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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

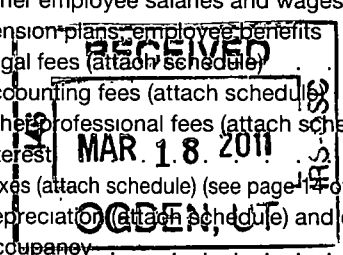
For calendar year **2010**, or tax year beginning , **2010**, and ending , **20**

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

Name of foundation Saponas Foundation		A Employer identification number 20 - 4534830
Number and street (or P O box number if mail is not delivered to street address) 5630 Butler Court	Room/suite	B Telephone number (see page 10 of the instructions) 719 - 590-6608
City or town, state, and ZIP code Colorado Springs, CO 80918-8121		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) ▶ \$ 881,131	J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	40,325			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	14,094	5,013	5,013	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 4 Schedule 1	(41,752)			
	b Gross sales price for all assets on line 6a 205,728				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	12,667	5,013	5,013		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0	0	0	0
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) Schedule 2				
	b Accounting fees (attach schedule) Schedule 2				
	c Other professional fees (attach schedule) Schedule 2	9,081			
	17 Interest Schedule 3				
	18 Taxes (attach schedule) (see page 14 of the instructions)	300			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) Schedule 4	30			
	24 Total operating and administrative expenses. Add lines 13 through 23	9,411	0	0	0
	25 Contributions, gifts, grants paid	34,275			34,275
26 Total expenses and disbursements. Add lines 24 and 25	43,686	0	0	34,275	
27 Subtract line 26 from line 12.					
a Excess of revenue over expenses and disbursements	(31,019)				
b Net investment income (if negative, enter -0-)		5,013			
c Adjusted net income (if negative, enter -0-)			5,013		

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	2,445	2,250	2,250
	2 Savings and temporary cash investments	4,360	25,627	25,627
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			-
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			-
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	1,050,200	961,544	853,254
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,057,005	989,421	881,131	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	1,057,005	989,421	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see page 17 of the instructions)	1,057,005	989,421		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,057,005	989,421		

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	1,057,005
2 Enter amount from Part I, line 27a		2	(31,019)
3 Other increases not included in line 2 (itemize) ▶		3	
4 Add lines 1, 2, and 3		4	1,025,986
5 Decreases not included in line 2 (itemize) ▶ <u>Schedule 6 contribution book to market</u>		5	36,565
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30		6	989,421

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a Publicly traded securities				
b Litigation payment for LEND sold prior year		P		7/6/2010
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 204,574		247,480	(42,906)	
b 1,154			1,154	
c				
d				
e				
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))
(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		
a			(42,906)	
b			1,154	
c				
d				
e				
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	(41,752)
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	{ If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	45,746	685,032	N/A
2008	62,709	920,269	N/A
2007	29,407		N/A
2006			N/A
2005			N/A

2 Total of line 1, column (d)	2	N/A
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	N/A
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	N/A
5 Multiply line 4 by line 3	5	N/A
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	N/A
7 Add lines 5 and 6	7	N/A
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.	8	N/A

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1		100
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		100
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		100
6	Credits/Payments:			
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	209	
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		209
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		0
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		109
11	Enter the amount of line 10 to be: Credited to 2011 estimated tax 109 Refunded	11		0

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		✓
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		✓
c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>	2	✓
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes.</i>	3	✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	✓
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? <i>If "Yes," attach the statement required by General Instruction T.</i>	5	✓
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	✓
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	7	✓
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ Colorado		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	8b	✓
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 on page 27)? <i>If "Yes," complete Part XIV</i>	9	✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	✓

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	Schedule	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?		12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		13	✓	
Website address ▶ _____					
14	The books are in care of ▶ <u>Tom Saponas</u>	Telephone no ▶	<u>719 590-6608</u>		
	Located at ▶ <u>5630 Butler Court, Colorado Springs, CO</u>	ZIP+4 ▶	<u>80918-8121</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here.		▶ <input type="checkbox"/>		
	and enter the amount of tax-exempt interest received or accrued during the year	▶	15		
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?		16	Yes	No
	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 ▶				✓

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)?	1b	N/A
Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>			
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	✓
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 ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions.)	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 ▶ 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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.)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	✓

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

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

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

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

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

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

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

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 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 **7b** N/A

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Thomas A Saponas 5630 Butler Ct, Colorado Springs, CO	President 3	0	0	0
Charlotte D Saponas 5630 Butler Ct, Colorado Springs, CO	Secretary 1	0	0	0
Robert T Saponas 7825 Julynn Rd, Colorado Springs, CO	Director < 1	0	0	0
Helen L Muterspaugh 3220 Wade Ct, Colorado Springs, CO	Director < 1	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE		0	0	0

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
.....		
.....		
.....		
.....		

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	0
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	0
2	
All other program-related investments. See page 24 of the instructions	
3	

Total. Add lines 1 through 3 ▶

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	780,150
b	Average of monthly cash balances	1b	21,711
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	801,861
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	801,861
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	12,028
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	789,833
6	Minimum investment return. Enter 5% of line 5	6	39,492

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	39,492
2a	Tax on investment income for 2010 from Part VI, line 5	2a	100
b	Income tax for 2010 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	100
3	Distributable amount before adjustments Subtract line 2c from line 1	3	39,392
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	39,392
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	39,392

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	34,275
b	Program-related investments—total from Part IX-B	1b	
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	34,275
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	34,275

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				39,392
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			34,112	
b Total for prior years. 20 <u>20</u> , 20 <u>20</u> , 20 <u>20</u>				
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				27
c From 2007				22
d From 2008				
e From 2009				114
f Total of lines 3a through e	163			
4 Qualifying distributions for 2010 from Part XII, line 4. ► \$ <u>34,275</u>				
a Applied to 2009, but not more than line 2a			34,112	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2010 distributable amount				163
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	163			163
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				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				39,066
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
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 page 27 of the instructions and Part VII-A, question 9)

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)

- 1 Information Regarding Foundation Managers:**
- a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
-
- 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.
-
- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d
- a** The name, address, and telephone number of the person to whom applications should be addressed:
-
- b** The form in which applications should be submitted and information and materials they should include:
-
- c** Any submission deadlines:
-
- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	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)				
<p><i>a Paid during the year</i></p> <p>See attached Schedule 7</p>	<p>none</p>	<p>public</p>	<p>various</p>	<p>34,275</p>
<p>Total</p>			<p>▶ 3a</p>	<p>34,275</p>
<p><i>b Approved for future payment</i></p>				
<p>Total</p>			<p>▶ 3b</p>	

Schedule of Contributors

2010

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

Name of the organization Saponas Foundation	Employer identification number 20-4534830
---	---

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

- 501(c)() (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions

General Rule

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

Special Rules

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$

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

Name of organization Saponas Foundation	Employer identification number 20-4534830
--	--

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Thomas A. Saponas ----- 5630 Butler Court ----- Colorado Springs, CO 80918-8121 -----	\$ 40,325	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization Saponas Foundation	Employer identification number 20-4534830
--	--

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	5000 shares ACAS ----- ----- -----	\$ 40,235	12/23/2010
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----
-----	----- ----- -----	\$ -----	-----

Attachments to IRS Form 990-PF
Saponas Foundation
20-4534830
Tax Year 2010

Schedule 1: Part I, Line 6a - Net Gain or (Loss) from Sale of Assets Not on Line 10

Description	Date Acquired	How Acquired	Gross Sales Price	Cost, Other basis, or Donated Value		To Part XVI-A Line 8 (See Note)
				Amount	Which One	
1 Publicly traded securities	various	purchased	204,574	247,480	cost	
2 securities litigation		payment	1,154		cost	
3 settlement for LEND						
Total			<u>205,728</u>	<u>247,480</u>		

	Date Sold	To Whom Sold	Expense of Sale and Cost of Improvements	Depreciation Since Acquisition	Gain or (Loss)
2	7/6/2010	received from Garden City Group			1,154
3					0
Total			<u>0</u>	<u>0</u>	<u>(41,752)</u>

Amounts Carried	To Part XVI-A line 8	Gross Sales Price	Cost or Other Basis	Expense of Sale and Cost of Improvements	Depreciation Since Acquisition	Gain or (Loss)
Unrelated Business Income (Col B)		0	0	0	0	0
Excluded by Sec 512, 513, or 514 (Col D)		0	0	0	0	0
Related / Exempt Function Income (Col E)		205,728	247,480	0	0	(41,752)
Total		<u>205,728</u>	<u>247,480</u>	<u>0</u>	<u>0</u>	<u>(41,752)</u>

Note Numeric codes used above are

- 1 - if Unrelated Business Income (Part XVI-A, Column B),
- 2 - if Excluded by Sec 512, 513, or 514 (Part XVI-A, Column D)
- Balance is Related / Exempt Function Income (Part XVI-A, Column E)

Attachments to IRS Form 990-PF
Saponas Foundation
20-4534830
Tax Year 2010

Schedule 2: Part I, Line 16a - Legal Fees

<u>Type of service</u>	<u>Amount</u>
Total	<u>0</u>

Schedule 2: Part I, Line 16b - Accounting Fees

<u>Type of service</u>	<u>Amount</u>
Total	<u>0</u>

Schedule 2: Part I, Line 16c - Other Professional Fees

<u>Type of service</u>	<u>Amount</u>
1 investment advisor 01/06/2010	2,203
2 investment advisor 04/07/2010	2,340
3 investment advisor 07/07/2010	2,316
4 investment advisor 10/07/2010	2,222
Total	<u>9,081</u>

Schedule 3: Part I, Line 18 - Taxes

<u>Type of tax</u>	<u>Amount</u>
1 2010 estimated federal taxes paid in 2010	209
2 2009 federal taxes paid in 2010	91
Total	<u>300</u>

Schedule 4: Part I, Line 23 - Other Expenses

<u>Description</u>	<u>Amount</u>
1 990PF software	30
10 Amortization from schedule below	

Schedule 6: Part III, Line 5 - Decreases Not Included in Line 2

<u>Description</u>	<u>Amount</u>
1 contribution of 5000 ACAS adjustment for cost to market value	36,565
Total	<u>36,565</u>

Part II Line 10b - Investments - Corporate Stock

	Security	Shares	Book Value (at cost)	Market Value
1	AMG	420	38,406	41,672.40
2	ACAS	6638	61,911	50,183.28
3	ARCC	1460	20,225	24,060.80
4	BRKB	500	39,861	40,055.00
5	BBY	540	22,095	18,516.60
6	BBG	420	14,313	17,274.60
7	BAM	870	22,576	28,962.30
8	BT	670	42,190	19,121.80
9	CNI	370	19,564	24,593.90
10	CX	1243	26,037	13,312.53
11	FNF	1280	29,884	17,510.40
12	HCC	1680	53,041	48,619.20
13	HP	610	22,061	29,572.80
14	HHC	66	5,767	3,591.72
15	JPM	760	34,610	32,239.20
16	JNJ	510	33,604	31,543.50
17	LPS	525	18,650	15,498.00
18	LVLT	10400	52,303	10,192.00
19	MKL	67	27,634	25,334.71
20	MDT	440	21,789	16,319.60
21	MHK	240	16,831	13,622.40
22	NEE	240	12,801	12,477.60
23	NUE	510	30,462	22,348.20
24	PKX	150	16,160	16,153.50
25	RDN	980	10,987	7,908.60
26	RS	350	14,720	17,885.00
27	S	3160	14,542	13,366.80
28	SYX	1100	30,040	32,340.00
29	TSM	1568	17,732	19,662.72
30	TEVA	600	24,954	31,278.00
31	TJX	750	21,795	33,292.50
32	UTX	390	24,787	30,700.80
33	WMT	630	30,567	33,975.90
34	WFC	1180	39,616	36,568.20
35	GGP	679	23,681	10,510.92
36	KIM	720	25,348	12,988.80
			<u>961,544</u>	<u>853,254</u>

Attachment for Part XV Supplemental Information

3 Grants and Contributions Paid During the Year or Approved for Future Payment					
	Recipient name and address(home or business)	If recipient is an individual, see Note below	Foundation status of recipient	Purpose of grant or contribution	Amount
a	<i>Paid during the year</i>				
1	TESSA, 435 Gold Pass Heights, Colo Spgs CO 80906		public	support for victims of domestic violence	1,000
2	Northern Churches Care, PO Box 26416, Colo Spgs, CO 80936		public	rent subsidy & VITA	3,200
3	Mission Medical Clinic, 2525 E LaSalle, Colo Spgs, CO 80909		public	low income healthcare	1,000
4	Kids on Bikes, 600 S 21st St Suite 100, Colo Spgs, CO 80904		public	bicycles for low income youth	500
5	Pikes Peak Family Connections, 2220 E Bijou Street Suite 2e, Colo Spgs CO 80909		public	KPC Kids' Place, respite care for parents	1,000
6	Pikes Peak Habitat for Humanity, PO Box 9861, Colo Spgs CO 80932		public	house construction	1,000
7	The Gazette-El Pomar Foundation Empty Stocking Fund, PO Box 400, Colo Spgs CO 80901		public	gifts for Christmas	1,000
8	Colorado Springs Children's Choral, PO Box 7841, Colo Spgs, CO 80907		public	operating expenses	1,000
9	CU Foundation, 1420 Austin Bluffs Pkwy, Colo Spgs CO 80918		public	TheatreWorks	1,000
10	Rocky Mountain Arts Association, 3773 Cherry Creek North Drive Suite 575, Denver, CO 80209		public	Gay Mens Chorus	1,000
11	Humane Society, 610 Abott Lane, Colo Spgs CO 80905		public	operating expenses	1,000
12	National Mill Dog Rescue, PO Box 88468, Colo Spgs, CO 80908		public	operating expenses	500
13	Safe Harbor Lav Rescue, 601 16th Street, #C-322 Golden, CO 80401		public	operating expenses	500
14	Serenity Springs Wildlife Center, 2615 Scott Road, Calahan, CO 80808		public	adopt a tiger	1,200
15	Colorado Springs PFLAG, PO Box 10076, Colo Spgs, CO 80932		public	operating expenses	500
16	Calvary United Methodist Church, 4210 Austin Bluffs Pkwy, Colo Spgs, CO 80918		public	Stephen Ministry	100
17	Calvary United Methodist Church, 4210 Austin Bluffs Pkwy, Colo Spgs, CO 80918		public	Labyrinth project	1,000
18	CU Foundation, 1420 Austin Bluffs Pkwy, Colo Spgs CO 80918		public	scholarships	10,000
19	Trails & Open Space Coalition, 1040 S 8th St #101, Colo Spgs CO 80906		public	operating expenses	500
20	Memorial Health System Foundation, 1519 E Boulder, Colo Spgs, CO 80909		public	breast cancer retreat	3,000
21	Assoc for Frontotemporal Dementias, 290 King of Prussia Rd Suite 320, Radnor, PA 19087		public	medical research	1,000
22	Avon Walk for Breast Cancer, 950 S Cherry St Suite G-15, Denver, CO 80246		public	medical research and support programs	1,675
23	Big Brothers Big Sisters of Colorado, Pikes Peak, 111 S Tejon St, Suite 302, Colo Spgs, CO 80903		public	single parent support	500
24	Rock Ledge Ranch Living History Assoc , PO Box 6299, Colo Spgs, CO 80934		public	support for horse program	200
25	Calvary United Methodist Church, 4210 Austin Bluffs Pkwy, Colo Spgs, CO 80918		public	UMCOR Haiti relief	500
26	Wounded Warrior Project, PO Box 758516, Topeka, KS 66675-8516		public	Disabled veterans	400

total \$ 34,275