADR (KEP)	685,000	13.510	11,720.95	9,254.35
MS&AD INS GP HLDGS ADR EACH REPR 0 5 ORD UNSPON (MSADY)	1,070,000	12.545	15,855.65	13,423.15
MAGNA INTERNATIONAL INC COM NPV ISIN #CA5592224011 SEDOL #2554475 (MGA)	66,000	52.000	1,858.82	3,432.00
NEWCREST MNG LTD SPONSORED ADR (NCMGY)	346,000	41.453	7,623.54	14,342.73
NEXEN INC ISIN #CA65334H1029 SEDOL #2172219 (NXY)	734,000	22.900	16,522.20	16,808.60
NINTENDO CO LTD ADR(8 CNV INTO 1 ORD)NPV (NTDOY)	290,000	36.727	9,496.14	10,650.83
NIPPON TELEGRAPH & TELEPHONE CORP SPNSR ADR (NTT)	1,015,000	22.940	22,297.39	23,284.10
NOKIA CORP ADR (NOK)	1,090,000	10.320	13,369.63	11,248.80

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 670-295329 THE PAUL D WASSEROTT FNDN
 Separate Account Manager. TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbol) as of December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Value	
			December 1, 2010	December 31, 2010
PANASONIC CORP ADR N/C FROM 576879209	688.000	14.100	9,852.16	9,700.80
#REOR M005053680001 (PC)				
ROHM CO LTD ADR (ROHCY)	310.000	32.674	9,344.02	10,128.94
ROYAL DUTCH SHELL PLC SPONS ADR	260.000	66.670	15,680.60	17,334.20
REPSTG B SHS (RDSB)				
SK TELECOM ADR EACH REPR 0 11111 SHS (SKM)	1,028.000	18.630	18,483.44	19,151.64
SANOI-AVENTIS SPONSORED ADR	444.000	32.230	13,550.88	14,310.12
FORMERLY SANAFI SYNTHELABO TO 08/20/2004 (SNY)				
SEKISUI HOUSE LTD SPONSORED ADR FORMER LY SEKISUI PREFAB HOMES LTD TO 04/28/1982 (SKHSY)	814.000	10.123	7,724.86	8,240.12
SEVEN & I HLDGS CO LTD (SVNDY)	284.000	53.511	13,866.01	15,197.12
SHISEIDO LTD SPONS ADR	518.000	21.873	10,815.32	11,330.21
ONE ADR REPRESENTG ONE ORD SHS (SSDOY)				
SIEMENS A G SPON ADR	120.000	124.250	13,176.00	14,910.00
ISIN #US8261975010 SEDOL #2742689 (SI)				
SOCIETE GENERALE ADR (SCGLY)	510.000	10.791	4,740.96	5,503.41
STATOIL ASA SPON ADR EACH REP 1 ORD NOK2 50 LVL111 (STO)	310.000	23.770	6,196.90	7,368.70
SUMITOMO TR & BKG LTD SPONS ADR	1,435.000	6.313	7,605.50	9,059.15
ISIN #US8656252066 SEDOL #2485887 (STBUY)				
SUNCOR ENERGY COM NPV NEW	390.000	38.290	13,107.90	14,933.10
ISIN #CA8672241079 SEDOL #B3NB1P2 (SU)				
SWISSCOM AG ADR REPSNTG 1/10 OF A SHR (SCMWY)	299.000	44.105	12,269.46	13,187.39
TAKEDA PHARMACEUTICAL CO LTD SPON ADR EA REPR 0 5 ORD (TKPPY)	140.000	24.629	3,250.52	3,448.06
TELECOM ITALIA S P A NEW SPON ADR REPSTG SVGS SHS (TIA)	1,589.000	10.940	16,668.61	17,383.66



Investment Report

December 1, 2010 - December 31, 2010

Brokerage 670-295329 THE PAUL D WASSEROTT FNDN

Separate Account Manager: TRADEWINDS GLOBAL INVESTORS - INTERNATIONAL ADR

Holdings (Symbol) as of December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Value December 31, 2010
TOYOTA MOTOR CORP ADR-EACH REP 2 ORD	130.000	78.630	9,193.33	10,099.70	10,221.90
NPV LVLIII(SPON) (TM)	575.000	26.440	11,362.75	14,409.50	15,203.00
VODAFONE GROUP PLC NEW SPONSORED ADR NEW (VOD)	210.000	72.550	13,091.04	14,223.30	15,235.50
WACOAL HLDGS CORP ADR (WACL)	590.000	22.001	9,885.21	11,728.02	12,980.59
WOLTERS KLUWER N V ADR (WTKWY)			601,912.11 GL		
Core Account					
CASH	36,303.990	1.000	not applicable	32,658.53	36,303.99
Total Market Value					\$666,959.21

All positions held in cash account unless indicated otherwise

Transaction Details (for holdings with activity this period)

Settlement Date	Security	Description	Quantity	Price per Unit	Cost Basis of Close	Transaction Amount
12/01	FINMECCANICA SPA UNSP ADR EACH REPR 0 50 ORD	You bought	1,180,000	\$5.85910		-\$6,913.74
12/02	EMBRAER-EMPRESA BRAS DE AERONAUTICA SPON ADR EACH REP 4 COM STK SHS	Foreign tax paid				-3.55
12/02	EMBRAER-EMPRESA BRAS DE AERONAUTICA SPON ADR EACH REP 4 COM STK SHS	Dividend received				23.65
12/06	CAMECO CORP COM NPV ISIN #CA13321L1085 SEDOL #2166160	You sold Transaction cost: -\$4.29	-140.000	37.45190	\$4,210.171	5,238.98
12/06	TOYOTA MOTOR CORP ADR-EACH REP 2 ORD NPV LVLIII(SPON)	Long-term gain: \$1,028.81 Foreign tax paid				-2.65

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 31, 2010	Total Value December 31, 2010
Stocks						
ISHARES TR MSCI EAFE INDEX FD (EFA)		643,000	\$58.220	\$34,480.31	\$62,073.44	\$37,435.46
ISHARES TR MSCI EAFE GROWTH INDEX FD (EFG)		564,000	61.075	33,776.32		34,446.30
SPDR S&P 500 ETF TRUST UNIT SER 1 S&P (SPY)		499,000	125.750	55,382.73	57,113.62	62,749.25
SPDR S&P MIDCAP 400 ETF TR UNIT SER 1		496,000	164.680	69,095.98	44,172.15	81,681.28
STANDARD & POORS DEP RCPT N/C FROM 595635103 #REOR M0050619260001 (MDY						
Bonds						
BB&T CORPORATION SR NT 3.10000% 07/28/2011 FIXED COUPON		5,000,000	101.183	5,008,518	5,076.55	5,059.15
MOODY'S A2 S&P A SEMIANNUALLY AI \$65.87 EAI \$155.00 CUSIP 05531FAD5						
KRAFT FOODS INC GLBL NT 5.62500% 11/01/2011 FIXED COUPON		2,000,000	103.889	2,031,988	10,429.30	2,077.78
MOODY'S Baa2 S&P BBB- SEMIANNUALLY AI \$18.75 EAI \$112.50 CUSIP 50075NAB0						
GENL MILLS INC NOTES 6.000% 02/15/2012 FIXED COUPON		5,000,000	105.442	5,125,248	5,299.30	5,272.10
MOODY'S Baa1 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$113.33 EAI \$300.00 CUSIP 370334AS3						





Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010

	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis December 1, 2010	Total Value December 31, 2010	Total Value December 31, 2010
NATIONAL RURAL UTILS COOP FIN 7 250% 03/01/2012 FIXED COUPON	10,000,000	107.200	10,300.05B	10,782.40	10,720.00
MOODY'S A2 S&P A SEMIANNUALLY AI \$241.67 EAI \$725.00 CUSIP 637432CU7					
VERIZON GLOBAL FDG CORP GLBL NT 7 375% 09/01/2012 FIXED COUPON	5,000,000	110.408	5,210.77B	5,558.00	5,520.40
MOODY'S A3 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$122.92 EAI \$368.74 CUSIP 92344GAT3					
DAIMLER CHRYSLR AUTO SER2008-B CL A3A 04.71000% 09/10/2012 FIXED COUPON	10,000,000	100.968	4,620.95	5,325.14	4,543.92
MOODY'S Aaa S&P AAA MONTHLY CUR FACTOR 0 45003504 CUR FACE 4500.35 CUSIP 233889AE4					
BANK OF AMERICA AUTO SER 2010-2 CL A2 00.91000% 10/15/2012 FIXED COUPON	5,000,000	100.191	4,999.55	5,008.01	5,009.53
MOODY'S Aaa S&P AAA MONTHLY CUR FACTOR 1 00000000 CUR FACE 5000.00 CUSIP 06052MAB1					
CAPITAL AUTO RECV SER 2008-2 CL A3A 04.68000% 10/15/2012 FIXED COUPON	5,000,000	101.676	2,597.24	2,818.69	2,535.17
MOODY'S Aaa S&P AAA MONTHLY CUR FACTOR 0 49867517 CUR FACE 2493.38 CUSIP 13974YAF7					

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Value		Total Value
	December 31, 2010	December 31, 2010			December 1, 2010	December 31, 2010	
CATERPILLAR FINL SVCS MTNS BE 4 85000% 12/07/2012 FIXED COUPON MOODYS A2 S&P A SEMIANNUALLY AI \$16.17 EAI: \$242.50 CUSIP: 14912L3N9			5,000.000	107.275	4,974.60B	5,386.50	5,363.75
ALABAMA POWER CO BOND 04 85000% 12/15/2012 FIXED COUPON MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$10.78 EAI: \$242.50 CUSIP: 010392EY0			5,000.000	107.258	5,184.88B	5,390.60	5,362.90
GENERAL ELEC CAP CORP MTN BE 5 450% 01/15/2013 FIXED COUPON MOODYS Aa2 S&P AA+ SEMIANNUALLY AI -- EAI -- CUSIP: 36962GZY3			10,000.000	107.540	10,235.30B	10,806.10	10,753.99
PRUDENTIAL FINL INC MTNS BOOK 5 15000% 01/15/2013 FIXED COUPON MOODYS Baa2 S&P A SEMIANNUALLY AI \$65.09 EAI \$257.50 CUSIP: 74432QBE4			5,000.000	106.659	5,162.56B	5,357.40	5,332.95
DOMINION RES INC VA NEW SR NT 03-D 5,000% 03/15/2013 FIXED COUPON MOODYS Baa2 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$73.61 EAI \$250.00 CUSIP: 25746UAM1			5,000.000	107.424	5,200.69B	5,420.35	5,371.20



Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010

	Performance December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Value December 31, 2010
UNITEDHEALTH GROUP INC NT		5,000,000	106.855	4,876,308	5,364.25	5,342.75
4.875% 04/01/2013 FIXED COUPON						
MOODY'S Baa1 S&P A- SEMIANNUALLY MAKE WHOLE CALL		10,000,000	107.735	9,252,008	10,841.10	10,773.50
AI \$60.94 EAI \$243.74 CUSIP 91324PAE2						
KROGER CO NOTES 05.000000% 04/15/2013 FIXED COUPON						
MOODY'S Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL						
AI \$105.56 EAI \$500.00 CUSIP 501044CJ8						
FEDERAL NATL MTG ASSN 1.500000% 06/26/2013 FIXED COUPON		35,000,000	101.434	35,169,878	35,645.40	35,501.90
MOODY'S Aaa S&P AAA SEMIANNUALLY AI \$7.29 EAI \$525.00 CUSIP 31398AT44						
EUROPEAN INVT BK GLBL BD 4.250000% 07/15/2013 FIXED COUPON		10,000,000	107.584	10,680.70	10,863.50	10,758.40
MOODY'S Aaa S&P AAA SEMIANNUALLY AI -- EAI -- CUSIP 298785ER3						
HEINZ (HJ) CO NOTES 05.350000% 07/15/2013 FIXED COUPON		5,000,000	109.641	5,516,738		5,482.05
MOODY'S Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL						
AI \$123.35 EAI \$267.50 CUSIP 423074AJ2						

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	Total Value
	December 31, 2010	December 31, 2010					
UNITED STATES TREAS NTS			55,000.000	100.492	55,370.97B	55,584.65	55,270.60
01.00000% 07/15/2013 FIXED COUPON							
MOODYS Aaa S&P AAA SEMIANNUALLY AI: \$254.08 EAI: \$550.00 CUSIP: 912828NN6			5,000.000	111.464	5,241.81B	5,634.50	5,573.20
ELECTRONIC DATA SYS NEW SR NT-B CR SENS							
06.00000% 08/01/2013 FIXED COUPON							
MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI: \$125.00 EAI: \$300.00 CUSIP: 285861AD6			10,000.000	109.656	10,227.24B	11,056.00	10,965.60
COCA-COLA ENTERPRISES							
05.00000% 08/15/2013 FIXED COUPON							
MOODYS A3 S&P A+ SEMIANNUALLY MAKE WHOLE CALL AI: \$188.89 EAI: \$500.00 CUSIP: 191219BS2			5,000.000	101.136	4,999.86	5,055.71	5,056.79
HYUNDAI AUTO REC TR SER 2009-A CL A3							
02.03000% 08/15/2013 FIXED COUPON							
S&P AAA MONTHLY CUR FACTOR 1.00000000 CUR FACE 5000.00 CUSIP: 44921AAC5			10,000.000	111.920	11,080.70	11,285.50	11,192.00
BARRICK GOLD FINANCE NOTE							
06.12500% 09/15/2013 FIXED COUPON							
MOODYS Baa1 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI: -- EAI: -- CUSIP: 06849TAA6							

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	Total Value
	December 31, 2010	December 31, 2010					
OCCEANTAL PETRO CRP NOTES 07 00000% 11/01/2013 FIXED COUPON			5,000,000	115.622	5,519,85B	5,844.45	5,781.10
MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$58.33 EAI \$350.00 CUSIP 674599BW4							
VODAFONE GROUP PLC NEW 5.000% 12/16/2013 FIXED COUPON			10,000,000	108.858	10,854.90	10,949.70	10,885.80
MOODYS Baa1 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 92857WAF7							
EI DU PONT DE NEMOUR NOTES 05.87500% 01/15/2014 FIXED COUPON			1,000,000	111.469	1,086.38B	1,135.88	1,114.69
MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$27.09 EAI \$58.74 CUSIP 263534BV0							
WYETH SR NT 5.500% 02/01/2014 FIXED COUPON			5,000,000	111.171	5,308.73B	5,642.80	5,558.55
MOODYS A1 S&P AA SEMIANNUALLY MAKE WHOLE CALL AI \$114.58 EAI \$275.00 CUSIP 983024AE0							

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Value December 31, 2010
MARATHON OIL CORP NOTES 06 500000% 02/15/2014 FIXED COUPON		5,000.000	112.572	5,074.00B	5,712.50	5,628.60
MOODYS Baa1 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$122.78 EAI \$325.00 CUSIP 565849AG1						
USAA AUTO OWNER TR SER 2009-2 CL A3 01 540000% 02/18/2014 FIXED COUPON		5,000.000	100.723	4,999.89	5,031.92	5,036.14
MOODYS Aaa S&P AAA MONTHLY CUR FACTOR 1 00000000 CUR FACE 5000 00 CUSIP 90327YAC6						
SHELL INTERNATIONAL FIN MAKE WHOLE 04 000000% 03/21/2014 FIXED COUPON		5,000.000	106.410	5,296.10	5,375.27	5,320.48
MOODYS Aa1 S&P AA SEMIANNUALLY AI -- EAI -- CUSIP 822582AF9						
CONAGRA FOODS INC NOTES 05 875000% 04/15/2014 FIXED COUPON		5,000.000	110.712	5,342.40B	5,635.20	5,535.60
MOODYS Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL AI: \$62.01 EAI \$293.74 CUSIP 205887BE1						
RIO TINTO FINANCE PLC CR SENS 08 950000% 05/01/2014 FIXED COUPON		5,000.000	121.072	5,762.50	6,119.19	6,053.60
MOODYS A3 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 767201AF3						





Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Value December 31, 2010
SWHAB CHARLES CORP NEW 4 95000% 06/01/2014 FIXED COUPON		5,000.000	108.743	5,189.49B	5,530.75	5,437.15
MOODY'S A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI \$20.63						
EAI \$247.50 CUSIP 808513AC9						
CHASE ISSUANCE TRUST SER 2005-A6 CL A6 00 33030 07/15/2014 FLOATING COUPON		10,000.000	99.720	9,924.22	9,978.10	9,971.97
MOODY'S Aaa S&P AAA MONTHLY CUR FACTOR 1 00000000 CUR FACE 10000 00 CUSIP 161571AN4						
JPMORGAN CHASE & CO SR NT 3 70000% 01/20/2015 FIXED COUPON		10,000.000	103.489	10,068.99B	10,423.40	10,348.90
MOODY'S Aa3 S&P A+ SEMIANNUALLY AI \$165.47 EAI \$370.00						
CUSIP 46625HHP8						
U S BANCORP MTNS BK ENT 3 15000% 03/04/2015 FIXED COUPON		5,000.000	102.871	4,999.05B	5,249.90	5,143.55
MOODY'S Aa3 S&P A+ SEMIANNUALLY AI \$51.19 EAI \$157.50 CUSIP 91159HGU8						

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis December 1, 2010	Total Value December 1, 2010	Total Value December 31, 2010
VORNADO RLTY L P NT 4 25000% 04/01/2015 FIXED COUPON MOODYS Baa2 S&P BBB SEMIANNUALLY NEXT CALL DATE 01/01/2015 CONT CALL 01/01/2015 MAKE WHOLE CALL AI \$53.12 EAI \$212.50 CUSIP: 929043AF4		5,000.000	100.950	5,054.61B		5,047.50
WORLD OMNI AUTO SER 2010-A CL A4 02 21000% 05/15/2015 FIXED COUPON MOODYS Aaa S&P AAA MONTHLY CUR FACTOR 1 00000000 CUR FACE 5000 00 CUSIP 98153YAD6		5,000.000	102.078	4,999.88	5,118.27	5,103.92
HSBC FINANCE CORP NT 5 00000% 06/30/2015 FIXED COUPON MOODYS A3 S&P A SEMIANNUALLY AI \$0.69 EAI \$250.00 CUSIP 40429CCS9		5,000.000	106.220	5,219.30	5,411.95	5,311.00
UNITED STATES TREAS NTS 1 87500% 06/30/2015 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY AI -- EAI -- CUSIP 912828NLO		15,000.000	100.398	15,413.24B	15,376.20	15,059.70
FEDERAL NATL MTG ASSN 2 37500% 07/28/2015 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY AI \$454.22 EAI \$1,068.74 CUSIP 31398AU34		45,000.000	101.414	46,449.72B	46,687.50	45,636.30





Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010 Performance December 31, 2010

CHRYSLER FINL AUTO SER 2009-A CL A3
02 82000% 01/15/2016

FIXED COUPON

S&P AAA

MONTHLY

CUR FACTOR 0.86349585

CUR FACE 8834 96

CUSIP 171203AC6

NORFOLK SOUTHERN CORP

575000% 01/15/2016

FIXED COUPON

MOODYS Baa1 S&P BBB+

SEMIANNUALLY

MAKE WHOLE CALL

AI \$132.57

EAI \$287.50

CUSIP 655844BB3

BANK OF AMERICA SER 2006-A14 CL A14

00 32030 04/15/2016

FLOATING COUPON

MOODYS Aaa S&P AAA

MONTHLY

CUR FACTOR 1 00000000

CUR FACE 10000 00

CUSIP 05522RAP3

BB&T CORPORATION SR NT

3 95000% 04/29/2016

FIXED COUPON

MOODYS A2 S&P A

SEMIANNUALLY

AI \$68.03

EAI \$395.00

CUSIP 05531FA0

METLIFE INC SR NT

6 75000% 06/01/2016

FIXED COUPON

MOODYS A3 S&P A-

SEMIANNUALLY

MAKE WHOLE CALL

AI \$28.13

EAI \$337.50

CUSIP 59156RAU2

	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis December 1, 2010	Total Value December 31, 2010
	10,000,000	101.594	9,041.33	8,975.75
	5,000,000	112.370	5,376.69B	5,618.50
	10,000,000	98.932	9,917.24	9,893.19
	10,000,000	103.214	10,383.17B	10,321.40
	5,000,000	115.996	5,590.27B	5,799.80

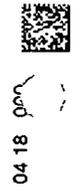


Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Value		Total Value December 31, 2010
			Total Cost Basis	December 1, 2010	
SEMPRA ENERGY NOTES 06 50000% 06/01/2016 FIXED COUPON MOODYS Baa1 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$27.08 EAI \$325.00 CUSIP 816851AN9	5,000.000	116.091	4,988.90B	5,932.45	5,804.55
SBC COMMUNICATIONS INC 5 62500% 06/15/2016 FIXED COUPON MOODYS A2 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI \$12.50 EAI \$281.26 CUSIP 78387GAL7	5,000.000	112.127	5,269.13B	5,743.35	5,606.35
BANK OF AMERICA CORPORATION 5 750% 08/15/2016 FIXED COUPON MOODYS A3 S&P A- SEMIANNUALLY AI \$217.22 EAI \$575.00 CUSIP 060505CL6	10,000.000	102.144	10,107.36B	10,285.00	10,214.40
CVS CORP SR NT 6 125% 08/15/2016 FIXED COUPON MOODYS Baa2 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$115.69 EAI \$306.24 CUSIP 126650BE9	5,000.000	113.458	5,419.50B	5,839.40	5,672.90
UNITED STATES TREAS NTS 3 00000% 08/31/2016 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY AI \$254.83 EAI \$750.00 CUSIP 912828LL2	25,000.000	103.813	25,587.48B	26,746.00	25,953.25





Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis December 1, 2010	Total Value December 1, 2010	Total Value December 31, 2010
	December 31, 2010	December 31, 2010					
GOLDMAN SACHS GROUP INC 5 75000% 10/01/2016 FIXED COUPON MOODYS A1 S&P A SEMIANNUALLY AI \$71.87 EAI \$287.50 CUSIP 38141GER1			5,000,000	108.891	5,255.18B	5,497.30	5,444.55
CONOCOPHILLIPS CDA FDG CO I 5 625% 10/15/2016 FIXED COUPON MOODYS A1 S&P A SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 20825TAA5			10,000,000	113.658	10,237.10	11,689.00	11,365.80
BOARDWALK PIPELINES LP CO GURNT 5 875% 11/15/2016 FIXED COUPON MOODYS Baa2 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL AI \$37.53 EAI \$293.74 CUSIP 096630AA6			5,000,000	109.638	5,658.17B	5,582.35	5,481.90
GENERAL ELEC CAP CORP MTN BE 5 40000% 02/15/2017 FIXED COUPON MOODYS Aa2 S&P AA+ SEMIANNUALLY AI \$204.00 EAI \$540.00 CUSIP 36962G2G8			10,000,000	107.043	10,289.24B	10,930.80	10,704.30
VODAFONE GROUP PLC NEW NTS 5 625% 02/27/2017 FIXED COUPON MOODYS Baa1 S&P A- SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 92857WAP5			10,000,000	111.635	10,889.90	11,363.00	11,163.47

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	Total Value
	December 31, 2010	December 31, 2010					
WACHOVIA CORP NEW NT 5.75000% 06/15/2017 FIXED COUPON MOODYS A1 S&P AA- SEMIANNUALLY AI \$12.78 EAI \$287.50 CUSIP 929903DT6			5,000,000	110.704	5,052.82B	5,581.50	5,535.22
SAFEMAY INC NOTE 6.350% 08/15/2017 FIXED COUPON MOODYS Baa2 S&P BBB SEMIANNUALLY MAKE WHOLE CALL AI \$119.94 EAI \$317.50 CUSIP 786514BP3			5,000,000	111.669	5,788.23B	5,753.15	5,583.45
STARBUCK CORP NOTES 6.250% 08/15/2017 FIXED COUPON MOODYS Baa3 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$118.06 EAI \$312.50 CUSIP 855244AC3			5,000,000	111.783	5,761.10B	5,724.05	5,589.15
FEDERAL HOME LN BKS CONS BD 5.00000% 11/17/2017 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY AI \$275.00 EAI \$2,250.00 CUSIP 3133XMQ87			45,000,000	113.375	44,927.10B	52,551.45	51,018.75
WELLS FARGO COMPANY BOND 05.62500% 12/11/2017 FIXED COUPON MOODYS A1 S&P AA- SEMIANNUALLY AI \$31.25 EAI \$562.50 CUSIP 949746NX5			10,000,000	110.718	11,232.35B	11,211.30	11,071.80





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December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	
	December 31, 2010	December 31, 2010				December 1, 2010	December 31, 2010
AT&T INC BOND			5,000,000	111.088	5,021.49B	5,715.10	5,554.40
05 50000% 02/01/2018 FIXED COUPON							
MOODY'S A2 S&P A- SEMIANNUALLY MAKE WHOLE CALL							
AI \$114.58							
EAI \$275.00							
CUSIP 00206FAJ1							
VERIZON COMM INC BONDS			10,000,000	109.894	10,819.18B	11,347.70	10,989.40
05 50000% 02/15/2018 FIXED COUPON							
MOODY'S A3 S&P A- SEMIANNUALLY MAKE WHOLE CALL							
AI \$207.78							
EAI \$550.00							
CUSIP 92343VAL8							
CSX CORP NOTE			5,000,000	114.716	5,746.72B	5,831.50	5,735.80
6 250% 03/15/2018 FIXED COUPON							
MOODY'S Baa3 S&P BBB- SEMIANNUALLY MAKE WHOLE CALL							
AI \$92.01							
EAI \$312.50							
CUSIP 126408GM9							
ENTERPRISE PRODUCTS BONDS			5,000,000	113.545	5,469.87B	5,798.30	5,677.25
06 50000% 01/31/2019 FIXED COUPON							
MOODY'S Baa3 S&P BBB- SEMIANNUALLY							
AI \$135.42							
EAI \$325.00							
CUSIP 29379VAC7							
UNITED STATES TREASNTS			37,000,000	98.711	36,621.44B	37,887.26	36,523.07
2 75000% 02/15/2019 FIXED COUPON							
MOODY'S Aaa S&P AAA SEMIANNUALLY							
AI \$384.33							
EAI \$1,017.50							
CUSIP 912828KD1							

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Performance		Quantity	Price per Unit	Total Cost Basis	Total Value	Total Value
	December 31, 2010	December 31, 2010					
VALERO ENERGY CORP 09 37500% 03/15/2019 FIXED COUPON MOODYS Baa2 S&P BBB SEMIANNUALLY AI \$138.02 EAI \$468.74 CUSIP 91913YANO			5,000,000	124.128	5,632.62B	6,325.15	6,206.40
BHP BILLITON FIN USA LTD 6 50000% 04/01/2019 FIXED COUPON MOODYS A1 S&P A+ SEMIANNUALLY AI -- EAI -- CUSIP 055451AH1			5,000,000	118.914	5,652.85	6,096.70	5,945.70
BANK AMER FDG CORP SR NT-L 7 62500% 06/01/2019 FIXED COUPON MOODYS A2 S&P A SEMIANNUALLY MAKE WHOLE CALL AI: \$63.54 EAI: \$762.50 CUSIP 06051GDZ9			10,000,000	115.143	11,234.45B	11,368.40	11,514.30
COMCAST CORP NEW SR NT 5 70000% 07/01/2019 FIXED COUPON MOODYS Baa1 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI \$142.50 EAI \$285.00 CUSIP 20030NAZ4			5,000,000	109.326	4,988.15B	5,613.80	5,466.30
VALE OVERSEAS LTD GTD NT 5 62500% 09/15/2019 FIXED COUPON MOODYS Baa2 S&P BBB+ SEMIANNUALLY MAKE WHOLE CALL AI -- EAI -- CUSIP 91911TAJ2			5,000,000	106.510	5,228.00	5,462.81	5,325.50

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010 Performance December 31, 2010

Holdings (Symbol) as of December 31, 2010	Performance December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Value December 31, 2010
GOLDMAN SACHS GROUP INC		5,000,000	103.336	5,286.71B	5,131.50	5,166.80
05 37500% 03/15/2020						
FIXED COUPON						
MOODYS A1 S&P A						
SEMIANNUALLY						
AI \$79 13						
EAI \$268 74						
CUSIP 38141EA58						
UNITED STATES TREAS NTS		10,000,000	102.438	10,236.38B	10,675.00	10,243.80
3 50000% 05/15/2020						
FIXED COUPON						
MOODYS Aaa S&P AAA						
SEMIANNUALLY						
AI \$45 44						
EAI \$350 00						
CUSIP 912828ND8						
UNITED STATES TREAS NTS		25,000,000	102.391	26,967.70B	26,339.07	25,670.19
1 25000% 07/15/2020						
INFL FACTOR = 1 00283						
FIXED COUPON						
MOODYS Aaa S&P AAA						
SEMIANNUALLY						
CUSIP 912828NM8						
FEDL NATL MTG ASSN POOL #850862		15,000,000	104.385	5,748.31	6,212.86	6,004.62
5 005% 12/01/2035						
ADJUSTABLE COUPON						
UNRATED						
MONTHLY						
CUR FACTOR 0 38349185						
CUR FACE 5752 38						
CUSIP 31408GJF5						
FEDL NATL MTG ASSN POOL #256638		20,000,000	108.817	8,612.32	9,531.80	9,293.25
6 000% 03/01/2037						
FIXED COUPON						
UNRATED						
MONTHLY						
CUR FACTOR 0 42701300						
CUR FACE 8540 26						
CUSIP 31371NBF1						

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Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-938424 THE PAUL D WASSEROTT FNDN

Holdings (Symbol) as of December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis December 1, 2010	Total Value December 31, 2010
FEDL NATL MTG ASSN POOL #256749	31,000.000	108.817	15,004.29	16,607.54
6.000% 05/01/2037 FIXED COUPON ***UNRATED*** MONTHLY CUR FACTOR 0.48055497 CUR FACE 14897.20 CUSIP 31371NEW1				
FEDL NATL MTG ASSN POOL #899717	30,194.000	108.817	13,399.15	15,203.35
6.00000% 09/01/2037 FIXED COUPON ***UNRATED*** MONTHLY CUR FACTOR 0.45032037 CUR FACE 13596.97 CUSIP 31410WSE9				
		Total Cost	960,808.98 GL	14,795.81

Core Account

FIDELITY MUNICIPAL MONEY MARKET (FTEXX)	27,956.010	1.000	not applicable	23,054.24
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Total Market Value

\$1,034,224.24

All positions held in cash account unless indicated otherwise

B - See Cost Basis Information and Endnotes for important information about the adjusted cost basis information provided.

-- not available

AI (Accrued Interest) - Presented for domestic fixed income securities and represents interest accumulated since the last coupon date, but not yet paid by the issuer or received by NFS. AI is calculated for the following securities: fixed rate bonds and Certificates of Deposit (CDs). **There is no guarantee that AI will be paid by the issuer.** AI for treasury and GNMA securities, however, is backed by the full faith and credit of the United States Government. AI totals represent accruals for only those securities with listed AI in the Holdings section of this statement. Please refer to the Help/Glossary section of Fidelity.com for additional information.

EAI (Estimated Annual Income) - An estimate of annual income for a specific fixed income security position over the next rolling 12 months. EAI is calculated for the following securities: fixed rate bonds and Certificates of Deposit (CDs). **EAI is an estimate only and there is no guarantee that you will actually receive the income listed for any or all of the specific securities for which EAI is provided.** Your actual income and yield may be higher or lower. EAI should not be relied upon for making investment, trading or tax decisions. There are circumstances in which EAI will not be calculated for a specific security. Please refer to the Help/Glossary section of Fidelity.com for additional information including specific calculations.