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Form **990-PF**

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

OMB No 1545-0052

2010

Department of the Treasury
Internal Revenue Service

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

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

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

Name of foundation GRANADILLO FOUNDATION, INC C/O PEDRO P. GRANADILLO		A Employer identification number 35-2061090
Number and street (or P O box number if mail is not delivered to street address) 7218 TORY LANE		B Telephone number (see page 10 of the instructions) 239-598-9830
City or town, state, and ZIP code NAPLES FL 34108-8790		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) \$ 360,483	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	119,292			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1,149	1,149	1,149	
	4 Dividends and interest from securities	8,475	8,475	8,475	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	11,066			
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		11,066		
	8 Net short-term capital gain			4,600	
	9 Income modifications				
	10a Gross sales less returns & 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	139,982	20,690	14,224		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) STMT 1	1,265	1,265	1,265	
	c Other professional fees (attach schedule) STMT 2	4,198	4,198	4,198	
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) STMT 3	154	148	148	
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (att sch) STMT 4	96	96	96		
24 Total operating and administrative expenses. Add lines 13 through 23	5,713	5,707	5,707	0	
25 Contributions, gifts, grants paid	10,500			10,500	
26 Total expenses and disbursements. Add lines 24 and 25	16,213	5,707	5,707	10,500	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	123,769				
b Net investment income (if negative, enter -0-)		14,983			
c Adjusted net income (if negative, enter -0-)			8,517		

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

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23 P

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	17,592	11,561	11,561
	2 Savings and temporary cash investments			
	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 (att schedule) ▶ Less allowance for doubtful accounts ▶	0		
	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) SEE STMT 5	186,656	295,347	319,297
	c Investments—corporate bonds (attach schedule) SEE STMT 6	9,792	30,901	29,625
	11 Investments—land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch) ▶			
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	214,040	337,809	360,483	
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 type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	214,040	337,809	
30 Total net assets or fund balances (see page 17 of the instructions)	214,040	337,809		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	214,040	337,809		

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	214,040
2 Enter amount from Part I, line 27a	2	123,769
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	337,809
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	337,809

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	SEE WORKSHEET			
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
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				
b				
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	11,066
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	[]		3	4,600

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	14,993	219,316	0.068363
2008	14,716	291,307	0.050517
2007		301,204	
2006		232,593	
2005	1,000	176,834	0.005655
2 Total of line 1, column (d)			0.124535
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			0.041512
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5			321,214
5 Multiply line 4 by line 3			13,334
6 Enter 1% of net investment income (1% of Part I, line 27b)			150
7 Add lines 5 and 6			13,484
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.			10,500

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	300
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	300
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	300
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	400
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	400
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	100
11	Enter the amount of line 10 to be credited to 2011 estimated tax 100 Refunded	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ _____ (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? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) IN		
8b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(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)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

STMT 7

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions) 11 Yes No

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? 12 Yes No

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address **N/A** 13 Yes No

14 The books are in care of **PEDRO P. GRANADILLO** Telephone no **7218 TORY LANE**

Located at **NAPLES** FL ZIP+4 **34108-8790**

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

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.

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)? Organizations relying on a current notice regarding disaster assistance check here **N/A** 1b

c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? **N/A** 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? Yes 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) **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 **▶** 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? 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 Yes No

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 Yes No

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 N/A **5b**

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** **X**

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870 Yes No **7b** **X**

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

b If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No **N/A**

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
PEDRO P. GRANADILLO 7218 TORY LANE NAPLES FL 34108-8790	PRES., SEC. 0.50	0	0	0
ANN J. LOWE 230 GLENCOE STREET DENVER CO 80220	DIRECTOR 0.50	0	0	0
PAUL A GRANADILLO 6210 NORTH PARKER AVENUE INDIANAPOLIS IN 46220	DIRECTOR 0.50	0	0	0

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

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

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

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 (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		

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

1	Expenses
N/A	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

1	Amount
N/A	
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	310,666
b	Average of monthly cash balances	1b	15,440
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	326,106
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	326,106
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	4,892
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	321,214
6	Minimum investment return. Enter 5% of line 5	6	16,061

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	16,061
2a	Tax on investment income for 2010 from Part VI, line 5	2a	300
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	300
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	15,761
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	15,761
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	15,761

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	10,500
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	10,500
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	10,500

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				15,761
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			10,475	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e				
4 Qualifying distributions for 2010 from Part XII, line 4 ▶ \$ <u>10,500</u>				
a Applied to 2009, but not more than line 2a			10,475	
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				25
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))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				15,736
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				
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					
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 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))
N/A

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
N/A

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
N/A

b The form in which applications should be submitted and information and materials they should include
N/A

c Any submission deadlines
N/A

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

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)				
a Paid during the year DAVIDSON COLLEGE DAVIDSON COLLEGE DAVIDSON NC 28035	NONE	PUBLIC	CHARITABLE	10,000
PURDUE FOUNDATION PURDUE UNIVERSITY WEST LAFAYETTE IN 47907	NONE	PUBLIC	CHARITABLE	500
Total				▶ 3a 10,500
b Approved for future payment N/A				
Total				▶ 3b

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

Table with 3 columns: Question (1, a, b, c, d), Yes, No. Contains questions about transfers to noncharitable exempt organizations and a summary table for line 17d.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains '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 [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains '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. Signature of officer or trustee: [Signature], Date: 7/17/2011, Title: PRESIDENT

Paid Preparer Use Only Print/Type preparer's name: [Signature], Preparer's signature: [Signature], Date: 7/15/11, Check [] if self-employed. Firm's name: L. M. HENDERSON & COMPANY, LLP, Firm's address: 450 E 96TH ST STE 200 INDIANAPOLIS, IN 46240, Firm's EIN: [], Phone no: 317-566-1000

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

Schedule of Contributors

OMB No 1545-0047

2010

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

Name of the organization GRANADILLO FOUNDATION, INC C/O PEDRO P. GRANADILLO	Employer identification number 35-2061090
--	---

Organization type (check one)

Filers of:	Section:
Form 990 or 990-EZ	<input type="checkbox"/> 501(c)() (enter number) organization
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation
	<input type="checkbox"/> 527 political organization
Form 990-PF	<input checked="" type="checkbox"/> 501(c)(3) exempt private foundation
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation
	<input type="checkbox"/> 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 GRANADILLO FOUNDATION, INC	Employer identification number 35-2061090
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	PEDRO P. GRANADILLO 7218 TORY LANE NAPLES FL 34108-8790	\$ 119,292	Person <input checked="" 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)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Capital Gains and Losses for Tax on Investment Income

Form **990-PF** **2010**

For calendar year 2010, or tax year beginning _____, and ending _____

Name **GRANADILLO FOUNDATION, INC
C/O PEDRO P. GRANADILLO** Employer Identification Number **35-2061090**

(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.)
(1) MORGAN STANLEY 028210	P	VARIOUS	VARIOUS
(2) MORGAN STANLEY 028210	P	VARIOUS	VARIOUS
(3) MORGAN STANLEY 028724	P	VARIOUS	VARIOUS
(4) POWERSHARES DB COMM INDEX TRACKING	P		
(5) POWERSHARES DB COMM INDES TRACKING	P		
(6) MORGAN STANLEY 28210			
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

(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)
(1) 58,430		56,610	1,820
(2) 34,074		29,414	4,660
(3) 58,651		56,520	2,131
(4) 649			649
(5) 1,080			1,080
(6) 726			726
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

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))
(1)			1,820
(2)			4,660
(3)			2,131
(4)			649
(5)			1,080
(6)			726
(7)			
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

Morgan Stanley 028210

Name	Symbol/Cusip	Buy/Dividend	Quantity	Date Acquired	Date Sold	Unit Cost	Total Cost	Adj. Cost	Proceeds	Realized Gain/Loss	Period
FIRST TR VALU LN DIV IDX	FVD	Buy	16	5/7/2009	2/2/2010	11.23	179.68	179.68	211.01	31.33	Short
FIRST TR VALU LN DIV IDX	FVD	Buy	133	5/7/2009	2/4/2010	11.23	1,493.59	1,493.59	1,723.01	229.42	Short
FIRST TR VALU LN DIV IDX	FVD	Buy	4	5/7/2009	5/3/2010	11.23	44.92	44.92	56.91	11.99	Short
FIRST TR VALU LN DIV IDX	FVD	Buy	285	10/8/2009	7/27/2010	12.6	3,590.86	3,590.86	3,947.69	356.83	Short
HARTFORD INFLATION PLUS A	HIPAX	Buy	4,999	8/3/2009	2/2/2010	10.86	54.29	54.29	57.44	3.15	Short
HARTFORD INFLATION PLUS A	HIPAX	Buy	7,902	8/3/2009	5/3/2010	10.86	85.82	85.82	91.35	5.53	Short
HARTFORD INFLATION PLUS A	HIPAX	Buy	26,997	8/3/2009	6/1/2010	10.86	293.19	293.19	312.36	19.17	Short
HARTFORD INFLATION PLUS A	HIPAX	Buy	1,613	8/3/2009	6/9/2010	10.86	17.52	17.52	18.73	1.21	Short
HARTFORD INFLATION PLUS A	HIPAX	Buy	9,755	10/8/2009	6/9/2010	11.3	110.23	110.23	113.25	3.02	Short
HARTFORD INFLATION PLUS A	HIPAX	Buy	26.32	10/8/2009	9/1/2010	11.3	297.41	297.41	312.16	14.75	Short
IQ HEDGE MULTI-STRAT TRACKER	QAI	Buy	426	11/4/2009	2/4/2010	27.27	11,616.81	11,616.81	11,260.09	(356.72)	Short
IQ HEDGE MULTI-STRAT TRACKER	QAI	Buy	7	12/2/2009	2/4/2010	27.7	193.90	193.90	185.03	(8.87)	Short
ISHARES BARCLAYS 1-3 YR TSY BD	SHY	Buy	3	11/4/2009	2/2/2010	83.79	251.37	251.37	250.49	(0.88)	Short
ISHARES BARCLAYS 1-3 YR TSY BD	SHY	Buy	13	11/4/2009	6/1/2010	83.79	1,089.27	1,089.27	1,088.78	(0.49)	Short
ISHARES BARCLAYS 1-3 YR TSY BD	SHY	Buy	4	11/4/2009	6/9/2010	83.79	335.16	335.16	335.39	0.23	Short
ISHARES BARCLAYS 1-3 YR TSY BD	SHY	Buy	5	11/4/2009	9/1/2010	83.79	418.95	418.95	420.94	1.99	Short
ISHARES MSCI CANADA INDEX FD	EWC	Buy	10	11/4/2009	9/1/2010	25.01	250.08	250.08	267.19	17.11	Short
ISHARES MSCI JAPAN INDEX FUND	EWJ	Buy	18	6/9/2010	12/1/2010	9.26	166.64	166.64	172.79	6.15	Short
ISHARES MSCI JAPAN INDEX FUND	EWJ	Buy	37	6/9/2010	7/27/2010	9.26	342.55	342.55	386.71	44.16	Short
ISHARES MSCI PAC EX-JPN IDX	EPP	Buy	10	6/9/2010	9/1/2010	36.36	363.58	363.58	399.61	36.03	Short
ISHARES MSCI PAC EX-JPN IDX	EPP	Buy	11	6/9/2010	9/1/2010	36.36	399.94	399.94	452.77	52.83	Short
ISHARES MSCI PAC EX-JPN IDX	EPP	Buy	9	6/9/2010	11/1/2010	36.36	327.22	327.22	417.25	90.03	Short
ISHARES S&P MIDCAP 400 INDEX	IJH	Buy	5	5/7/2009	2/2/2010	58.83	294.15	294.15	357.94	63.79	Short
ISHARES S&P MIDCAP 400 INDEX	IJH	Buy	3	5/7/2009	5/3/2010	58.83	176.49	176.49	247.70	71.21	Short
ISHARES S&P MIDCAP 400 INDEX	IJH	Buy	14	7/13/2009	6/9/2010	54.38	761.32	761.32	1,021.77	260.45	Short
ISHARES S&P MIDCAP 400 INDEX	IJH	Buy	9	10/8/2009	6/9/2010	69.25	623.25	623.25	656.85	33.60	Short
ISHARES S&P MIDCAP 400 INDEX	IJH	Buy	1	10/8/2009	7/27/2010	69.25	69.25	69.25	77.66	8.41	Short
ISHARES S&P 500 GRWTH INDEX	IVW	Buy	24	7/13/2009	2/4/2010	45.86	1,100.64	1,100.64	1,316.66	216.02	Short
ISHARES S&P 500 GRWTH INDEX	IVW	Buy	5	10/8/2009	2/4/2010	54.54	272.68	272.68	274.31	1.63	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	13	5/7/2009	2/2/2010	45.35	589.55	589.55	698.01	108.46	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	30	5/7/2009	2/4/2010	45.35	1,360.50	1,360.50	1,562.80	202.30	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	16	5/7/2009	5/3/2010	45.35	453.50	453.50	632.98	179.48	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	52	7/13/2009	6/9/2010	42.09	673.44	673.44	878.26	204.82	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	52	10/8/2009	6/9/2010	52.74	2,742.43	2,742.43	2,854.33	111.90	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	52	11/4/2009	6/9/2010	50.3	2,615.39	2,615.39	2,854.33	238.94	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	3	11/4/2009	7/27/2010	50.3	150.89	150.89	177.50	26.61	Short
ISHARES SP SMALLCAP 600 INDEX	IUR	Buy	5	11/4/2009	11/1/2010	50.3	251.48	251.48	311.06	59.58	Short
ISHARES TR MSCI SMALL CAP	SCZ	Buy	8	11/4/2009	7/27/2010	35.99	287.90	287.90	287.75	(0.15)	Short
ISHARES TR MSCI SMALL CAP	SCZ	Buy	10	11/4/2009	11/1/2010	35.99	359.88	359.88	402.27	42.39	Short

PWRSHARES EMERGING MKTS SOV DE	PCY	1	11/4/2009	2/2/2010	25 61	25 61	25 61	25 61	25 30	(0 31) Short
PWRSHARES EMERGING MKTS SOV DE	PCY	18	11/4/2009	6/1/2010	25 59	460 62	460 62	462 64	2 02 Short	
PWRSHARES EMERGING MKTS SOV DE	PCY	4	11/4/2009	6/9/2010	25 59	102 36	102 36	101 99	(0 37) Short	
PWRSHARES EMERGING MKTS SOV DE	PCY	3	11/4/2009	7/27/2010	25 59	76 76	76 76	80 74	3 98 Short	
PWRSHARES EMERGING MKTS SOV DE	PCY	28	11/4/2009	9/1/2010	25 58	716 25	716 25	774 80	58 55 Short	
RYDEX/S&I MANAGED FUT STR A	RYMTX	74 874	7/7/2009	2/4/2010	25 92	1 940 74	1 967 68	1 967 68	26 94 Short	
RYDEX/S&I MANAGED FUT STR A	RYMTX	22 166	7/7/2009	6/1/2010	25 92	574 54	574 54	559 69	(14 85) Short	
RYDEX/S&I MANAGED FUT STR A	RYMTX	13 709	7/7/2009	6/9/2010	25 92	355 34	355 34	351 23	(4 11) Short	
SPDR BARCLAYS CAPITAL HIGH YIE	JNK	9	11/4/2009	2/2/2010	37 95	341 52	341 52	347 59	6 07 Short	
SPDR BARCLAYS CAPITAL HIGH YIE	JNK	2	11/4/2009	5/3/2010	37 95	75 89	75 89	79 83	3 94 Short	
SPDR BARCLAYS CAPITAL HIGH YIE	JNK	6	11/4/2009	7/27/2010	37 95	227 68	227 68	236 87	9 19 Short	
SPDR BARCLAYS CAPITAL HIGH YIE	JNK	4	11/4/2009	9/1/2010	37 95	151 79	151 79	155 51	3 72 Short	
SUNAMERICA ALTERN STRAT A	SUNAX	5 498	2/4/2010	4/1/2010	10 08	55 42	55 42	57 34	1 92 Short	
SUNAMERICA ALTERN STRAT A	SUNAX	5 473	2/4/2010	5/3/2010	10 08	55 17	55 17	57 63	2 46 Short	
SUNAMERICA ALTERN STRAT A	SUNAX	21 18	2/4/2010	6/1/2010	10 08	213 49	213 49	210 74	(2 75) Short	
SUNAMERICA ALTERN STRAT A	SUNAX	27 383	2/4/2010	6/9/2010	10 08	276 02	276 02	273 83	(2 19) Short	
SUNAMERICA ALTERN STRAT A	SUNAX	44 864	2/4/2010	9/1/2010	10 08	452 23	452 23	453 13	0 90 Short	
SUNAMERICA ALTERN STRAT A	SUNAX	22 03	2/4/2010	12/1/2010	10 08	222 06	222 06	231 98	9 92 Short	
VANGUARD PACIFIC ETF	VPL	1	7/7/2009	6/9/2010	45 06	45 06	45 06	47 58	2 52 Short	
VANGUARD PACIFIC ETF	VPL	54	10/8/2009	6/9/2010	52 96	2 859 79	2 859 79	2 569 09	(290 70) Short	
VANGUARD PACIFIC ETF	VPL	41	11/4/2009	6/9/2010	51 42	2 108 07	2 108 07	1 950 60	(157 47) Short	
VANGUARD PACIFIC ETF	VPL	8	2/4/2010	6/9/2010	49 9	399 20	399 20	380 61	(18 59) Short	
VANGUARD PACIFIC ETF	VPL	83	3/17/2010	6/9/2010	54 56	4 528 48	4 528 48	3 948 78	(579 70) Short	
VANGUARD PACIFIC ETF	VPL	5	5/3/2010	6/9/2010	54 12	270 60	270 60	237 88	(32 72) Short	
VANGUARD PACIFIC ETF	VPL	14	6/1/2010	6/9/2010	48 85	683 86	683 86	666 06	(17 80) Short	
VANGUARD REIT ETF	VNQ	7	11/4/2009	2/2/2010	40 36	282 51	282 51	302 74	20 23 Short	
VANGUARD REIT ETF	VNQ	17	11/4/2009	5/3/2010	40 36	686 09	686 09	896 90	210 81 Short	
VANGUARD REIT ETF	VNQ	6	11/4/2009	7/27/2010	40 36	242 15	242 15	307 25	65 10 Short	
VANGUARD REIT ETF	VNQ	8	11/4/2009	9/1/2010	40 36	322 86	322 86	411 28	88 42 Short	
VANGUARD SHORT TERM BND	BSV	11	7/13/2009	2/4/2010	79 53	874 83	874 83	882 34	7 51 Short	
VANGUARD SHORT TERM BND	BSV	7	8/3/2009	2/4/2010	79 35	555 45	555 45	561 49	6 04 Short	
VANGUARD SHORT TERM BND	BSV	6	10/8/2009	2/4/2010	80 08	480 48	480 48	481 28	0 80 Short	
VANGUARD SHORT TERM BND	BSV	5	10/8/2009	6/1/2010	80 08	400 40	400 40	401 69	1 29 Short	
VANGUARD SHORT TERM BND	BSV	2	10/8/2009	6/9/2010	80 08	160 16	160 16	160 93	0 77 Short	
VANGUARD SHORT TERM BND	BSV	2	10/8/2009	9/1/2010	80 08	160 16	160 16	162 85	2 69 Short	
VANGUARD TOTAL BOND MARKET	BND	3	5/29/2009	2/2/2010	77	231 00	231 00	238 01	7 01 Short	
POWERSHARES DB COMM TRK INC	DBC	7	7/13/2009	5/3/2010		159 04	159 04	171 42	12 38 Short	
POWERSHARES DB COMM TRK INC	DBC	6	7/13/2009	6/9/2010		130 47	130 47	129 53	(0 94) Short	
						56,509.87	58,429.96	1,820.09		

Name	Symbol/Cusip	Buy/Dividend	Quantity	Date Acquired	Date Sold	Unit Cost	Total Cost	Adj. Cost	Proceeds	Realized Gain/Loss	Period
BLDRS EMERGING MKTS 50 ADR	ADRE	Buys	18	5/7/2009	7/27/2010	34.49	620.82	620.82	764.62	143.80	Long
BLDRS EMERGING MKTS 50 ADR	ADRE	Buys	29	5/7/2009	11/1/2010	34.49	1,000.21	1,000.21	1,353.63	353.42	Long
FIRST TR VALU.LN DIV IDX	FVD	Buys	162	5/7/2009	7/27/2010	11.23	1,819.26	1,819.26	2,243.95	424.69	Long
FIRST TR VALU.LN DIV IDX	FVD	Buys	7	10/8/2009	11/1/2010	12.6	88.20	88.20	102.75	14.55	Long
FIRST TR VALU.LN DIV IDX	FVD	Buys	3	10/8/2009	12/3/2010	12.6	37.80	37.80	44.42	6.62	Long
ISHARES BARCLAYS 1-3 YR TSY BD	SHY	Buys	1	11/4/2009	12/1/2010	83.79	83.79	83.79	84.06	0.27	Long
ISHARES MSCI CANADA INDEX FD	EWC	Buys	17	11/4/2009	12/1/2010	25.01	425.13	425.13	510.53	85.40	Long
ISHARES S&P MIDCAP 400 INDEX	IJH	Buys	52	5/7/2009	6/9/2010	58.83	3,059.16	3,059.16	3,795.13	735.97	Long
ISHARES S&P MIDCAP 400 INDEX	IJH	Buys	3	10/8/2009	11/1/2010	69.25	207.75	207.75	250.40	42.65	Long
ISHARES S&P MIDCAP 400 INDEX	IJH	Buys	4	10/8/2009	12/1/2010	69.25	277.00	277.00	347.87	70.87	Long
ISHARES S&P 500 GRWTH INDEX	IWW	Buys	18	10/8/2009	11/1/2010	54.54	981.63	981.63	1,131.71	150.08	Long
ISHARES S&P 500 GRWTH INDEX	IWW	Buys	13	10/8/2009	12/1/2010	54.54	708.96	708.96	832.06	123.10	Long
ISHARES SP SMALLCAP 600 INDEX	IUR	Buys	26	5/7/2009	6/9/2010	45.35	1,179.10	1,179.10	1,427.16	248.06	Long
ISHARES SP SMALLCAP 600 INDEX	IUR	Buys	6	11/4/2009	12/1/2010	50.3	301.78	301.78	392.15	90.37	Long
ISHARES TR MSCI SMALL CAP	SCZ	Buys	2	11/4/2009	12/3/2010	35.99	71.98	71.98	81.89	9.91	Long
PWRSHARES EMERGING MKTS SOV DE	PCY	Buys	172	11/4/2009	12/3/2010	25.57	4,398.61	4,398.61	4,701.02	302.41	Long
PWRSHARES EMERGING MKTS SOV DE	PCY	Buys	54	12/2/2009	12/3/2010	25.74	1,390.04	1,390.04	1,475.90	85.86	Long
VANGUARD EUROPEAN ETF	VGK	Buys	40	5/7/2009	7/27/2010	39.09	1,563.60	1,563.60	1,846.52	282.92	Long
VANGUARD EUROPEAN ETF	VGK	Buys	20	5/7/2009	11/1/2010	39.09	781.80	781.80	1,023.26	241.46	Long
VANGUARD PACIFIC ETF	VPL	Buys	92	5/26/2009	6/9/2010	45.32	4,169.67	4,169.67	4,376.96	207.29	Long
VANGUARD REIT ETF	VNQ	Buys	56	11/4/2009	12/3/2010	40.36	2,260.08	2,260.08	3,058.77	798.69	Long
VANGUARD TOTAL BOND MARKET	BND	Buys	21	5/29/2009	6/1/2010	77	1,617.00	1,617.00	1,684.43	67.43	Long
VANGUARD TOTAL BOND MARKET	BND	Buys	7	5/29/2009	6/9/2010	77	539.00	539.00	563.84	24.84	Long
VANGUARD TOTAL BOND MARKET	BND	Buys	12	5/29/2009	9/1/2010	77	924.00	924.00	988.32	64.32	Long
POWERSHARES DB COMM TRK INC	DBC	Buys	18	7/13/2009	9/1/2010			381.40	407.01	25.61	Long
POWERSHARES DB COMM TRK INC	DBC	Buys	23	7/13/2009	11/1/2010			526.28	585.85	59.57	Long
							29,414.05	34,074.21		4,660.16	

Morgan Stanley 028724

Name	Symbol/Cusip	Buy/Dividend	Quantity	Date Acquired	Date Sold	Unit Cost	Total Cost	Adj. Cost	Proceeds	Realized Gain/Loss	Period
CITIZENS COMM 7 1/8 3-15-19	17453BAW1	Buys	10,000 00	7/1/2010	11/4/2010	96 31	9631	9,631 00	10,619 00	988 00	Short
CMS ENERGY CORP 6 1/4 2-01-20	125896BE9	Buys	10,000 00	4/22/2010	12/17/2010	101 88	10188 2	10,178 67	10,044 00	(134 67)	Short
GENWORTH FINL 4 950 10-01-15	37247DAF3	Buys	10,000 00	2/8/2010	9/13/2010	90 63	9062 75	9,062 75	9,965 30	902 55	Short
REV CVT ON BTU 11 1/2 10-29-10	06739JZB2	Buys	10,000 00	2/8/2010	11/1/2010	0 91	9088 75	9,088.75	10,000 00	911 25	Short
REV CVT ON POT 8 1/2 12-28-10	06740JBG4	Buys	10,000 00	2/8/2010	7/1/2010	0 92	9198 33	9,183 73	8,022.48	(1,161 25)	Short
REVCONS ON BK 13 000 4-15-10	282645SE1	Buys	10,000 00	10/9/2009	4/15/2010	0 94	9374 8	9,374 80	10,000 00	625 20	Short
							56,519.70	58,650.78		2,131.08	

FYE: 12/31/2010

Statement 1 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description				
	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 1,265	\$ 1,265	\$ 1,265	\$
TOTAL	\$ 1,265	\$ 1,265	\$ 1,265	\$ 0

Statement 2 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description				
	Total	Net Investment	Adjusted Net	Charitable Purpose
INVESTMENT FEES	\$ 4,198	\$ 4,198	\$ 4,198	\$
TOTAL	\$ 4,198	\$ 4,198	\$ 4,198	\$ 0

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description				
	Total	Net Investment	Adjusted Net	Charitable Purpose
FEDERAL TAX	\$ 6	\$	\$	\$
FOREIGN TAXES PAID	148	148	148	
TOTAL	\$ 154	\$ 148	\$ 148	\$ 0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description				
	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES	\$	\$	\$	\$
OTHER DEDUCTIONS	96	96	96	
TOTAL	\$ 96	\$ 96	\$ 96	\$ 0

FYE: 12/31/2010

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
BLDRS EMERGING MKTS 50 ADR	\$ 13,999	\$ 27,937	COST	\$ 32,742
FIRST TR VALU.LN DIV INDX	10,946	14,270	COST	16,267
IQ HEDGE MUTI-STRAT TRACKER	11,811		COST	
ISHARES BARCLAYS 1-3 YR TSY BD	13,993	22,186	COST	22,255
ISHARES MSCI CANADA INDEX FD	5,602	8,151	COST	9,734
ISHARES MSCI JAPAN INDEX FUND		5,587	COST	6,557
ISHARES MSCI PAC EX-JPN IDX		7,490	COST	9,678
ISHARES S&P 500 GRWTH INDEX	11,081	22,230	COST	25,866
ISHARES S&P MIDCAP 400 INDEX	7,058	5,441	COST	6,530
ISHARES SP SMALLCAP 600 INDEX	11,225	5,565	COST	6,573
ISHARES TR MSCI SMALL CAP	3,887	5,644	COST	6,585
PWRSHARES EMERGING MKTS SOV	9,938	9,238	COST	9,361
SPDR BARCLAYS CAPITAL HIGH YIE	9,942	15,350	COST	15,805
VANGUARD EUROPEAN ETF	10,179	17,841	COST	18,900
VANGUARD PACIFIC ETF	9,183		COST	
VANGUARD REIT ETF	9,437	10,270	COST	12,957
VANGUARD SHORT TERM BND	7,837	9,474	COST	9,494
VANGUARD TOTAL BOND MARKET	19,699	31,388	COST	31,546
HARTFORD INFLATION PLUS A	3,886	12,779	COST	12,655
RYDEX/SGI FUT STR A	9,597	13,390	COST	13,154
SUNAMERICA ALTERN STRAT A		35,043	COST	35,943
POWERSHARES DB COMM TRK INC	7,356	16,073		16,695
TOTAL	\$ 186,656	\$ 295,347		\$ 319,297

FYE: 12/31/2010

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
BANK OF NEW YORK	\$ 9,792		COST	\$
CITIZENS UTILITIES CO DEBENTURE		20,185	COST	18,600
GENWORTH FINANCIAL		10,716	COST	11,025
TOTAL	\$ 9,792	\$ 30,901		\$ 29,625

Statement 7 - Form 990-PF, Part VII-A, Line 10 - Substantial Contributors

Name	Address
	City, State, Zip
PEDRO AND BARBARA GRANADILLO	7218 TORY LANE NAPLES FL 34108

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
N/A

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
N/A

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
N/A

FYE: 12/31/2010

Taxable Interest on Investments

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>US Obs (\$ or %)</u>
MORGAN STANLEY 28210	\$ 7		14		
MORGAN STANLEY 28724	2,090		14		
ACCRUED INTEREST PAID	-961		14		
POWERSHARES DB COMMODITY INDE	13		14		
TOTAL	\$ <u>1,149</u>				

Taxable Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>US Obs (\$ or %)</u>
MORGAN STANLEY 28210	\$ 8,475		14		
TOTAL	\$ <u>8,475</u>				

Form **8868**
(Rev. January 2011)

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return.

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

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension-check this box and complete

Part I only

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

Type or print File by the due date for filing your return. See instructions	Name of exempt organization GRANADILLO FOUNDATION, INC C/O PEDRO P. GRANADILLO	Employer identification number 35-2061090
	Number, street, and room or suite no. If a P O box, see instructions 7218 TORY LANE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions NAPLES FL 34108-8790	

Enter the Return code for the return that this application is for (file a separate application for each return)

04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**PEDRO P. GRANADILLO
7218 TORY LANE**

FL 34108-8790

- The books are in the care of ▶ **NAPLES** Telephone No ▶ FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box ▶
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ▶ If it is for part of the group, check this box ▶ and attach

a list with the names and EINs of all members the extension is for

- I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **08/15/11**, to file the exempt organization return for the organization named above. The extension is for the organization's return for
 - ▶ calendar year **2010** or
 - ▶ tax year beginning _____, and ending _____
- If this tax year entered in line 1 is for less than 12 months, check reason
 - Initial return
 - Final return
 - Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$	400
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$	0
c	Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	400

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

For Paperwork Reduction Act Notice, see Instructions.
DAA

Form **8868** (Rev. 1-2011)