Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2010

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 WILLIAM GERALD WILLETT CHARITABLE FOUNDATION	**A Employer identification number** 26-0890463
Number and street (or P O box number if mail is not delivered to street address) 2809 WHIRLAWAY CIRCLE — Room/suite	**B** Telephone number 703 391 0110
City or town, state, and ZIP code OAK HILL, VA 20171-2031	**C** If exemption application is pending, check here ▶ ☐ **D 1** Foreign organizations, check here ▶ ☐ **2.** Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation	**E** If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐
I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 4,721,700. — **J** Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis.)*	**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

	Part I	**Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))	**(a)** Revenue and expenses per books	**(b)** Net investment income	**(c)** Adjusted net income	**(d)** Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received	346,599.		N/A	
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	47,865.	47,865.		STATEMENT1
	4	Dividends and interest from securities	64,759.	64,759.		STATEMENT2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	20,943.			
	b	Gross sales price for all assets on line 6a 21,576.				
	7	Capital gain net income (from Part IV, line 2)		20,943.		
	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	68.	68.		STATEMENT3
	12	**Total.** Add lines 1 through 11	480,234.	133,635.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.	0.		0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees STMT 4	150.	75.		75.
	b	Accounting fees STMT 5	6,500.	3,250.		3,250.
	c	Other professional fees				
	17	Interest				
	18	Taxes STMT 6	3,639.	0.		0.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	10,289.	3,325.		3,325.
	25	Contributions, gifts, grants paid	263,000.			263,000.
	26	**Total expenses and disbursements.** Add lines 24 and 25	273,289.	3,325.		266,325.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	206,945.			
	b	**Net investment income** (if negative, enter -0-)		130,310.		
	c	**Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	1,438,214.	1,144,885.	1,144,885.
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock STMT 7	2,808,356.	3,261,229.	3,329,468.
	c	Investments - corporate bonds STMT 8	124,038.	124,504.	133,168.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 9	102,107.	131,581.	114,179.
	14	Land, buildings, and equipment: basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	4,472,715.	4,662,199.	4,721,700.
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 ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	0.	0.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	4,472,715.	4,662,199.	
	30	**Total net assets or fund balances**	4,472,715.	4,662,199.	
	31	**Total liabilities and net assets/fund balances**	4,472,715.	4,662,199.	

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	4,472,715.
2	Enter amount from Part I, line 27a	2	206,945.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,679,660.
5	Decreases not included in line 2 (itemize) ▶ BOOK TO TAX DIFFERENCE ON SALE OF SECURITIES	5	17,461.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,662,199.

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	.9395SHS FRONTIER COMMUNICATIONS CORP	P	VARIOUS	07/02/10
b	.9871SHS GENERAL MILLS INC	P	VARIOUS	06/08/10
c	301SHS L 3 COMMUNICATIONS	P	VARIOUS	09/08/10
d	.7466SHS L 3 COMMUNICATIONS	P	06/17/08	09/09/20
e	CAPITAL GAINS DIVIDENDS			

	(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	7.		9.	<2.>
b	38.		26.	12.
c	20,361.		525.	19,836.
d	49.		73.	<24.>
e	1,121.			1,121.

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				<2.>
b				12.
c				19,836.
d				<24.>
e				1,121.

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	20,943.
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	688,191.	3,905,179.	.176225
2008	585,542.	4,624,906.	.126606
2007	0.	303,818.	.000000
2006			
2005			

2 **Total** of line 1, column (d)	2	.302831
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	.100944
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	4,097,893.
5 Multiply line 4 by line 3	5	413,658.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,303.
7 Add lines 5 and 6	7	414,961.
8 Enter qualifying distributions from Part XII, line 4	8	266,325.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ **(attach copy of letter if necessary-see instructions)** **b** Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b **c** All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			1	2,606.
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	2,606.
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	2,606.
6 Credits/Payments:				
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	2,920.		
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	2,920.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	314.
11 Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 314. **Refunded** ▶			11	0.

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
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*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6		X
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ VA			
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

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Part VII-A Statements Regarding Activities *(continued)*

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ THE FOUNDATION Telephone no. ▶ (703) 391-0110

Located at ▶ 2809 WHIRLAWAY CIRCLE, OAK HILL, VA ZIP+4 ▶ 20171

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

		Yes	**No**
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		X
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? ☐ Yes ☒ No			
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A	1b		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? ☐ Yes ☒ No			
If "Yes," list the years ▶ _____, _____, _____, _____			
b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ _____, _____, _____, _____			
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b If "Yes," did it have excess business holdings in 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.)* N/A	3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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)? N/A **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X (No)

If "Yes" to 6b, file Form 8870

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A **7b**

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
WILLIAM G. WILLETT 2809 WHIRLAWAY CIRCLE OAK HILL, VA 20171-2031	PRESIDENT 1.50	0.	0.	0.
LYNNE WILLETT 2809 WHIRLAWAY CIRCLE OAK HILL, VA 20171-2031	SECRETARY/TREASURER 1.50	0.	0.	0.

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

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

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

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.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:				
a	Average monthly fair market value of securities			1a	2,944,680.
b	Average of monthly cash balances			1b	1,215,617.
c	Fair market value of all other assets			1c	
d	**Total** (add lines 1a, b, and c)			1d	4,160,297.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.		
2	Acquisition indebtedness applicable to line 1 assets			2	0.
3	Subtract line 2 from line 1d			3	4,160,297.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	62,404.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	4,097,893.
6	**Minimum investment return.** Enter 5% of line 5			6	204,895.

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	204,895.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	2,606.		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	2,606.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	202,289.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	202,289.
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	202,289.

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	266,325.
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	266,325.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	266,325.

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					202,289.
2 Undistributed income, if any, as of the end of 2010					
a Enter amount for 2009 only				0.	
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	357,933.				
e From 2009	498,708.				
f **Total** of lines 3a through e		856,641.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 266,325.					
a Applied to 2009, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required - see instructions)			0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.			
d Applied to 2010 distributable amount					202,289.
e Remaining amount distributed out of corpus		64,036.			
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		920,677.			
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					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)		0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7		0.			
9 **Excess distributions carryover to 2011** Subtract lines 7 and 8 from line 6a		920,677.			
10 Analysis of line 9:					
a Excess from 2006					
b Excess from 2007					
c Excess from 2008	357,933.				
d Excess from 2009	498,708.				
e Excess from 2010	64,036.				

Form **990-PF** (2010)

023581
12-07-10

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

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

1 **Information Regarding Foundation Managers:**

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

SEE STATEMENT 10

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

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
CAPITAL HOSPICE 5568 GENERAL WASHINGTON DRIVE SUITE A215 ALEXANDRIA, VA 22312	NONE	501(C)(3)& 170(B)(1) (A)	CHARITABLE	150,000.
JOHNS HOPKINS MEDICINE 100 NORTH CHARLES STREET BALTIMORE, MD 21201	NONE	501(C)(3)& 170(B)(1) (A)	CHARITABLE	1,000.
SISTERS OF CHARITY PO BOX 3000 NAZARETH, KY 40048	NONE	501(C)(3)& 170(B)(1) (A)	CHARITABLE	101,000.
ST JEROME CATHOLIC CHURCH 116 DENBIGH BLVD NEWPORT NEW, VA 23608	NONE	501(C)(3)& 170(B)(1) (A)	CHARITABLE	10,000.
BENEDICTINE SISTERS OF VI 9535 LINTON HALL ROAD BRISTOW, VA 20136	NONE	501(C)(3)& 170(B)(1) (A)	CHARITABLE	1,000.
Total			▶ 3a	263,000.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

023611 12-07-10

Form **990-PF** (2010)

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	47,865.	
4 Dividends and interest from securities			14	64,759.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			14	68.	
8 Gain or (loss) from sales of assets other than inventory			18	20,943.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		133,635.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 133,635.

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

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12-07-10

Form **990-PF** (2010)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

William Gerald Willett | 5/11/2011 | PRESIDENT

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
WILLIAM LEFFLER		MAY 10 2011		

Firm's name ▶ RSM MCGLADREY, INC. Firm's EIN ▶

9737 WASHINGTONIAN BLVD., #400

Firm's address ▶ GAITHERSBURG, MD 20878-7340 Phone no. (301) 296-3600

Form 990-PF (2010)

023622
03-04-11

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

Schedule of Contributors

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

OMB No 1545-0047

2010

Name of the organization	**Employer identification number**
THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION	26-0890463

Organization type (check one):

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization	Employer identification number
THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION	26-0890463

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	WILLIAM G. & LYNNE WILLETT 510 KING ST, SUITE 301 ALEXANDRIA, VA 22314	$ 346,599.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
2	WILLIAM G. & LYNNE WILLETT 510 KING ST, SUITE 301 ALEXANDRIA, VA 22314	$ 91,614.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION	26-0890463

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	PUBLICALLY TRADED SECURITIES	$ 346,599.	VARIOUS

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization

THE WILLIAM GERALD WILLETT
CHARITABLE FOUNDATION

Employer identification number

26-0890463

Part III **Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ $

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

SOURCE	AMOUNT
CITI SMITH BARNEY	47,865.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	47,865.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CITI SMITH BARNEY	65,816.	1,121.	64,695.
CITI SMITH BARNEY	64.	0.	64.
TOTAL TO FM 990-PF, PART I, LN 4	65,880.	1,121.	64,759.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	68.	68.	
TOTAL TO FORM 990-PF, PART I, LINE 11	68.	68.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
REDMOND, REYTON & BRASWELL	150.	75.		75.
TO FM 990-PF, PG 1, LN 16A	150.	75.		75.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
RSM MCGLADREY	6,500.	3,250.		3,250.
TO FORM 990-PF, PG 1, LN 16B	6,500.	3,250.		3,250.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TREASURER OF VIRGINIA	25.	0.		0.
IRS	3,614.	0.		0.
TO FORM 990-PF, PG 1, LN 18	3,639.	0.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SMITH BARNEY #33810	3,261,229.	3,329,468.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,261,229.	3,329,468.

FORM 990-PF CORPORATE BONDS STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SMITH BARNEY #33810	124,504.	133,168.
TOTAL TO FORM 990-PF, PART II, LINE 10C	124,504.	133,168.

FORM 990-PF OTHER INVESTMENTS STATEMENT 9

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SMITH BARNEY #33810	COST	131,581.	114,179.
TOTAL TO FORM 990-PF, PART II, LINE 13		131,581.	114,179.

FORM 990-PF PART XV - LINE 1A STATEMENT 10
LIST OF FOUNDATION MANAGERS

NAME OF MANAGER

WILLIAM G. WILLETT
LYNNE WILLETT

THE **WILLIAM GERALD WILLETT** CHARITABLE FOUNDATION 338-10 284

Common stocks & options

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Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
175	COVIDIEN PLC DUBLIN-USD	COV	04/02/04	$ 6,589.32	$ 37.653	$ 45.66	$ 7,990.50	$ 1,401.18 LT		
825	**Rating:** Citigroup : 1M		05/28/08	40,375.31	48.939	45.66	37,669.50	(2,705.81) LT		
1,000	Morgan Stanley : 1 S&P : 1			**46,964.63**	**46.965**		**45,660.00**	**(1,304.63)**	1.752	800.00
1,000	FOSTER WHEELER AG Exchange rate: 1.0689470 Shares traded in: Swiss francs **Rating:** Citigroup : 2S S&P : 2	FWLT	04/02/08	**60,189.28**	60.189	34.52	**34,520.00**	**(25,669.28)** LT		
1,399.3697	ADOBE SYSTEMS INC (DE)	ADBE	03/16/04	25,075.95	17.672	30.78	43,072.60	17,996.65 LT		
.22	**Rating:** Citigroup : 1M Morgan Stanley : 2 S&P : 1		03/16/04	3.88	17.67	30.78	6.77	2.89* LT		
.4202	Reinvestments to date			8.74	20.799	30.78	12.93	4.19 LT		
1,400.0099				**25,088.57**	**17.92**		**43,092.30**	**18,003.73**		
500	ALCOA INC	AA	03/29/04	17,653.01	34.77	15.39	7,695.00	(9,958.01) LT		
500	**Rating:** Citigroup : 1H Morgan Stanley : 1 S&P : 2		04/08/08	19,009.37	37.418	15.39	7,695.00	(11,314.37) LT		
6.4122	Reinvestments to date			255.36	39.824	15.39	98.68	(156.68) LT		
1,006.4122				**36,917.74**	**36.683**		**15,488.68**	**(21,429.06)**	.779	120.77
1,000	ALLEGHENY ENERGY INC **Rating:** Citigroup : 2M Morgan Stanley : 1 S&P : 1	AYE	03/25/08	**50,640.71**	50.10	24.24	**24,240.00**	**(26,400.71)** LT	2.475	600.00

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
500	ALTRIA GROUP INC	MO	04/13/04	$ 6,480.00	$ 12.96	$ 24.62	$ 12,310.00	$ 5,830.00 LT		
500	**Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 1		11/03/04	5,911.82	11.823	24.62	12,310.00	6,398.18 LT		
35.2672	Reinvestments to date			749.99	21.265	24.62	868.28	118.29 LT		
1,035.2672				13,141.81	12.694		25,488.28	12,346.47	6.173	1,573.61
400	AMERICAN EXPRESS CO	AXP	04/02/04	18,575.79	46.439	42.92	17,168.00	(1,407.79) LT		
1,097	**Rating:** Citigroup : 1M		08/05/09	31,747.24	28.528	42.92	47,083.24	15,336.00 LT		
500	Morgan Stanley : 1 S&P : 1		10/14/10	20,033.03	39.267	42.92	21,460.00	1,426.97 ST		
3.0803	Reinvestments to date			144.28	46.839	42.92	132.21	(12.07) LT		
2,000.0803				70,500.34	35.249		85,843.45	15,343.11	1.677	1,440.06
14.9356	AMERICAN INTL GROUP INC	AIG	03/11/04	21,610.45	1,453.147	57.62	860.59	(20,749.86) LT		
9.957			07/27/04	14,316.07	1,443.989	57.62	573.72	(13,742.35) LT		
.1074	Reinvestments to date			99.57	927.094	57.62	6.19	(93.38) LT		
25				36,026.09	1,441.044		1,440.50	(34,585.59)		
800	AMGEN INC	AMGN	02/17/04	52,164.71	64.58	54.90	43,920.00	(8,244.71) LT		
200	**Rating:** Citigroup : 1M S&P : 1		08/31/04	12,000.75	59.15	54.90	10,980.00	(1,020.75) LT		
1,000				64,165.46	64.165		54,900.00	(9,265.46)		
1,000	BP PLC SPONS ADR **Rating:** Morgan Stanley : 3 S&P : 2	BP	09/29/09	54,186.74	53.627	44.17	44,170.00	(10,016.74) LT		
800	BANK OF AMERICA CORP	BAC	03/11/04	32,632.50	40.37	13.34	10,672.00	(21,960.50) LT		
257.0417	**Rating:** Citigroup : 1H		04/02/04	18,102.28	70.646	13.34	3,428.94	(14,673.34) LT		
700	Morgan Stanley : 1 S&P : 2		01/08/08	28,320.95	39.887	13.34	9,338.00	(18,982.95) LT		
1.898			03/06/08	104.67	55.321	13.34	25.32	(79.35) LT		
2.0603			05/29/08	105.44	51.337	13.34	27.48	(77.96) LT		
25.2028	Reinvestments to date			959.99	38.09	13.34	336.21	(623.78) LT		
1,786.2028				80,225.83	44.914		23,827.95	(56,397.88)	.299	71.45
1,000	BERKSHIRE HATHAWAY INC CL B	BRKB	03/24/04	60,795.50	60.795	80.11	80,110.00	19,314.50 LT		
1,000	CHEVRON CORP	CVX	03/24/09	70,118.78	69.478	91.25	91,250.00	21,131.22 LT		
1,000	**Rating:** Citigroup : 1H		04/22/09	65,094.15	64.403	91.25	91,250.00	26,155.85 LT		
2,000	Morgan Stanley : 1 S&P : 1			135,212.93	67.606		182,500.00	47,287.07	3.156	5,760.00
750	COMCAST CORP CL A - SPL	CMCSK	02/17/04	15,157.10	19.886	20.81	15,607.50	450.40 LT		
450	**Rating:** S&P : 2		06/04/04	8,664.10	18.88	20.81	9,364.50	700.40 LT		

THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION 338-10 284

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
	COMCAST CORP CL A - SPL	CMCSK								
3.5817	Reinvestments to date			$ 75.00	$ 20.939	$ 20.81	$ 74.54	($ .46) LT		
1,203.5817				23,896.20	19.854		25,046.54	1,150.34	1.816	454.95
358.2496	CONOCOPHILLIPS	COP	11/03/04	20,778.01	58.091	68.10	24,396.80	3,618.79 LT		
.7352	**Rating:** Citigroup : 2H		01/12/05	42.63	58.091	68.10	50.07	7.44 LT		
.6075	Morgan Stanley : 3 S&P : 2		04/11/05	35.23	58.091	68.10	41.37	6.14 LT		
.5325			07/11/05	30.88	58.091	68.10	36.26	5.38 LT		
2.0621	Reinvestments to date			169.25	82.076	68.10	140.43	(28.82) LT		
362.1869				21,056.00	58.136		24,664.93	3,608.93	3.23	796.81
500	CONSOLIDATED EDISON INC	ED	02/18/04	22,166.91	43.71	49.57	24,785.00	2,618.09 LT		
500	**Rating:** Citigroup : 1L		11/03/04	22,106.67	43.55	49.57	24,785.00	2,678.33 LT		
2,000	Morgan Stanley : 3 S&P : 2		04/22/09	76,274.17	37.748	49.57	99,140.00	22,865.83 LT		
29.1434	Reinvestments to date			1,178.37	40.433	49.57	1,444.64	266.27 LT		
3,029.1434				121,726.12	40.185		150,154.64	28,428.52	4.801	7,209.36
600	WALT DISNEY CO	DIS	04/01/04	15,232.69	25.387	37.51	22,506.00	7,273.31 LT		
600	**Rating:** Citigroup : 2M		07/11/08	17,693.13	29.00	37.51	22,506.00	4,812.87 LT		
1,200	Morgan Stanley : 1 S&P : 1			32,925.82	27.438		45,012.00	12,086.18	1.066	480.00
500	DOVER CORP **Rating:** Morgan Stanley : 1 S&P : 1	DOV	04/21/04	20,921.49	41.20	58.45	29,225.00	8,303.51 LT		
2.5	Reinvestments to date			100.00	40.00	58.45	146.13	46.13 LT		
502.5				21,021.49	41.834		29,371.13	8,349.64	1.881	552.75
700	DUKE ENERGY CORP	DUK	02/18/04	9,047.23	12.924	17.81	12,467.00	3,419.77 LT		
300	(HOLDING COMPANY) NEW **Rating:** Citigroup : 2M Morgan Stanley : 3 S&P : 2		11/03/04	4,373.44	14.578	17.81	5,343.00	969.56 LT		
12.1968	Reinvestments to date			219.99	18.036	17.81	217.23	(2.76) LT		
1,012.1968				13,640.66	13.476		18,027.23	4,386.57	5.502	991.95
600	DYNEGY INC	DYN	03/25/08	24,296.89	40.494	5.62	3,372.00	(20,924.89) LT		
2,000	EL PASO CORP **Rating:** Citigroup : 2H Morgan Stanley : 1 S&P : 2	EP	01/08/08	36,389.10	17.93	13.76	27,520.00	(8,869.10) LT	.29	80.00

THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION 338-10 284

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
500	EMERSON ELECTRIC CO **Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 2	EMR	01/03/08	**$ 28,462.65**	**$ 56.20**	**$ 57.17**	**$ 28,585.00**	**$ 122.35** LT	**2.413%**	**$ 690.00**
300	EXXON MOBIL CORP	XOM	03/10/04	13,083.96	42.99	73.12	21,936.00	8,852.04 LT		
1,200	**Rating:** Citigroup : 1M		02/02/10	81,246.16	66.877	73.12	87,744.00	6,497.84 ST		
500	Morgan Stanley : 2 S&P : 1		06/30/10	29,118.15	57.308	73.12	36,560.00	7,441.85 ST		
5.217	Reinvestments to date			451.00	86.448	73.12	381.47	(69.53) LT		
2,005.217				123,899.27	61.788		146,621.47	22,722.20	2.407	3,529.18
8	FAIRPOINT COMMUNICATIONS INC	FRCMQ	01/29/08	74.02	9.51	.022	.18	(73.84)# LT R		
107.6001	FRONTIER COMMUNICATIONS CORP	FTR	03/16/04	1,013.09	9.451	9.73	1,046.95	33.86# LT		
23.9111	**Rating:** Citigroup : 2S		03/16/04	224.15	9.41	9.73	232.66	8.51 LT		
107.6001	Morgan Stanley : 2 S&P : 2		01/29/08	1,087.35	10.144	9.73	1,046.95	(40.40) LT		
2.8887	Reinvestments to date			29.31	10.146	9.73	28.11	(1.20) LT		
242				2,353.90	9.727		2,354.67	.77	7.708	181.50
496.7658	GENERAL ELECTRIC CO.	GE	02/17/04	16,680.44	33.06	18.29	9,085.85	(7,594.59) LT		
200	**Rating:** Citigroup : 1M		06/04/04	6,374.59	31.21	18.29	3,658.00	(2,716.59) LT		
700	Morgan Stanley : 1 S&P : 1		02/26/08	24,128.75	33.95	18.29	12,803.00	(11,325.75) LT		
600			04/15/08	19,445.33	31.888	18.29	10,974.00	(8,471.33) LT		
2,000			06/30/10	29,581.54	14.539	18.29	36,580.00	6,998.46 ST		
9.7058	Reinvestments to date			316.99	32.659	18.29	177.52	(139.47) LT		
4,006.4716				96,527.64	24.093		73,278.37	(23,249.27)	3.061	2,243.62
999.5113	GENERAL MILLS INC	GIS	03/01/04	23,833.78	23.531	35.59	35,572.61	11,738.83 LT		
999.5113	**Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1		02/26/08	29,289.18	28.924	35.59	35,572.61	6,283.43 LT		
19.9645	Reinvestments to date			596.09	29.857	35.59	710.54	114.45 LT		
2,018.9871				53,719.05	26.607		71,855.76	18,136.71	3.146	2,261.27
800	HEWLETT PACKARD CO	HPQ	03/29/04	18,893.54	23.24	42.10	33,680.00	14,786.46 LT		
1,000	**Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1		02/02/10	49,200.61	48.457	42.10	42,100.00	(7,100.61) ST		
1.3585	Reinvestments to date			63.99	47.103	42.10	57.19	(6.80) LT		
1,801.3585				68,158.14	37.837		75,837.19	7,679.05	.76	576.43

THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION 338-10 284

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)		Average % yield	Anticipated Income (annualized)
520	HOLOGIC INC	HOLX	03/29/04	$ 10,549.25	$ 20.287	$ 18.82	$ 9,786.40	($ 762.85)	LT		
520	**Rating:** Citigroup : 2M		04/04/08	16,171.02	30.578	18.82	9,786.40	(6,384.62)	LT		
960	Morgan Stanley : 2 S&P : 2		04/07/08	29,720.48	30.509	18.82	18,067.20	(11,653.28)	LT		
2,000				**56,440.75**	**28.22**		**37,640.00**	**(18,800.75)**			
500	HOME DEPOT INC **Rating:** Citigroup : 1M S&P : 2	HD	03/16/04	18,148.16	35.75	35.06	17,530.00	(618.16)	LT		
4.0654	Reinvestments to date			112.50	27.672	35.06	142.53	30.03	LT		
504.0654				**18,260.66**	**36.227**		**17,672.53**	**(588.13)**		**2.695**	**476.34**
800	INTEL CORP **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1	INTC	02/18/04	24,995.39	30.80	21.03	16,824.00	(8,171.39)	LT		
10.0128	Reinvestments to date			214.71	21.443	21.03	210.57	(4.14)	LT		
810.0128				**25,210.10**	**31.123**		**17,034.57**	**(8,175.53)**		**2.995**	**510.31**
300	INTL BUSINESS MACHINES CORP **Rating:** Citigroup : 1M Morgan Stanley : 2 S&P : 1	IBM	03/24/04	27,830.62	91.923	146.76	44,028.00	16,197.38	LT		
2.2304	Reinvestments to date			270.51	121.283	146.76	327.33	56.82	LT		
302.2304				**28,101.13**	**92.979**		**44,355.33**	**16,254.20**		**1.771**	**785.80**
500	JPMORGAN CHASE & CO **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 1	JPM	03/11/04	21,254.55	41.90	42.42	21,210.00	(44.55)	LT		
8.0122	Reinvestments to date			381.52	47.617	42.42	339.88	(41.64)	LT		
508.0122				**21,636.07**	**42.59**		**21,549.88**	**(86.19)**		**.471**	**101.60**
900	JOHNSON & JOHNSON **Rating:** Citigroup : 1L Morgan Stanley : 2 S&P : 2	JNJ	02/18/04	49,111.06	54.02	61.85	55,665.00	6,553.94	LT		
5.938	Reinvestments to date			373.50	62.899	61.85	367.27	(6.23)	LT		
905.938				**49,484.56**	**54.622**		**56,032.27**	**6,547.71**		**3.492**	**1,956.83**
298.1102	KIMBERLY CLARK CORP **Rating:** Citigroup : 1L S&P : 2	KMB	02/19/04	18,408.26	61.749	63.04	18,792.87	384.61	LT		
4.5475	Reinvestments to date			292.07	64.226	63.04	286.67	(5.40)	LT		
302.6577				**18,700.33**	**61.787**		**19,079.54**	**379.21**		**4.187**	**799.02**

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Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
346	KRAFT FOODS INC CLASS A	KFT	04/13/04	$ 6,650.28	$ 19.221	$ 31.51	$ 10,902.46	$ 4,252.18 LT		
346	**Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 2		11/03/04	6,067.17	17.535	31.51	10,902.46	4,835.29 LT		
16.5807	Reinvestments to date			550.89	33.224	31.51	522.46	(28.43) LT		
708.5807				**13,268.34**	**18.725**		**22,327.38**	**9,059.04**	**3.681**	**821.95**
1,008.9812	MARRIOTT INTL INC NEW CL A	MAR	04/13/04	22,481.86	21.992	41.54	41,913.08	19,431.22 LT		
3,032	**Rating:** Citigroup : 1M S&P : 2		11/19/08	43,434.05	14.148	41.54	125,949.28	82,515.23 LT		
2.1021	Reinvestments to date			74.85	35.607	41.54	87.32	12.47 LT		
4,043.0833				**65,990.76**	**16.322**		**167,949.68**	**101,958.92**	**.842**	**1,415.08**
991.886	MERCK & CO INC NEW **Rating:** Citigroup : 1M Morgan Stanley : 3	MRK	02/18/04	49,239.83	49.642	36.04	35,747.57	(13,492.26) LT		
18.0098	Reinvestments to date			749.98	41.642	36.04	649.07	(100.91) LT		
1,009.8958				**49,989.81**	**49.50**		**36,396.64**	**(13,593.17)**	**4.217**	**1,535.04**
987.4117	MICROSOFT CORP	MSFT	02/18/04	26,994.04	26.95	27.91	27,558.66	564.62 LT		
1,000	**Rating:** Citigroup : 1L Morgan Stanley : 1 S&P : 2		12/31/04	26,845.00	26.84	27.91	27,910.00	1,065.00 LT		
27.9728	Reinvestments to date			761.31	27.216	27.91	780.72	19.41 LT		
2,015.3845				**54,600.35**	**27.092**		**56,249.38**	**1,649.03**	**2.293**	**1,289.85**
600	NEWELL RUBBERMAID INC **Rating:** Citigroup : 1M Morgan Stanley : 1 S&P : 2	NWL	04/02/04	14,562.48	23.84	18.18	10,908.00	(3,654.48) LT		
5.7534	Reinvestments to date			125.99	21.898	18.18	104.60	(21.39) LT		
605.7534				**14,688.47**	**24.248**		**11,012.60**	**(3,675.87)**	**1.10**	**121.15**
400	NEWMONT MINING CORP **Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 1	NEM	03/24/04	17,925.61	44.16	61.43	24,572.00	6,646.39 LT		
.8569	Reinvestments to date			40.00	46.679	61.43	52.64	12.64 LT		
400.8569				**17,965.61**	**44.818**		**24,624.64**	**6,659.03**	**.976**	**240.51**
400	OMNICARE INC	OCR	04/23/04	17,667.66	43.48	25.39	10,156.00	(7,511.66) LT		
.5096	Reinvestments to date			8.99	17.641	25.39	12.94	3.95 LT		
400.5096				**17,676.65**	**44.135**		**10,168.94**	**(7,507.71)**	**.512**	**52.07**

Reserved Client
Financial Management Account

December 1 - December 31, 2010

THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION 338-10 284

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
1,000	ORACLE CORP **Rating:** Citigroup : 1L Morgan Stanley : 1 S&P : 1	ORCL	04/23/04	$ 12,768.88	$ 12.50	$ 31.30	$ 31,300.00	$ 18,531.12 LT	.638%	$ 200.00
398.8084	PEPSICO INC	PEP	02/18/04	20,814.05	51.46	65.33	26,054.15	5,240.10 LT		
500	**Rating:** Citigroup : 2L		02/26/08	36,099.74	71.34	65.33	32,665.00	(3,434.74) LT		
600	S&P : 1		03/04/08	42,602.13	70.219	65.33	39,198.00	(3,404.13) LT		
9.0868	Reinvestments to date			626.50	68.946	65.33	593.64	(32.86) LT		
1,507.8952				100,142.42	66.412		98,510.79	(1,631.63)	2.938	2,895.16
500	PHILIP MORRIS INTL INC	PM	04/13/04	14,765.91	29.531	58.53	29,265.00	14,499.09 LT		
500	**Rating:** Citigroup : 1M		11/03/04	13,471.20	26.942	58.53	29,265.00	15,793.80 LT		
1,000	Morgan Stanley : 1 S&P : 1			28,237.11	28.237		58,530.00	30,292.89	4.373	2,560.00
1,000	PLUG POWER INC	PLUG	04/14/04	8,965.98	8.74	.371	371.00	(8,594.98) LT		
1,000	PROGRESS ENERGY INC **Rating:** Citigroup : 2M Morgan Stanley : 2 S&P : 2	PGN	03/14/08	41,463.61	41.00	43.48	43,480.00	2,016.39 LT	5.703	2,480.00
500	PRUDENTIAL FINANCIAL INC	PRU	06/04/04	22,757.26	44.84	58.71	29,355.00	6,597.74 LT		
100	**Rating:** Citigroup : 2M		06/30/04	4,738.40	46.45	58.71	5,871.00	1,132.60 LT		
600	Morgan Stanley : 1 S&P : 1			27,495.66	45.826		35,226.00	7,730.34	1.958	690.00
2,000	SOUTHWEST GAS CORP **Rating:** Citigroup : 1M	SWX	03/13/08	55,581.74	27.477	36.67	73,340.00	17,758.26 LT	2.727	2,000.00
350	SPECTRA ENERGY CORP	SE	02/18/04	6,521.91	18.634	24.99	8,746.50	2,224.59 LT		
150	**Rating:** Citigroup : 2H Morgan Stanley : 2 S&P : 1		11/03/04	3,152.70	21.018	24.99	3,748.50	595.80 LT		
22.905	Reinvestments to date			564.98	24.666	24.99	572.40	7.42 LT		
522.905				10,239.59	19.582		13,067.40	2,827.81	4.001	522.91
1,136.4897	SPRINT NEXTEL CORP **Rating:** Citigroup : 1S Morgan Stanley : 3 S&P : 1	S	03/24/04	20,205.61	17.778	4.23	4,807.35	(15,398.26) LT		
3.5103	Reinvestments to date			77.67	22.126	4.23	14.85	(62.82) LT		
1,140				20,283.28	17.792		4,822.20	(15,461.08)		
900	STAPLES INC **Rating:** Citigroup : 1M S&P : 2	SPLS	04/13/04	16,346.22	17.853	22.77	20,493.00	4,146.78 LT		

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Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
	STAPLES INC	SPLS								
12.9074	Reinvestments to date			$ 296.99	$ 23.009	$ 22.77	$ 293.90	($ 3.09) LT		
912.9074				16,643.21	18.231		20,786.90	4,143.69	1.581	328.65
400	STATE STREET CORP **Rating:** Citigroup : 1M Morgan Stanley : 2 S&P : 1	STT	04/21/04	19,495.90	48.00	46.34	18,536.00	(959.90) LT		
2.501	Reinvestments to date			184.26	73.674	46.34	115.90	(68.36) LT		
402.501				19,680.16	48.895		18,651.90	(1,028.26)	.086	16.10
300	UNITED PARCEL SERVICE CL B	UPS	04/13/04	21,282.20	70.04	72.58	21,774.00	491.80 LT		
300	**Rating:** Morgan Stanley : 2 S&P : 1		02/26/08	21,992.54	72.407	72.58	21,774.00	(218.54) LT		
1.8945	Reinvestments to date			135.00	71.258	72.58	137.50	2.50 LT		
601.8945				43,409.74	72.122		43,685.50	275.76	2.59	1,131.56
1,000	UNITEDHEALTH GROUP INC **Rating:** Citigroup : 2L Morgan Stanley : 1 S&P : 1	UNH	01/24/08	50,369.33	49.83	36.11	36,110.00	(14,259.33) LT	1.384	500.00
450	VERIZON COMMUNICATIONS	VZ	03/16/04	15,383.68	34.185	35.78	16,101.00	717.32# LT		
100	**Rating:** Citigroup : 1M		03/16/04	3,403.69	34.036	35.78	3,578.00	174.31 LT		
450	Morgan Stanley : 2 S&P : 2		01/29/08	16,511.26	36.691	35.78	16,101.00	(410.26) LT		
12.0805	Reinvestments to date			445.13	36.846	35.78	432.24	(12.89) LT		
1,012.0805				35,743.76	35.317		36,212.24	468.48	5.449	1,973.56
399.1126	WAL-MART STORES INC	WMT	02/18/04	23,107.25	57.12	53.93	21,524.14	(1,583.11) LT		
200	**Rating:** Citigroup : 1M		06/30/04	10,677.80	52.48	53.93	10,786.00	108.20 LT		
600	S&P : 1		06/30/10	29,752.19	48.747	53.93	32,358.00	2,605.81 ST		
3.5258	Reinvestments to date			194.49	55.161	53.93	190.15	(4.34) LT		
1,202.6384				63,731.73	52.993		64,858.29	1,126.56	2.243	1,455.19
700	WALGREEN CO NEW **Rating:** Citigroup : 3H Morgan Stanley : 1 S&P : 1	WAG	04/12/04	23,620.38	33.23	38.96	27,272.00	3,651.62 LT		
1.837	Reinvestments to date			66.49	36.194	38.96	71.57	5.08 LT		
701.837				23,686.87	33.75		27,343.57	3,656.70	1.796	491.29
Total common stocks and options				$ 2,412,659.24			$ 2,531,371.44	$ 17,870.32 ST	2.28	
[illegible]								$ 100,841.88 LT		$ 57,763.68

THE WILLIAM GERALD WILLETT CHARITABLE FOUNDATION 338-10 284

Exchange traded & closed end funds

Citi Investment Research & Analysis (CIRA) ratings may be shown for certain closed-end funds. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Because the research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating. CIRA closed-end fund recommendations include an investment rating and a risk rating. The Investment Rating code (1,2, 3) is based upon CIRA's expectation of the security's performance relative to its peer group of closed-end funds. The Risk Rating (L, M, H or S) represents the fund's expected risk, taking into account the quality and liquidity of the underlying securities, financial leverage and foreign currency exposure. Please refer to the end of this statement for a guide describing CIRA ratings.

Closed end investment companies are grouped below by portfolio designations. Gain/Loss is provided to assist in tax preparation. It is not intended to calculate investment returns or performance.

Consulting Group Research (CGR) conducts on-going research on a wide variety of exchange-traded funds for certain investment advisory programs. Your individual exchange-traded fund holdings in your brokerage account may or may not be covered by CGR. Please contact your Financial Advisor for further information regarding whether your exchange-traded fund holdings are covered by CGR.

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
	ARES CAPITAL CORP Equity portfolio **Rating:** Citigroup : 1H	ARCC								
325			01/24/08	$ 22,883.22	$ 70.409	$ 16.48	$ 5,356.00	($ 17,527.22) LT	8.495 %	$ 455.00
5,000	WESTERN ASSET INVESTMENT GRADE DEFINED OPPORTUNITY TR INC Taxable bond portfolio	IGI	06/25/09	100,000.00	20.00	20.04	100,200.00	200.00 LT		
108.5186	Reinvestments to date			2,106.87	19.414	20.04	2,174.71	67.84 LT		
321.7864	Reinvestments to date			6,590.97	20.482	20.04	6,448.60	(142.37) ST		
5,430.305				108,697.84	20.017		108,823.31	125.47	6.257	6,809.60
Total closed end fund equity allocation							$ 5,356.00			
Total closed end fund taxable bond allocation							$ 108,823.31			
Total exchange traded funds and closed end funds				$ 131,581.06			$ 114,179.31	($ 142.37) ST	6.36	
								($ 17,259.38) LT		$ 7,264.60

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Preferred stocks

Citi Investment Research & Analysis (CIRA) ratings may be shown for certain securities. In addition, Standard & Poor's research ratings may be shown for certain securities. CIRA is not the author of, does not take responsibility for, and does not guarantee the accuracy, completeness, or timeliness of research prepared by Standard & Poor's. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. CIRA stock recommendations include an investment rating and risk rating. The Investment Rating Code (1, 2 or 3) is a function of CIRA's expectation of total return (forecast price appreciation and dividend yield within the next 12 months) and a Risk Rating. The Risk Rating (L, M, H or S) represents the stock's expected risk, taking into account price volatility and fundamental criteria. Please refer to the end of this statement for a guide describing CIRA ratings.

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
2,000	AMERICAN ELECTRIC PWR CO 8.75% PREFERRED Rated BB + Next call on 03/01/13	AEPPRA	03/13/08	$ 50,000.00	$ 25.00	$ 27.84	$ 55,680.00	$ 5,680.00 LT	7.857%	$ 4,375.00
4,000	COMCAST CORP 6.625% Next call on 05/15/12	CCS	05/03/07	100,000.00	25.00	25.45	101,800.00	1,800.00 LT	6.507	6,625.00
500	CONSTELLATION ENERGY GRP 8.625	CEGPRA	10/24/08	11,266.35	22.00	26.65	13,325.00	2,058.65 LT		
500	Rated BB Next call on 06/15/13		01/08/09	10,607.26	20.70	26.65	13,325.00	2,717.74 LT		
1,000				21,873.61	21.874		26,650.00	4,776.39	8.09	2,156.25
1,000	CORTS-GS CAP I TR 6.00% SER II Rated BBB Next call on 01/05/11	HYL	04/01/04	25,000.00	25.00	22.43	22,430.00	(2,570.00) LT		
32.8947	Reinvestments to date			749.99	22.799	22.43	737.83	(12.16) LT		
1,032.8947				25,749.99	24.93		23,167.83	(2,582.16)	6.687	1,549.34
1,000	CORTS III VERIZON 6.25% Rated A	HYY	04/19/04	25,000.00	25.00	25.15	25,150.00	150.00 LT	6.212	1,562.50
1,000	DILLARDS CAPITAL TRUST I 7.50% CUM PFD Rated CCC + Next call on 01/20/11	DDT	07/30/04	24,413.37	24.025	23.969	23,969.00	(444.37) LT		
45.7998	Reinvestments to date			947.97	20.698	23.969	1,097.78	149.81 LT		
1,045.7998				25,361.34	24.251		25,066.78	(294.56)	7.826	1,961.92
2,000	DOMINION RESOURCES INC. 8.375% Rated BBB Next call on 06/15/14	DRU	06/10/09	50,000.00	25.00	28.34	56,680.00	6,680.00 LT	7.387	4,187.50
2,000	GENERAL MOTORS CORP 7.50% PFD	MTLQ.G	08/03/04	51,669.40	25.55	7.95	15,900.00	(35,769.40) LT		
53.7249	Reinvestments to date			937.49	17.449	7.95	427.11	(510.38) LT		
2,053.7249				52,606.89	25.615		16,327.11	(36,279.78)		

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Preferred stocks *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
1,798.3296	JP MORGAN CHASE CAPITAL 6.20% Rated BBB + Next call on 01/05/11	JPMPRY	09/22/04	$ 44,958.24	$ 25.00	$ 25.04	$ 45,030.17	$ 71.93 LT		
268.8405	Reinvestments to date			6,545.62	24.347	25.04	6,731.77	186.15 LT		
2,067.1701				**51,503.86**	**24.915**		**51,761.94**	**258.08**	**6.19**	**3,204.11**
2,000	JPMORGAN CHASE CAP XXIV 6.875% EXPECTED MATURITY 08/01/2047 Rated BBB + Next call on 08/01/12	JPMPRW	07/25/07	**50,000.00**	25.00	25.79	**51,580.00**	**1,580.00** LT	6.664	3,437.50
1,000	LEHMAN BROTHERS HLDGS CAP	LHHMQ	04/01/04	25,000.00	25.00	.02	20.00	(24,980.00) LT		
500	TR V 6% PFD SER M		07/08/04	11,466.88	22.50	.02	10.00	(11,456.88) LT		
500	Next call on 01/05/11		12/31/04	12,430.00	24.85	.02	10.00	(12,420.00) LT		
73.5529	Reinvestments to date			1,512.68	20.565	.02	1.47	(1,511.21) LT		
2,073.5529				**50,409.56**	**24.311**		**41.47**	**(50,368.09)**		
2,000	PRUDENTIAL FINANCIAL INC 9.00% Rated BBB + Next call on 06/15/13	PHR	06/24/08	**50,000.00**	25.00	27.49	**54,980.00**	**4,980.00** LT	8.184	4,500.00
4,000	PUBLIC STORAGE INC 7.0% PFD PERP Rated BBB Next call on 07/02/12	PSAPRN	06/27/07	**100,000.00**	25.00	25.50	**102,000.00**	**2,000.00** LT	6.862	7,000.00
1,000	PUBLIC STORAGE (MD)6.125% PFD	PSAPRA	03/19/04	25,000.00	25.00	24.769	24,769.00	(231.00) LT		
1,000	DEP SHS REPR 1/1000 Rated BBB Next call on 01/20/11		07/08/04	22,370.82	22.00	24.769	24,769.00	2,398.18 LT		
35.315	Reinvestments to date			765.62	21.679	24.769	874.72	109.10 LT		
2,035.315				**48,136.44**	**23.651**		**50,412.72**	**2,276.28**	**6.182**	**3,116.58**
2,000	PUBLIC STORAGE (MD)6.25% PFD DEP SHS REPR 1/1000 Rated BBB Next call on 01/20/11	PSAPRZ	07/27/04	47,147.83	23.30	24.30	48,600.00	1,452.17 LT		
37.8329	Reinvestments to date			781.24	20.649	24.30	919.34	138.10 LT		
2,037.8329				**47,929.07**	**23.52**		**49,519.34**	**1,590.27**	**6.43**	**3,184.11**
4,000	WELLS FARGO CAPITAL 7.875% ENHANCED TR PFD Rated A- Next call on 03/15/13	BWF	03/05/08	**100,000.00**	25.00	26.82	**107,280.00**	**7,280.00** LT	7.34	7,875.00
Total preferred stocks				**$ 848,670.76**			**$ 798,097.19**	**$ 0.00 ST**	**6.85**	
[illegible]								**($ 50,473.57) LT**		**$ 54,734.81**

Bonds

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount.

Call features shown indicate the next regularly scheduled call date and price. Your holdings may be subject to other redemption features including sinking funds or extraordinary calls.

The research rating for Moody's Investors Service and Standard & Poor's may be shown for certain fixed income securities. All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting research ratings.

Corporate bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
50,000	GOLDMAN SACHS GROUP INC NOTES-BK/ENTRY DTD 09/29/2004 INT: 05.000% MATY: 10/01/2014 Rating: A1/A	11/03/04 38143UAW1	$ 50,782.50 $ 50,335.00	$ 101.555 $ 100.67	107.138 $ 625.00	$ 53,569.00	$ 2,786.50 $ 3,234.00	LT LT	4.666 $ 2,500.00	$ 0.00 $ 3,234.00
24,000	GENERAL MTRS ACCEP CORP NOTES BK/ENTRY-DTD 11/24/2004 INT: 06.750% MATY: 12/01/2014 Rating: B3/B	01/06/05 370425SL5	24,225.56 24,103.68	100.919 100.432	104.781 135.00	25,147.44	921.88 1,043.76	LT LT	6.442 1,620.00	0.00 1,043.76
50,000	BAXTER INTL INC GLOBAL NOTES BOOK/ENTRY DTD 9/15/03 INT: 04.625% MATY: 03/15/2015 Rating: A3/A+	11/03/04 071813AU3	49,495.50 49,495.50	98.981 98.981	108.903 680.90	54,451.50	4,956.00 4,956.00	LT LT	4.246 2,312.50	0.00 4,956.00
Total corporate bonds 124,000			$ 124,503.56 $ 123,934.18		$ 1,440.90	$ 133,167.94	$ 0.00 $ 9,233.76	ST LT	4.83 $ 6,432.50	$ 0.00 $ 9,233.76
Total portfolio value			$ 4,661,629.94			$ 4,721,700.58	$ 17,727.95 $ 42,342.69	ST LT	2.68 $ 126,882.52	$ 0.00 $ 9,233.76

**Based on information supplied by client or other financial institution, not verified by us.*

#Based on information supplied by your Financial Advisor.

R *The basis for this tax lot has been adjusted due to a reclassification of income.*