7017 05/10/2011 11 28 AM

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: THALIA & MICHAEL C CARLOS FOUNDATION, INC

A Employer identification number: 58-1410420

Number and street (or P O box number if mail is not delivered to street address): 1100 PEACHTREE STREET — Room/suite: 2860

B Telephone number (see page 10 of the instructions): 404-815-6600

City or town, state, and ZIP code: ATLANTA GA 30309

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: [X] 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) $ 19,315,931

J Accounting method: [X] 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) (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)				
	2	Check [X] if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments	347,934	347,934		
	4	Dividends and interest from securities	170,159	170,159		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	140,864			
	b	Gross sales price for all assets on line 6a 2,729,173				
	7	Capital gain net income (from Part IV, line 2)		140,864		
	8	Net short-term capital gain			0	
	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) STMT 1	-13,280	-13,280		
	12	**Total.** Add lines 1 through 11	645,677	645,677	0	
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 2	12,000	12,000		
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) STMT 3	12,314	1,518		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att. sch) STMT 4	43,440	43,438		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	67,754	56,956	0	0
	25	Contributions, gifts, grants paid	20,000			20,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	87,754	56,956	0	20,000
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	557,923			
	b	**Net investment income** (if negative, enter -0-)		588,721		
	c	**Adjusted net income** (if negative, enter -0-)			0	

RECEIVED MAY 1 9 2011 OGDEN, UT

SCANNED MAY 2 4 2011

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

Form **990-PF** (2010)

DAA

614 6

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 (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	1,437,318	714,668	714,668
	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) STMT 5	801,800	1,412,098	1,450,025
	b	Investments—corporate stock (attach schedule) SEE STMT 6	6,966,111	6,994,445	8,407,177
	c	Investments—corporate bonds (attach schedule) SEE STMT 7	6,751,817	7,582,267	7,810,879
	11	Investments—land, buildings, and equipment basis ◆			
		Less accumulated depreciation (attach sch) ◆			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) SEE STATEMENT 8	1,123,441	934,932	933,182
	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)	17,080,487	17,638,410	19,315,931
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 ◆ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	17,080,487	17,638,410	
	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			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	17,080,487	17,638,410	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	17,080,487	17,638,410	

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	17,080,487
2	Enter amount from Part I, line 27a	2	557,923
3	Other increases not included in line 2 (itemize) ◆	3	
4	Add lines 1, 2, and 3	4	17,638,410
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	17,638,410

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) 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				
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	140,864
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	31,647

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	250,000	15,483,552	0.016146
2008	110,000	13,812,677	0.007964
2007	350,000	7,530,337	0.046479
2006	450,000	4,002,044	0.112443
2005	2,279,468	4,278,487	0.532774

2	Total of line 1, column (d)	2	0.715806
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	0.143161
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	17,963,760
5	Multiply line 4 by line 3	5	2,571,710
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	5,887
7	Add lines 5 and 6	7	2,577,597
8	Enter qualifying distributions from Part XII, line 4	8	20,000

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

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 ◆ ☐ 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			1	11,774
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	11,774
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	11,774
6	Credits/Payments				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	6,600		
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	6,600
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	144
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ◆			9	5,318
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ◆			10	
11	Enter the amount of line 10 to be **Credited to 2011 estimated tax** ◆ 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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	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. ◆ $ ______ (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	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 page 19 of the instructions) ◆ GA			
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 on page 27)? 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

Part VII-A Statements Regarding Activities (continued)

			Yes	No
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		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 ◆ HAROLD E ABRAMS Telephone no ◆ 404-974-2573
1100 PEACHTREE ST., SUITE 2860
Located at ◆ ATLANTA GA ZIP+4 ◆ 30309

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

			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?	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		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)? (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)?	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 No: X
	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 (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
THALIA N. CARLOS 1100 PEACHTREE STREET, SUITE 2860	ATLANTA GA 30309	PRESIDENT 1.00	0	0	0
HAROLD E. ABRAMS 1100 PEACHTREE STREET, SUITE 2860	ATLANTA GA 30309	SECRETARY 1.00	0	0	0
SUZANNE MASON 1100 PEACHTREE STEET, SUITE 2860	ATLANTA GA 30309	V. P. 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	Expenses
1 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	Amount
1 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	16,933,656
b	Average of monthly cash balances		1b	1,303,664
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	18,237,320
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	18,237,320
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)		4	273,560
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	17,963,760
6	**Minimum investment return.** Enter 5% of line 5		6	898,188

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	898,188
2a	Tax on investment income for 2010 from Part VI, line 5	2a 11,774		
b	Income tax for 2010 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	11,774
3	Distributable amount before adjustments Subtract line 2c from line 1		3	886,414
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	886,414
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	886,414

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	20,000
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	20,000
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	20,000

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					886,414
2 Undistributed income, if any, as of the end of 2010					
a Enter amount for 2009 only					
b Total for prior years: 20____, 20____, 20____					
3 Excess distributions carryover, if any, to 2010					
a From 2005	1,275,142				
b From 2006	254,222				
c From 2007	5,002				
d From 2008					
e From 2009					
f Total of lines 3a through e		1,534,366			
4 Qualifying distributions for 2010 from Part XII, line 4 ◆ $ 20,000					
a Applied to 2009, but not more than line 2a					
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					20,000
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))		866,414			866,414
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5		667,952			
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					0
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)		408,728			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		259,224			
10 Analysis of line 9.					
a Excess from 2006	254,222				
b Excess from 2007	5,002				
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 (a) 2010	Prior 3 years (b) 2009	(c) 2008	(d) 2007	(e) Total
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.

HAROLD E ABRAMS 404-815-6600
1100 PEACHTREE STREET, SUITE 2860 ATLANTA GA 30309

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

LETTER DESCRIBING NEED

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 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				
PANHELLENIC SCHOLASTIC 17 NORTH WABASH AVENUE CHICAGO IL 60602		PUBLIC	GENERAL FUND	20,000
Total			◆ 3a	20,000
b Approved for future payment				
N/A				
Total			◆ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
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	347,934	
4 Dividends and interest from securities			14	170,159	
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	-13,280	
8 Gain or (loss) from sales of assets other than inventory			18	140,864	
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		645,677	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 645,677

(See worksheet in line 13 instructions on page 29 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) (See page 29 of the instructions)
N/A	

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

Signature of officer or trustee | Date 5/9/11 | Title SECRETARY

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
HERB T. BARNES, CPA	HERB T. BARNES, CPA	05/10/11	
Firm's name ◆ WINDHAM BRANNON PC		PTIN	P00161479
Firm's address ◆ 1355 PEACHTREE ST NE, STE 200 ATLANTA, GA 30309-3230		Firm's EIN ◆	58-1763439
		Phone no	404-898-2000

Capital Gains and Losses for Tax on Investment Income

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

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

Name	Employer Identification Number
THALIA & MICHAEL C CARLOS FOUNDATION, INC	58-1410420

	(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)	MS CHARTER ASPECT FLOWTHROUGH	P	VARIOUS	VARIOUS
(2)	MS CHARTER ASPECT FLOWTHROUGH	P	VARIOUS	VARIOUS
(3)	MS CHARTER GRAHAM FLOWTHROUGH	P	VARIOUS	VARIOUS
(4)	MS CHARTER GRAHAM FLOWTHROUGH	P	VARIOUS	VARIOUS
(5)	MS CHARTER WCM FLOWTHROUGH	P	VARIOUS	VARIOUS
(6)	MS CHARTER WCM FLOWTHROUGH	P	VARIOUS	VARIOUS
(7)	350 SHS NABORS INDUSTRIES	P	01/22/10	03/09/10
(8)	350 SHS NABORS INDUSTRIES	P	01/22/17	03/17/10
(9)	300 SHS AETNA INC NEW	P	12/10/09	01/19/10
(10)	300 SHS AETNA INC NEW	P	12/10/09	03/25/10
(11)	400 SHS ADP INC	P	03/16/10	07/02/10
(12)	200 SHS BARD C R INC	P	12/03/09	01/19/10
(13)	100 SHS CHUBB CORP	P	12/29/09	10/05/10
(14)	600 SHS EQUIFAX INC	P	07/20/09	02/07/04
(15)	700 ISHARES MSCI EMERGING MKTS	P	04/16/09	02/12/10

	(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)	10,496			10,496
(2)	15,527			15,527
(3)			4,499	-4,499
(4)	9,410			9,410
(5)	9,939			9,939
(6)	12,431			12,431
(7)	7,726		8,559	-833
(8)	7,627		8,559	-932
(9)	9,746		9,541	205
(10)	10,454		9,541	913
(11)	15,708		17,621	-1,913
(12)	16,672		16,654	18
(13)	5,626		4,969	657
(14)	19,409		15,850	3,559
(15)	26,740		19,597	7,143

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(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	
(1)				10,496
(2)				15,527
(3)				-4,499
(4)				9,410
(5)				9,939
(6)				12,431
(7)				-833
(8)				-932
(9)				205
(10)				913
(11)				-1,913
(12)				18
(13)				657
(14)				3,559
(15)				7,143

Form **990-PF** | **Capital Gains and Losses for Tax on Investment Income** | **2010**

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

Name

THALIA & MICHAEL C CARLOS
FOUNDATION, INC

Employer Identification Number

58-1410420

	(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)	200 SHS LOCKHEED MARTIN CORP	P	01/21/10	07/07/10
(2)	700 SHS WESTERN UNION CO COM	P	08/28/09	01/29/10
(3)	150 SHS BHP BILLITON LTD ADR	P	05/05/09	05/10/10
(4)	150 SHS GENERAL MILLS INC	P	03/12/09	03/24/10
(5)	250 SHS GENUINE PARTS CO	P	07/16/09	10/14/10
(6)	350 ISHARES TR MSCI EMERGING MKTS	P	04/16/09	05/14/10
(7)	50000 US TREASURY NOTES 3.5%	P	02/09/05	02/16/10
(8)	SEE ATTACHED STMT D-1 MS #022861	P	VARIOUS	VARIOUS
(9)	SEE ATTACHED STMT D-1 MS #022861	P	VARIOUS	VARIOUS
(10)	SPDR GOLD TRUST GOLD SHS	P	VARIOUS	VARIOUS
(11)	200000 ALTRIA GROUP INC 7.75% 2-6-14	P	03/10/09	05/24/10
(12)	50000 BELLSOUTH CAP FD 7.75% 2-15-10	P	08/08/05	02/16/10
(13)	FHLMC 3414 CB 5.25% 11-15-36	P	02/04/08	VARIOUS
(14)	FHR 3319 CC 5.25% 2-15-37	P	05/02/07	VARIOUS
(15)	FHR 3320 NB 5.5% 11-15-36	P	06/01/07	01/15/10

	(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)	14,795		15,647	-852
(2)	13,077		13,384	-307
(3)	10,549		7,727	2,822
(4)	10,868		7,779	3,089
(5)	11,313		8,627	2,686
(6)	13,945		9,798	4,147
(7)	50,000		49,752	248
(8)	234,833		226,780	8,053
(9)	1,066,414		1,122,745	-56,331
(10)	419			419
(11)	229,936		208,720	21,216
(12)	50,000		50,000	
(13)	48,285		48,526	-241
(14)	135,000		135,000	
(15)	7,704		7,637	67

	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)				-852
(2)				-307
(3)				2,822
(4)				3,089
(5)				2,686
(6)				4,147
(7)				248
(8)				8,053
(9)				-56,331
(10)				419
(11)				21,216
(12)				
(13)				-241
(14)				
(15)				67

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2010

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

Name
THALIA & MICHAEL C CARLOS
FOUNDATION, INC

Employer Identification Number
58-1410420

	(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)	FHR 3374 DC 5.75% 6-15-37	P	11/29/07	VARIOUS
(2)	FHR 3374 DK 5.5% 6-15-37	P	11/29/07	VARIOUS
(3)	250000 GENERAL ELECTRIC CORP .414	P	03/23/09	05/24/10
(4)	150000 MORGAN STANLEY 4.75% 4.1.14	P	09/23/08	05/24/10
(5)	200000 TARGET CORP 5.375% 5-01-17	P	01/25/08	05/24/10
(6)	MS #022861			
(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)	21,736		21,872	-136
(2)	21,736		21,790	-54
(3)	242,504		207,693	34,811
(4)	147,468		109,505	37,963
(5)	221,080		199,937	21,143
(6)				
(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)				-136
(2)				-54
(3)				34,811
(4)				37,963
(5)				21,143
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

MorganStanley SmithBarney

Activity

Custom Portfolio Active Assets Account
632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

REALIZED GAIN/(LOSS) DETAIL

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
ADOBE SYSTEMS	07/15/08	09/23/10	1,200 000	$31,907.46	$48,475.68	$(16,568.22)	
	10/31/08	09/23/10	800.000	21,271.64	21,461.44	(189.80)	
	06/15/09	09/23/10	700.000	18,612.68	20,257.37	(1,644.69)	
ANADARKO PETE	01/05/09	05/25/10	1,570.000	80,247.78	66,749.65	13,498.13	
	06/15/09	05/25/10	100.000	5,111.32	4,882.20	229.12	
CVS CAREMARK CORP	08/16/05	06/16/10	40.000	1,277.58	1,178.80	98.78	
	07/25/06	06/16/10	240 000	7,665.47	7,847.47	(182.00)	
	02/26/07	06/16/10	320.000	10,220.63	10,345.60	(124.97)	
	03/26/07	06/16/10	70.000	2,235.76	2,424.10	(188.34)	
	06/08/07	06/16/10	80.000	2,555.16	3,024.00	(468.84)	
	07/11/07	06/16/10	100.000	3,193.95	3,601.00	(407.05)	
	07/24/07	06/16/10	50.000	1,596.97	1,796.50	(199.53)	
	12/18/07	06/16/10	100.000	3,193.95	3,893.00	(699.05)	
	02/01/08	06/16/10	200.000	6,387.89	7,862.00	(1,474.11)	
	04/02/08	06/16/10	150.000	4,790.92	6,058.50	(1,267.58)	
	04/28/08	06/16/10	150.000	4,790.92	6,181.50	(1,390.58)	
	10/31/08	06/16/10	300.000	9,581.84	9,167.01	414.83	
	06/15/09	06/16/10	800 000	25,551.57	23,886.40	1,665.17	
	11/11/09	06/16/10	420.000	13,414.57	12,603.36	811.21	
GILEAD SCIENCE	04/12/06	01/05/10	1,020.000	43,767.17	31,112.95	12,654.22	
	02/08/07	01/05/10	80 000	3,432.72	2,884.80	547.92	
	02/26/07	01/05/10	80.000	3,432.72	2,953.60	479.12	
	06/08/07	01/05/10	80.000	3,432.72	3,147.60	285.12	
	07/11/07	01/05/10	50 000	2,145.45	1,987.00	158.45	

CONTINUED

MorganStanley SmithBarney

CLIENT STATEMENT | For the Period November 1-30, 2010

Activity

Custom Portfolio Active Assets Account 632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
	07/24/07	01/05/10	90.000	3,861.81	3,395.70	466.11	
	02/01/08	01/05/10	160.000	6,865.44	7,454.40	(588.96)	
	04/02/08	01/05/10	100.000	4,290.90	5,184.80	(893.90)	
	04/28/08	01/05/10	100.000	4,290.90	5,251.60	(960.70)	
	11/11/09	01/05/10	160.000	6,865.44	7,524.56	(659.12)	
INTEL CORP	07/17/09	09/14/10	4,400.000	82,159.37	80,559.60	1,599.77	
ISHARES MSCI JAPAN INDEX FUND	01/12/05	10/28/10	470.000	4,711.76	5,057.20	(345.44)	
	02/09/05	10/28/10	270.000	2,706.76	2,826.90	(120.14)	
	08/16/05	10/28/10	190.000	1,904.76	2,078 60	(173.84)	
	04/02/08	10/28/10	220 000	2,205.51	2,802.80	(597.29)	
	04/28/08	10/28/10	250.000	2,506.26	3,317.50	(811.24)	
	10/31/08	10/28/10	300.000	3,007.51	2,661.00	346.51	
	06/15/09	10/28/10	900.000	9,022.53	8,412.75	609.78	
	11/11/09	10/28/10	1,500.000	15,037.54	14,499.75	537.79	
ITT CORP	02/14/08	08/25/10	610.000	25,952.44	35,803.04	(9,850.60)	
	04/02/08	08/25/10	190.000	8,083.55	10,213.64	(2,130.09)	
	04/28/08	08/25/10	200.000	8,509.00	12,395.60	(3,886.60)	
	10/31/08	08/25/10	300.000	12,763.49	12,895.80	(132.31)	
	06/15/09	08/25/10	500.000	21,272.49	22,679.00	(1,406.51)	
JOHNSON & JOHNSON	09/16/08	08/05/10	650.000	38,823.00	45,427.33	(6,604 33)	
	09/19/08	08/05/10	310.000	18,515.58	21,724.96	(3,209.38)	
	06/15/09	08/05/10	500.000	29,863.84	27,554.00	2,309.84	
LOCKHEED MARTIN CORP	01/30/09	08/04/10	770.000	57,761.03	64,262.51	(6,501.48)	
	06/15/09	08/04/10	200.000	15,002.87	16,430 20	(1,427.33)	
	11/11/09	08/04/10	230.000	17,253.29	17,290.50	(37.21)	
LOWES COMPANIES INC	08/12/08	03/30/10	1,200.000	29,294.86	28,908.60	386.26	
	06/15/09	03/30/10	800.000	19,529.91	15,646.48	3,883.43	
	08/26/09	03/30/10	1,150 000	28,074.25	24,814 70	3,259.55	
METLIFE INCORPORATED	09/23/09	11/15/10	2,200.000	88,168 12	85,015.04	3,153.08	
	11/11/09	11/15/10	340.000	13,625.98	12,106.72	1,519.26	
MONSANTO CO/NEW	04/02/08	04/16/10	50.000	3,195.88	5,500.00	(2,304.12)	
	04/28/08	04/16/10	80.000	5,113.41	9,772.80	(4,659.39)	
	12/17/08	04/16/10	320.000	20,453.64	24,654.62	(4,200.98)	
	06/15/09	04/16/10	150.000	9,587.64	12,759.30	(3,171.66)	
	07/02/07	05/13/10	100.000	5,568 98	6,849.42	(1,280.44)	
	07/11/07	05/13/10	20.000	1,113.79	1,325.00	(211.21)	
	12/17/08	05/13/10	280.000	15,593.13	21,572.80	(5,979.67)	
	11/11/09	05/13/10	200.000	11,137.95	15,015.98	(3,878.03)	

CONTINUED

Activity

Custom Portfolio Active Assets Account
632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

REALIZED GAIN/(LOSS) DETAIL (CONTINUED)

Security Description	Date Acquired	Date Sold	Quantity	Sales Proceeds	Orig / Adj Total Cost	Realized Gain/(Loss)	Comments
POWERSHARES QQQ TR	10/16/06	02/10/10	370.000	15,967.85	15,717.67	250.18	
	02/08/07	02/10/10	70.000	3,020.94	3,114.30	(93.36)	
	02/26/07	02/10/10	70.000	3,020.94	3,147.20	(126.26)	
	03/26/07	02/10/10	50.000	2,157.82	2,202.50	(44.68)	
	06/08/07	02/10/10	40.000	1,726.25	1,863.60	(137.35)	
	07/24/07	02/10/10	40.000	1,726.25	1,964.00	(237.75)	
	12/18/07	02/10/10	60.000	2,589.38	2,973.60	(384.22)	
	01/08/08	02/10/10	100.000	4,315.63	4,868.00	(552.37)	
	01/22/08	02/10/10	100.000	4,315.63	4,420.00	(104.37)	
	02/01/08	02/10/10	200.000	8,631.27	9,160.00	(528.73)	
	04/02/08	02/10/10	100.000	4,315.63	4,580.80	(265.17)	
	04/28/08	02/10/10	100.000	4,315.63	4,742.80	(427.17)	
	10/31/08	02/10/10	200.000	8,631.27	6,573.60	2,057.67	
	06/15/09	02/10/10	700.000	30,209.44	24,988.60	5,220.84	
RESEARCH IN MOTION	11/11/09	05/07/10	1,430.000	93,648.82	92,572.48	1,076.34	
WAL MART STORES INC	03/11/08	04/16/10	580.000	31,306.18	28,960.09	2,346.09	
	04/02/08	04/16/10	150 000	8,096.43	8,185 20	(88.77)	
	04/28/08	04/16/10	100.000	5,397.62	5,784.80	(387.18)	
	01/12/09	04/16/10	500.000	26,988.09	25,638.95	1,349.14	
WELLS FARGO & CO NEW	12/08/08	10/18/10	2,000.000	48,344.98	62,798.20	(14,453.22)	
	06/15/09	10/18/10	1,200.000	29,006.99	29,841.60	(834.61)	
Net Realized Gain/(Loss) This Period				$142,896.73	$138,778.26	$4,118.47	
Net Realized Gain/(Loss) Year to Date				$1,301,246.49	$1,349,524.72	$(48,278.23)	

Gain/loss information is provided for informational purposes only and should not be used for tax preparation. Please refer to the gain/loss section of the disclosures for important information about gain/loss reporting.

From January through September, realized gain/loss information will be shown only for trades settling in the current month, and/or certain adjustments (to previously closed lots) made in the current month. From October through December, in order to provide information for year-end investment planning, complete year to date realized gain/loss detail will be displayed for trades settling through the last business day of the year.

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
MS ASPECT LP	$ -4,036	$ -4,036	$
MS GRAHAM LP	-5,105	-5,105	
MS WCM LP	-4,139	-4,139	
TOTAL	$ -13,280	$ -13,280	$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAX PREP FEES	$ 12,000	$ 12,000	$	$
TOTAL	$ 12,000	$ 12,000	$ 0	$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAX W/H	$ 1,518	$ 1,518	$	$
EXCISE TAX	10,796			
TOTAL	$ 12,314	$ 1,518	$ 0	$ 0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
EXPENSES				
BANK CHARGES	2			
BROKERAGE FEES	42,989	42,989		
OTHER INVESTMENT FEES	419	419		
SECRETARY OF STATE	30	30		
TOTAL	$ 43,440	$ 43,438	$ 0	$ 0

Statement 5 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
US TREASURY NOTE DUE 7/31/12 4.625%	$ 302,731	$ 301,259	COST	$ 319,710
US TREASURY NOTE DUE 2/15/10 3.5%	49,752		COST	
US TREASURY NOTE DUE 4/30/13 3.125%	449,317	449,317	COST	475,385
MORGAN STANLEY #046265 STMT A-6		661,522	COST	654,930
TOTAL	$ 801,800	$ 1,412,098		$ 1,450,025

Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
NAT'L FINANCIAL SVC #5880 STMT A -1	$ 370,745	$ 357,056	COST	$ 388,113
MORGAN STANLEY #022861 STMT A-2	6,320,366	6,362,389	COST	7,739,124
MORGAN STANLEY #046265 STMT A-3	275,000	275,000	COST	279,940
TOTAL	$ 6,966,111	$ 6,994,445		$ 8,407,177

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
NATL FIN SVCS NEWELL RUBBERMAID 5.5%	$	$ 53,270	COST	$ 53,800
MORGAN STANLEY #046265 STMT A-4	6,751,817	7,528,997	COST	7,757,079
TOTAL	$ 6,751,817	$ 7,582,267		$ 7,810,879

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
NAT'L FIN SVC #5880 STMT A-5	$ 11,533	$ 20,628	COST	$ 22,122
MORGAN STANLEY #046265 STMT A-6	410,033	172,406	COST	174,457
MS - #046265 CHARTER ASPECT L.P.	206,835	228,822	COST	226,392

Statement 8 - Form 990-PF, Part II, Line 13 - Other Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
MS - #046265 CHARTER GRAHAM L.P.	$ 282,215	$ 282,020	COST	$ 280,457
MS - #046265 CHARTER WNT L.P.	212,825	231,056	COST	229,754
TOTAL	$ 1,123,441	$ 934,932		$ 933,182

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

Description
LETTER DESCRIBING NEED

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

Federal Statements

Taxable Interest on Investments

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs ($ or %)
WACHOVIA - MONEY MARKET	$ 1		14		
NATIONAL FINANCIAL SERVICES	844		14		
NAT. FIN. SERV.-US OBLIGATION	28,813		14		100.000%
MORGAN STANLEY #022861	430		14		
MORGAN STANLEY #046265	366,565		14		
MORGAN STANLEY #045265 GOV'T	5,060		14		100.000%
MS #046265-ACCR INT PD	-19,864		14		
MORGAN STANLEY #046265-OID	5,947		14		
MS #046265-OTHER INT	4,827		14		
AMORTIZATION OF BOND PREMIUM	-44,689		14		
TOTAL	$ 347,934				

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs ($ or %)
NAT. FIN. SERV	$ 7,703		14		
MORGAN STANLEY #022861	133,021		14		
MORGAN STANLEY #046265	29,434		14		
MORGAN STANLEY #101180	1		14		
TOTAL	$ 170,159				

Other Investment Income

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code
MS ASPECT LP	$ -4,036		14	
MS GRAHAM LP	-5,105		14	
MS WCM LP	-4,139		14	
TOTAL	$ -13,280			

Fidelity INVESTMENTS

Investment Report

December 1, 2010 - December 31, 2010

00015127 02 AV 0.460 10015127 Envelope 021082627

THALIA/MICHAEL C CARLOS FNDTN
C/O HAROLD ABRAMS ESQ
1100 PEACHTREE ST NE STE 2860
ATLANTA GA 30309-9916

Your Advisor
A. MONTAG & ASSOCIATES
133 PEACHTREE ST
SUITE 2500
ATLANTA GA 30303
Phone: (404)522-5774

Brokerage 579-875880 THALIA/MICHAEL C CARLOS FNDTN FEIN: 58-1410420

Account Summary

Beginning value as of Dec 1	$1,332,740.86
Change in investment value	20,663.34
Ending value as of Dec 31	**$1,353,404.20**
Accrued Interest (AI)	$8,795.44
Change in AI from last statement	$2,602.23

You can borrow up to $154,473.08 on your margin account. The maximum rate that could be applied to your debit balance would be 7.35%, as of December 31, 2010.

Income Summary

	This Period	Year to Date
Taxable		
Dividends	$881.47	$7,863.47
Interest	2.91	1,431.98
U.S. Gov't interest	0.00	28,812.50
Total	**$884.38**	**$38,107.95**

Realized Gain/Loss from Sales

	This Period	Year to Dat
Short-term gain	$0.00	$12,496.1
Short-term loss	0.00	-4,836.9
Net short	**0.00**	**7,659.1**
Long-term gain	$0.00	$12,991.0

Holdings (Symbol) as of December 31, 2010

	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Valu December 31, 201
Stocks					
M BEMIS COMPANY INC (BMS)	600.000	$32.660	$17,844.83	$18,852.00	$19,596.0
M CHUBB CORP (CB)	150.000	59.640	7,452.96	8,551.50	8,946.0
M DU PONT E I DE NEMOURS & CO (DD)	400.000	49.880	17,115.51	18,796.00	19,952.0
M GENUINE PARTS CO (GPC)	250.000	51.340	8,626.92	12,035.00	12,835.0
M HOME DEPOT INC (HD)	600.000	35.060	16,740.74	18,126.00	21,036.0
M INTL BUSINESS MACH (IBM)	150.000	146.760	17,772.50	21,219.00	22,014.0

Your Advisor is an independent organization and is not affiliated with Fidelity Investments. Fidelity does not endorse or recommend any particular investment trading activity, or agent/Advisor. Brokerage services provided by Fidelity

Fidelity INVESTMENTS

Investment Report

December 1, 2010 - December 31, 2010

Brokerage 579-875880 THALIA/MICHAEL C CARLOS FNDTN

	Holdings (Symbol) as of December 31, 2010	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Valu December 31, 201
M	ISHARES TR MSCI EMERGING MKTS INDEX FD (EEM)	375.000	47.642	10,498.36	16,792.50	17,865.7
M	MICROSOFT CORP (MSFT)	400.000	27.910	9,706.63	10,103.20	11,164.0
M	NESTLE SA SPON ADR EACH REPR 1 COM CHF0.10 REGD (NSRGY)	400.000	58.738	19,548.00	21,892.40	23,495.2
M	OMNICOM GROUP (OMC)	450.000	45.800	18,805.67	20,448.00	20,610.0
	SPDR S&P 500 ETF TRUST UNIT SER 1 S&P (SPY)	285.000	125.750	40,067.60	33,770.50	35,838.7
M	SPDR S&P 500 ETF TRUST UNIT SER 1 S&P (SPY)	580.000	125.750	85,311.81	68,725.94	72,935.0
M	SPDR GOLD TR GOLD SHS (GLD)	150.000	138.720	13,829.39	20,313.00	20,808.0
M	SPDR SER TR KBW REGL BKG ETF (KRE)	700.000	26.450	17,573.92	15,764.00	18,515.0
	SPDR S&P MIDCAP 400 ETF TR UNIT SER 1 STANDARD & POORS DEP RCPT N/C FROM 595635103 #REOR M0050619260001 (MDY)	270.000	164.680	39,851.90	41,847.30	44,463.6
M	TARGET CORP (TGT)	300.000	60.130	16,309.01	17,082.00	18,039.0

17,844.83	19,596
7,452 96 +	8,946 +
17,115.51 +	19,952 +
8,626 92 +	12,835 +
16,740 74 +	21,036 +
17,772 50 +	22,014 +
10,498 36 +	17,865 7 +
9,706 63 +	11,164 +
19,548 +	23,495 2 +
18,805 67 +	20,610 +
40,067 60 +	35,838.7 +
85,311 81 +	72,935 +
13,829 39 +	20,808 +
17,573 92 +	18,515 +
39,851 90 +	44,463.6 +
16,309 01 +	18,039 +
357,055.75 = Cost	388,113 2 = FMV

Holdings

Custom Portfolio Active Assets Account 632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the period shown above which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" in the Disclosures section at the end of this statement.
Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates. Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates. Estimated yield reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate.
If you hold structured products, please refer to the Special Considerations Regarding Structured Products section of the Disclosure section.
Gain/loss information is provided for informational purposes only and should not be used for tax preparation. Please refer to the gain/loss section of the disclosures for important information about gain/loss reporting.
From January through September, realized gain/loss information will be shown only for trades settling in the current month, and/or certain adjustments (to previously closed lots) made in the current month. From October through December, in order to provide information for year-end investment planning, complete year to date realized gain/loss detail will be displayed for trades settling through the last business day of the year.

CASH, DEPOSITS AND MONEY MARKET FUNDS

Description	Value	Estimated Annual Income	7-Day Current Yield %	Annual Percentage Yield %
CASH	$612.00			
MORGAN STANLEY BANK N.A. #	245,000.00	490.00	—	0.200
MORGAN STANLEY PRIVATE BANK NA #	73,723.28	147.00	—	0.200
BANK DEPOSITS	$318,723.28	$637.00		

	Percentage of Assets %	Market Value	Estimated Annual Income / Accrued Interest
CASH, DEPOSITS AND MONEY MARKET FUNDS	4.0%	$319,335.28	$637.00 $0.00

 # Bank deposits are at Morgan Stanley Bank, N.A. and Morgan Stanley Private Bank, National Association (Members FDIC), affiliates of Morgan Stanley Smith Barney.
Cash holdings shown exclude cash holdings in custody at another firm for which you receive a separate statement.

STOCKS

COMMON STOCKS

Security Description	Quantity	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
3M COMPANY (MMM)	1,300.000	$76,699.87	$112,190.00	$35,490.13	$2,730.00	2.43
Share Price: $86.300; Next Dividend Payable 03/11						
ABBOTT LABORATORIES (ABT)	1,740.000	81,582.96	83,363.40	1,780.44	3,062.40	3.67
Share Price: $47.910; Next Dividend Payable 02/11						
AIR PROD & CHEM INC (APD)	940.000	77,858.88	85,493.00	7,634.12	1,842.40	2.15
Share Price: $90.950; Next Dividend Payable 02/14/11						

CONTINUED

Holdings

Custom Portfolio Active Assets Account 632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Quantity	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
AMERICAN ELECTRIC POWER CO (AEP)	2,900.000	91,689.59	104,342.00	12,652.41	5,336.00	5.11
Share Price: $35.980; Next Dividend Payable 03/11						
APPLE INC (AAPL)	580.000	78,388.57	187,084.80	108,696.23	—	—
Share Price: $322.560						
AT&T INC (T)	4,770.000	145,535.87	140,142.60	(5,393.27)	8,204.40	5.85
Share Price: $29.380; Next Dividend Payable 02/11						
BANK OF AMERICA CORP (BAC)	5,910.000	81,656.06	78,839.40	(2,816.66)	236.40	0.29
Share Price: $13.340; Next Dividend Payable 03/11						
BANK OF NEW YORK MELLON CORP (BK)	3,310.000	114,295.37	99,962.00	(14,333.37)	1,191.60	1.19
Share Price: $30.200; Next Dividend Payable 02/11						
BAXTER INTL INC (BAX)	840.000	37,494.58	42,520.80	5,026.22	1,041.60	2.44
Share Price: $50.620; Next Dividend Payable 01/05/11						
CISCO SYS INC (CSCO)	6,100.000	134,164.70	123,403.00	(10,761.70)	—	—
Share Price: $20.230						
COCA COLA CO (KO)	1,900.000	98,261.23	124,963.00	26,701.77	3,344.00	2.67
Share Price: $65.770; Next Dividend Payable 03/11						
CONOCOPHILLIPS (COP)	3,650.000	192,033.26	248,565.00	56,531.74	8,030.00	3.23
Share Price: $68.100; Next Dividend Payable 03/11						
COVIDIEN PLC NEW (COV)	2,160.000	85,844.45	98,625.60	12,781.15	1,728.00	1.75
Share Price: $45.660; Next Dividend Payable 02/11						
DOLLAR TREE INC (DLTR)	2,850.000	82,854.79	159,828.00	76,973.21	—	—
Share Price: $56.080						
DOW CHEMICAL CO (DOW)	3,200.000	94,763.20	109,248.00	14,484.80	1,920.00	1.75
Share Price: $34.140; Next Dividend Payable 01/28/11						
EXXON MOBIL CORP (XOM)	1,860.000	138,053.37	136,003.20	(2,050.17)	3,273.60	2.40
Share Price: $73.120; Next Dividend Payable 03/11						
GENERAL ELECTRIC CO (GE)	5,930.000	124,549.28	108,459.70	(16,089.58)	3,320.80	3.06
Share Price: $18.290; Next Dividend Payable 01/25/11						
GENL DYNAMICS CORP (GD)	1,400.000	88,550.42	99,344.00	10,793.58	2,352.00	2.36
Share Price: $70.960; Next Dividend Payable 02/11						

CONTINUED

MorganStanley SmithBarney

Holdings

Custom Portfolio Active Assets Account 632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Quantity	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
HONEYWELL INTERNATIONAL INC (HON)	1,650.000	72,057.15	87,714.00	15,656.85	1,996.50	2.27
Share Price· $53.160; Next Dividend Payable 03/11						
INTL BUSINESS MACHINES CORP (IBM)	870.000	89,935.63	127,681.20	37,745.57	2,262.00	1.77
Share Price: $146.760; Next Dividend Payable 03/11						
ISHARES FTSE/CHINA 25 INDEX FD (FXI)	2,060.000	88,097.53	88,765.40	667.87	1,293.68	1.45
Share Price: $43.090; Next Dividend Payable 06/11						
ISHARES MSCI BRAZIL(FREE)INDEX (EWZ)	1,200.000	88,261.30	92,880.00	4,618.70	3,368.40	3.62
Share Price: $77.400; Next Dividend Payable 06/11						
ISHARES MSCI EAFE FUND (EFA)	3,500.000	198,372.36	203,770.00	5,397.64	4,889.50	2.39
Share Price: $58.220; Next Dividend Payable 06/11						
ISHARES MSCI EMERGING MKTS FD (EEM)	3,500.000	128,125.57	166,747.00	38,621.43	2,261.00	1.35
Share Price: $47.642; Next Dividend Payable 06/11						
ISHARES MSCI PAC EX-JPN IDX (EPP)	4,600.000	144,440.70	216,108.00	71,667.30	7,134.60	3.30
Share Price: $46.980; Next Dividend Payable 06/11						
ISHARES NASDAQ BIOTECH FUND (IBB)	960.000	81,660.86	89,683.20	8,022.34	489.60	0.54
Share Price: $93.420; Next Dividend Payable 03/11						
ISHARES S&P MID CAP 400 GROWTH (IJK)	5,640.000	406,864.45	568,060.80	161,196.35	3,214.80	0.56
Share Price: $100.720; Next Dividend Payable 03/11						
ISHARES S&P MID CAP 400 VALUE (IJJ)	6,750.000	437,245.10	536,355.00	99,109.90	8,343.00	1.55
Share Price: $79.460, Next Dividend Payable 03/11						
ISHARES S&P SMALL CAP 600 VAL (IJS)	7,500.000	443,034.48	539,175.00	96,140.52	6,165.00	1.14
Share Price: $71.890; Next Dividend Payable 03/11						
ISHARES SMALL CAP 600 GROWTH (IJT)	7,670.000	425,920.99	556,765.30	130,844.31	4,824.43	0.86
Share Price: $72.590; Next Dividend Payable 03/11						
JPMORGAN CHASE & CO (JPM)	2,300.000	91,089.65	97,566.00	6,476.35	460.00	0.47
Share Price: $42.420; Next Dividend Payable 01/11						
MC DONALDS CORP (MCD)	1,390.000	78,202.80	106,696.40	28,493.60	3,391.60	3.17
Share Price: $76.760; Next Dividend Payable 03/11						
MEDCO HEALTH SOLUTIONS INC (MHS)	1,570.000	96,215.25	96,193.90	(21.35)	—	—
Share Price: $61.270						

CONTINUED

Security Mark at Right

Holdings

Custom Portfolio Active Assets Account
632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Quantity	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
MICROSOFT CORP (MSFT)	3,500.000	83,798.40	97,685.00	13,886.60	2,240.00	2.29
Share Price: $27.910; Next Dividend Payable 03/11						
NORFOLK SOUTHERN CORP (NSC)	1,810.000	95,427.53	113,704.20	18,276.67	2,606.40	2.29
Share Price: $62.820; Next Dividend Payable 03/11						
OCCIDENTAL PETROLEUM CORP DE (OXY)	1,100.000	86,637.10	107,910.00	21,272.90	1,672.00	1.54
Share Price: $98.100; Next Dividend Payable 01/15/11						
ORACLE CORP (ORCL)	4,150.000	89,834.85	129,895.00	40,060.15	830.00	0.63
Share Price: $31.300; Next Dividend Payable 02/11						
PEPSICO INC NC (PEP)	2,200.000	131,513.75	143,726.00	12,212.25	4,224.00	2.93
Share Price: $65.330, Next Dividend Payable 01/03/11						
PHILIP MORRIS INTL INC (PM)	2,750.000	108,615.71	160,957.50	52,341.79	7,040.00	4.37
Share Price: $58.530; Next Dividend Payable 01/10/11						
PROCTER & GAMBLE (PG)	1,500.000	87,060.61	96,495.00	9,434.39	2,890.50	2.99
Share Price· $64.330; Next Dividend Payable 02/11						
SCHLUMBERGER LTD (SLB)	1,500.000	95,744.10	125,250.00	29,505.90	1,260.00	1.00
Share Price: $83.500; Next Dividend Payable 01/07/11						
SPDR GOLD TR GOLD SHS (GLD)	900.000	80,584.50	124,848.00	44,263.50	—	—
Share Price: $138.720						
SUNCOR ENERGY INC NEW COM (SU)	1,100.000	35,333.98	42,119.00	6,785.02	435.60	1.03
Share Price: $38.290; Next Dividend Payable 03/11						
TRAVELERS COMPANIES INC COM (TRV)	1,700.000	96,863.28	94,707.00	(2,156.28)	2,448.00	2.58
Share Price: $55.710; Next Dividend Payable 03/11						
UNITED TECHNOLOGIES CORP (UTX)	2,200.000	138,858.18	173,184.00	34,325.82	3,740.00	2.15
Share Price: $78.720; Next Dividend Payable 03/11						
VISA INC CL A (V)	1,000.000	93,357.40	70,380.00	(22,977.40)	600.00	0.85
Share Price: $70.380; Next Dividend Payable 03/11						
WAL MART STORES INC (WMT)	1,770.000	86,065.38	95,456.10	9,390.72	2,141.70	2.24
Share Price: $53.930; Next Dividend Payable 01/03/11						
WALT DISNEY CO HLDG CO (DIS)	3,200.000	92,211.20	120,032.00	27,820.80	1,280.00	1.06
Share Price: $37.510; Next Dividend Payable 01/18/11						

CONTINUED

MorganStanley SmithBarney

Holdings

Custom Portfolio Active Assets Account 632-022861-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

STOCKS

COMMON STOCKS (CONTINUED)

Security Description	Quantity	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
WISCONSIN ENERGY CORP (WEC)	1,800.000	91,090.80	105,948.00	14,857.20	2,880.00	2.71
Share Price: $58.860; Next Dividend Payable 03/11						
WISDOMTREE TRUST INDIA (EPI)	4,500.000	87,924.60	118,755.00	30,830.40	648.00	0.54
Share Price: $26.390; Next Dividend Payable 03/11						
YUM BRANDS INC (YUM)	2,070.000	87,667.40	101,533.50	13,866.10	2,070.00	2.03
Share Price: $49.050; Next Dividend Payable 02/11						

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
STOCKS	96.0%	$6,362,389.04	$7,739,124.00	$1,376,734.96	$136,713.51 $0.00	1.77%

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / *Accrued Interest*	Yield %
TOTAL MARKET VALUE	100.0%	$6,362,389.04	$8,058,459.28	$1,376,734.96	$137,350.51 $0.00	1.70%

TOTAL VALUE (includes accrued interest) $8,058,459.28

MorganStanley SmithBarney

CLIENT STATEMENT | For the Period December 1-31, 2010

Holdings

Active Assets Account 632-046265-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the period shown above which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" in the Disclosures section at the end of this statement.
Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates. Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates. Estimated yield reflects only the income generated by an investment. It does not reflect changes in its price, which may fluctuate.
If you hold structured products, please refer to the Special Considerations Regarding Structured Products section of the Disclosure section.
Gain/loss information is provided for informational purposes only and should not be used for tax preparation. Please refer to the gain/loss section of the disclosures for important information about gain/loss reporting.
From January through September, realized gain/loss information will be shown only for trades settling in the current month, and/or certain adjustments (to previously closed lots) made in the current month. From October through December, in order to provide information for year-end investment planning, complete year to date realized gain/loss detail will be displayed for trades settling through the last business day of the year.

CASH, DEPOSITS AND MONEY MARKET FUNDS

Description	Value	Estimated Annual Income	7-Day Current Yield %	Annual Percentage Yield %
MS ACTIVE ASSETS MONEY TRUST	$279,981.62	$28 00	0.010	—

	Percentage of Assets %	Market Value	Estimated Annual Income / Accrued Interest
CASH, DEPOSITS AND MONEY MARKET FUNDS	2.8%	$279,981.62	$28.00 $0.00

Cash holdings shown exclude cash holdings in custody at another firm for which you receive a separate statement.
Money market funds seek to maintain a share price of $1.00, therefore the dollar amounts listed equal the number of shares. Additional information concerning these transactions is available upon request. For more information about the pricing of Money Market Funds, please see the Disclosures section of the statement.
The money market funds reflected above include the balances in your automatic sweep feature, if any, and may include other money market funds that have been purchased in your account.

STOCKS

PREFERRED STOCKS

Security Description	Quantity	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income	Dividend Yield %
BANK OF AMERICA 8.20% SER H (BAC.H)	3,000.000	$75,000.00	$76,500.00	$1,500.00	$6,150.00	8.03
Share Price: $25.500; Moody BA3 S&P BB+; Next Dividend Payable 02/11						
DEUTSCHE BK CONT CAP III 7.60% (DTK)	8,000.000	200,000.00	203,440.00	3,440.00	15,200.00	7.47
Share Price: $25.430; Moody BAA2 S&P BBB; Next Dividend Payable 02/11						

	Percentage of Assets %	Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
STOCKS	2.8%	$275,000.00	$279,940.00	$4,940.00	$21,350.00 $0.00	7.63%

Holdings

Active Assets Account 632-046265-355 THALIA & MICHAEL C CARLOS FNDTN INC CARE OF: HAROLD ABRAMS ESQ

CORPORATE FIXED INCOME

CORPORATE BONDS

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
BANK OF AMERICA 8.0% FIXED DIV TO 1/2018 FLOATS THEREAFTER CUSIP 060505DR2	100,000 000	$106,502.63 $106,427.73	$100,780.00	$(5,647.73)	$8,000.00 $3,333.33	7.93
Unit Price· $100.780; Coupon Rate 8.000%; Perpetual Maturity; Int. Semi-Annually Jan/Jul 30; Callable $100.00 on 01/30/18; Yield to Call 7.852%; Floater; Moody BA3 S&P BB+; Issued 01/30/08						
GENERAL ELEC CAP CORP CUSIP 36962GW42	100,000.000	92,105.25 92,105.25	100,031.00	7,925.75	378.40 66.22	0.37
Unit Price· $100.031; Coupon Rate 0.378%; Matures 04/28/11; Interest Paid Quarterly Jan 28; Floater; Moody AA2 S&P AA+; Issued 04/28/06						
GENERAL ELEC CAP CORP CUSIP 36962GX82	250,000.000	254,605.25 250,971.36	256,952.50	5,981.14	14,300.00 6,315.83	5.56
Unit Price: $102.781; Coupon Rate 5.720%; Matures 08/22/11; Int. Semi-Annually Jan/Jul 22; Callable $100.00 on 07/22/11; Yield to Maturity 1.350%; Moody AA2 S&P AA+; Issued 08/22/06						
CITIGROUP INC CUSIP 172967DU2	100,000.000	100,326.25 100,057.37	103,135.00	3,077.63	5,100.00 1,303.33	4.94
Unit Price· $103.135; Coupon Rate 5.100%; Matures 09/29/11; Int. Semi-Annually Mar/Sep 29; Yield to Maturity .864%; Moody A3 S&P A; Issued 09/29/06						
GENERAL ELECTRIC CAPITAL CORP TLGP CUSIP 36967HAD9	150,000.000	152,381.25 150,767.83	153,606.00	2,838.17	4,500.00 274.99	2.92
Unit Price: $102.404; Coupon Rate 3.000%; Matures 12/09/11; Int. Semi-Annually Jun/Dec 09; Moody AAA S&P AAA; Issued 12/09/08						
SBC COMMUNICATIONS CUSIP 78387GAH6	150,000.000	156,827.25 152,099.45	157,914.00	5,814.55	8,812.50 3,671.87	5.58
Unit Price: $105.276; Coupon Rate 5.875%; Matures 02/01/12; Int. Semi-Annually Feb/Aug 01; Yield to Maturity .967%; Moody A2 S&P A-; Issued 02/01/02						
HSBC FINANCE CORP CUSIP 40429CFY3	250,000.000	239,880.25 239,880.25	248,797.50	8,917.25	1,396.00 259.81	0.56
Unit Price: $99.519; Coupon Rate 0.558%; Matures 04/24/12; Interest Paid Quarterly Jan 24; Yield to Maturity .927%; Floater; Moody A3 S&P A; Issued 04/24/07						
KRAFT FOODS INC CUSIP 50075NAH7	50,000.000	55,225.00 51,160.67	53,486.50	2,325.83	3,125.00 260.41	5.84
Unit Price: $106.973; Coupon Rate 6.250%; Matures 06/01/12; Int. Semi-Annually Jun/Dec 01, Yield to Maturity 1.267%; Moody BAA2 S&P BBB-; Issued 05/20/02						
WELLS FARGO COMPANY CUSIP 949746CL3	100,000.000	100,537.25 100,176.57	105,622.00	5,445.43	5,125.00 1,708.33	4.85
Unit Price: $105.622; Coupon Rate 5.125%; Matures 09/01/12; Int. Semi-Annually Mar/Sep 01; Yield to Maturity 1.688%; Moody A2 S&P A+; Issued 09/05/02						

CONTINUED

018776 MSADT04B 033005

MorganStanley SmithBarney

Holdings

Active Assets Account 632-046265-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

CORPORATE FIXED INCOME

CORPORATE BONDS (CONTINUED)

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
AMERICAN EXPRESS BK FSB	200,000.000	212,313.25			11,100.00	5.18
CUSIP 02580ECG6		207,118.66	213,924.00	6,805.34	2,281.66	
Unit Price: $106.962; Coupon Rate 5.550%; Matures 10/17/12; Int. Semi-Annually Apr/Oct 17; Yield to Maturity 1.597%; Moody A2 S&P BBB+; Issued 10/17/07						
GENERAL ELECTRIC CAPITAL CORP SER A	200,000.000	206,575.25			10,900.00	5.06
CUSIP 36962GZY3		203,210.10	215,080.00	11,869.90	5,026.11	
Unit Price: $107.540; Coupon Rate 5.450%; Matures 01/15/13; Int. Semi-Annually Jan/Jul 15; Yield to Maturity 1.673%; Moody AA2 S&P AA+; Issued 12/06/02						
VERIZON FLORIDA INC	50,000.000	53,976.50			3,062.50	5.64
CUSIP 923474AA8		51,181.22	54,240.00	3,058.78	1,412.15	
Unit Price: $108.480; Coupon Rate 6.125%; Matures 01/15/13; Int. Semi-Annually Jan/Jul 15; Yield to Maturity 1.866%; Moody BAA1 S&P A-; Issued 10/01/02						
ALLSTATE LF GLB FN TRST	200,000.000	201,193.25			10,750.00	4.93
CUSIP 02003MBQ6		200,610.22	217,792.00	17,181.78	1,791.66	
Unit Price: $108.896; Coupon Rate 5.375%; Matures 04/30/13; Int. Semi-Annually Apr/Oct 30; Yield to Maturity 1.477%; Moody A1 S&P A+; Issued 04/30/08						
TURNER BROADCASTING SYSTEM INC SR	150,000.000	173,411.25			12,562.50	7.28
NOTE		165,648.76	172,333.50	6,684.74	6,281.25	
CUSIP 900262AR7						
Unit Price: $114.889; Coupon Rate 8.375%; Matures 07/01/13; Int. Semi-Annually Jan/Jul 01; Yield to Maturity 2.220%; Moody BAA2 S&P BBB; Issued 07/08/93						
CITIGROUP INC	250,000.000	260,692.75			14,625.00	5.42
CUSIP 172967DP3		255,157.72	269,825.00	14,667.28	7,271.87	
Unit Price: $107.930; Coupon Rate 5.850%; Matures 07/02/13; Int. Semi-Annually Jan/Jul 02; Yield to Maturity 2.559%; Moody A3 S&P A; Issued 06/28/06						
MORGAN STANLEY TRACERS	200,000.000	207,005.00			10,022.40	5.47
CUSIP 12496DAA5		198,720.00	182,976.00	(15,744.00)	111.35	
Unit Price: $95.300; Coupon Rate 5.220%; Matures 07/25/13; Interest Paid Monthly Jun 27; Yield to Maturity 7.258%; Stepped; Moody A3; Issued 09/25/03; Amortized Quantity 192,000						
CREDIT SUISSE FB USA INC	150,000.000	153,458.25			8,250.00	5.02
CUSIP 22541LAH6		151,527.43	164,182.50	12,655.07	3,116.66	
Unit Price: $109.455; Coupon Rate 5.500%; Matures 08/15/13; Int. Semi-Annually Feb/Aug 15; Yield to Maturity 1.792%; Moody AA1 S&P A+; Issued 08/15/03						
MORGAN STANLEY GROUP DEBENTURE	100,000.000	115,719.50			7,000.00	6.35
CUSIP 617446AS8		105,683.78	110,064.00	4,380.22	1,750.00	
Unit Price: $110.064; Coupon Rate 7.000%; Matures 10/01/13; Int. Semi-Annually Apr/Oct 01; Yield to Maturity 3.148%; Moody A2; Issued 10/01/93						

CONTINUED

Holdings

Active Assets Account
632-046265-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

CORPORATE FIXED INCOME

CORPORATE BONDS (CONTINUED)

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
AT&T CORP	250,000.000	279,712.75			16,750.00	5.89
CUSIP 00206RAP7		270,045 70	284,042.50	13,996.80	2,140.27	
Unit Price: $113.617; Coupon Rate 6.700%; Matures 11/15/13; Int. Semi-Annually May/Nov 15; Yield to Maturity 1.812%; Moody A2 S&P A-; Issued 11/17/08						
HOME DEPOT INC	150,000.000	150,423.75			7,875.00	4.78
CUSIP 437076AR3		150,201.19	164,632.50	14,431.31	328.12	
Unit Price: $109.755; Coupon Rate 5.250%; Matures 12/16/13; Int. Semi-Annually Jun/Dec 16; Yield to Maturity 1.846%; Moody BAA1 S&P BBB+; Issued 12/19/06						
MERRILL LYNCH & CO	200,000.000	198,621.25			10,000.00	4.83
CUSIP 59018YSU6		198,621.25	206,982.00	8,360.75	4,111.11	
Unit Price: $103.491; Coupon Rate 5.000%; Matures 02/03/14; Int. Semi-Annually Feb/Aug 03; Yield to Maturity 3.791%; Moody A2 S&P A; Issued 02/03/04						
WELLPOINT INC	250,000.000	277,157.75			15,000.00	5.39
CUSIP 94973VAQ0		270,535.45	277,860.00	7,324.55	5,666.66	
Unit Price: $111.144; Coupon Rate 6.000%; Matures 02/15/14; Int. Semi-Annually Feb/Aug 15; Yield to Maturity 2.281%; Moody BAA1 S&P A-; Issued 02/05/09						
JP MORGAN CHASE & CO	250,000.000	251,285.25			12,187.50	4.58
CUSIP 46625HBJ8		250,747.16	266,060.00	15,312.84	3,588.54	
Unit Price: $106.424; Coupon Rate 4.875%; Matures 03/15/14; Int. Semi-Annually Mar/Sep 15; Yield to Maturity 2.766%; Moody A1 S&P A; Issued 03/09/04						
SOUTHTRUST CORP	175,000.000	178,968.25			10,150.00	5.35
CUSIP 844730AG6		177,731.13	189,420.00	11,688.87	451.11	
Unit Price: $108.240; Coupon Rate 5.800%; Matures 06/15/14; Int. Semi-Annually Jun/Dec 15; Yield to Maturity 3.259%; Moody A2 S&P A+; Issued 05/24/04						
AMERICAN EXPRESS CREDIT CO	150,000.000	161,400.75			7,687.50	4.75
CUSIP 0258M0CZ0		159,500.69	161,727.00	2,226.31	2,690.62	
Unit Price: $107.818; Coupon Rate 5.125%; Matures 08/25/14; Int. Semi-Annually Feb/Aug 25; Yield to Maturity 2.853%; Moody A2 S&P BBB+; Issued 08/25/09						
JP MORGAN CHASE & CO	250,000.000	272,105.00			12,812.50	4.81
CUSIP 46625HBV1		269,927.64	266,017.50	(3,910.14)	3,772.56	
Unit Price: $106.407; Coupon Rate 5.125%; Matures 09/15/14; Int. Semi-Annually Mar/Sep 15; Yield to Maturity 3.273%; Moody A1 S&P A; Issued 09/15/04						
BANK OF AMERICA CORP	200,000.000	201,539.25			10,250.00	4.88
CUSIP 060505AU8		200,922.39	209,702.00	8,779.61	1,309.72	
Unit Price: $104.851; Coupon Rate 5.125%; Matures 11/15/14; Int. Semi-Annually May/Nov 15; Yield to Maturity 3.766%; Moody A2 S&P A; Issued 11/07/02						
GOLDMAN SACHS GROUP INC	250,000.000	255,260.25			13,750.00	5.08
CUSIP 38141GCM4		252,957.38	270,362.50	17,405.12	1,756.94	
Unit Price: $108.145; Coupon Rate 5.500%; Matures 11/15/14; Int. Semi-Annually May/Nov 15; Yield to Maturity 3.244%; Moody A1 S&P A; Issued 11/15/02						

CONTINUED

018776 MSADT04B 033006

Holdings

Active Assets Account
632-046265-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

CORPORATE FIXED INCOME

CORPORATE BONDS (CONTINUED)

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
WELLS FARGO & COMPANY	150,000.000	159,539.25			7,500.00	4.70
CUSIP 949746CR0		157,604.51	159,280.50	1,675.99	958.33	
Unit Price: $106.187; Coupon Rate 5.000%; Matures 11/15/14; Int. Semi-Annually May/Nov 15; Yield to Maturity 3.285%; Moody A2 S&P A+; Issued 11/06/02						
CITIGROUP INC	150,000.000	162,780.00			9,015.00	5.47
CUSIP 172967FA4		161,661.27	164,554.50	2,893.23	400.66	
Unit Price: $109.703; Coupon Rate 6.010%; Matures 01/15/15; Int. Semi-Annually Jun/Dec 15; Yield to Maturity 3.417%; Moody A3 S&P A; Issued 12/15/09						
CREDIT SUISSE FIRST BOSTON USA INC	150,000.000	149,447.25			7,312.50	4.52
CUSIP 22541LAR4		149,447.25	161,722.50	12,275.25	3,371.87	
Unit Price: $107.815; Coupon Rate 4.875%; Matures 01/15/15; Int. Semi-Annually Jan/Jul 15; Yield to Maturity 2.814%; Moody AA1 S&P A+; Issued 12/15/04						
VODAFONE GROUP PLC NEW	50,000.000	52,573.50			2,687.50	4.89
CUSIP 92857WAD2		51,206.23	54,922.50	3,716.27	1,119.79	
Unit Price: $109.845; Coupon Rate 5.375%; Matures 01/30/15; Int. Semi-Annually Jan/Jul 30; Yield to Maturity 2.804%; Moody BAA1 S&P A-; Issued 12/18/02						
BANK OF AMERICA CORP	90,000.000	95,118.90			4,050.00	4.42
CUSIP 06051GEB1		94,957.66	91,469.70	(3,487.96)	1,012.50	
Unit Price: $101.633; Coupon Rate 4.500%; Matures 04/01/15; Int. Semi-Annually Apr/Oct 01; Yield to Maturity 4.076%; Moody A2 S&P A; Issued 03/11/10						
FORD MOTOR CREDIT CO LLC	100,000.000	111,990.00			7,000.00	6.51
CUSIP 345397VN0		111,676.29	107,461.00	(4,215.29)	1,477.77	
Unit Price: $107.461; Coupon Rate 7.000%; Matures 04/15/15; Int. Semi-Annually Apr/Oct 15; Yield to Maturity 5.041%; Moody BA2 S&P B+; Issued 04/09/10						
HSBC FINANCE CORP	100,000.000	106,253.25			5,250.00	4.92
CUSIP 40429CCR1		105,409.17	106,570.00	1,160.83	1,108.33	
Unit Price: $106.570; Coupon Rate 5.250%; Matures 04/15/15; Int. Semi-Annually Apr/Oct 15; Yield to Maturity 3.583%; Moody A3 S&P A; Issued 04/20/05						
MORGAN STANLEY	250,000.000	267,103.00			15,000.00	5.54
CUSIP 61747YCE3		265,669.41	270,750.00	5,080.59	2,625.00	
Unit Price: $108.300; Coupon Rate 6.000%; Matures 04/28/15; Int. Semi-Annually Apr/Oct 28; Yield to Maturity 3.895%; Moody A2 S&P A; Issued 04/28/08						
JP MORGAN CHASE & CO	100,000.000	101,541.25			5,250.00	4.92
CUSIP 46625HAX8		101,187.70	106,651.00	5,463.30	875.00	
Unit Price: $106.651; Coupon Rate 5.250%; Matures 05/01/15; Int. Semi-Annually May/Nov 01; Yield to Maturity 3.578%; Moody A1 S&P A; Issued 04/24/03						
FORD MOTOR CREDIT CORP	45,000.000	58,839.00			5,400.00	9.53
CUSIP 345397VH3		58,441.57	56,607.30	(1,834.27)	690.00	
Unit Price: $125.794; Coupon Rate 12.00%; Matures 05/15/15; Int. Semi-Annually May/Nov 15; Yield to Maturity 5.308%; Moody BA2 S&P B+; Issued 05/05/08						

CONTINUED

Holdings

Active Assets Account 632-046265-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

CORPORATE FIXED INCOME

CORPORATE BONDS (CONTINUED)

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
PRUDENTIAL FINL INC	250,000.000	258,722.75			11,875.00	4.50
CUSIP 74432QAG0		257,172.16	263,395.00	6,222.84	593.75	
Unit Price: $105.358; Coupon Rate 4.750%; Matures 06/13/15; Int. Semi-Annually Jun/Dec 13; Yield to Maturity 3.441%; Moody BAA2 S&P A; Issued 06/13/05						
BANK OF AMERICA CORP	150,000.000	155,469.75			7,125.00	4.61
CUSIP 060505BS2		154,521.80	154,389.00	(132.80)	2,968.75	
Unit Price: $102.926; Coupon Rate 4.750%; Matures 08/01/15; Int. Semi-Annually Feb/Aug 01; Yield to Maturity 4.043%; Moody A2 S&P A; Issued 07/26/05						
GENL ELECTRIC CAPITAL CORP SER A/CORP	100,000.000	100,000.00			5,000 00	4.98
BOND STEP UP		100,000.00	100,329.00	329.00	1,750.00	
CUSIP 36962GN59						
Unit Price· $100.329; Coupon Rate 5.000%; Matures 08/25/15; Int. Semi-Annually Feb/Aug 25; Callable $100.00 on 02/25/11; Yield to Maturity 4.918%; Stepped; Moody AA2 S&P AA+; Issued 02/25/05						
SUNTRUST BANK	100,000.000	101,629.25			5,000.00	4.78
CUSIP 86787GAG7		101,355.53	104,503.00	3,147.47	1,666.66	
Unit Price: $104.503; Coupon Rate 5.000%; Matures 09/01/15; Int. Semi-Annually Mar/Sep 01; Yield to Maturity 3.933%; Moody BAA1 S&P BBB; Issued 08/24/05						
MERRILL LYNCH SER B	200,000.000	213,058.25			10,600.00	5.13
CUSIP 59018YRZ6		212,142.32	206,346.00	(5,796.32)	2,650.00	
Unit Price: $103.173; Coupon Rate 5.300%; Matures 09/30/15; Int. Semi-Annually Mar/Sep 30; Yield to Maturity 4.548%; Moody A2 S&P A; Issued 09/26/03						
MORGAN STANLEY	150,000.000	153,760.50			5,175.00	3 53
CUSIP 61747YCT0		153,660.26	146,244.00	(7,416.26)	848.12	
Unit Price: $97.496; Coupon Rate 3.450%; Matures 11/02/15; Int. Semi-Annually May/Nov 02; Yield to Maturity 4.024%; First Coupon 05/02/11; Moody A2 S&P A, Issued 11/02/10						
GOLDMAN SACHS GROUP INC	150,000.000	157,415.25			8,025.00	4.97
CUSIP 38141GEE0		156,045.44	161,160.00	5,114.56	3,700.41	
Unit Price: $107.440; Coupon Rate 5.350%; Matures 01/15/16; Int. Semi-Annually Jan/Jul 15; Yield to Maturity 3.717%; Moody A1 S&P A; Issued 01/17/06						
WACHOVIA CORP	150,000.000	154,694.25			8,437.50	5.17
CUSIP 929903CH3		153,144.55	163,176.00	10,031.45	1,781.24	
Unit Price: $108.784; Coupon Rate 5.625%; Matures 10/15/16; Int. Semi-Annually Apr/Oct 15; Yield to Maturity 3 913%; Moody A2 S&P A+; Issued 10/23/06						

	Percentage of Assets %	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
CORPORATE FIXED INCOME		$7,629,145.03			$385,174.30	4.96%
		$7,528,997.47	$7,757,078.50	$228,081.03	$101,650.66	
TOTAL CORPORATE FIXED INCOME (incl.accr.int.)	78.7%		$7,858,729.16			

Fidelity INVESTMENTS

Investment Report

December 1, 2010 - December 31, 2010

FEIN: 58-1410420

Brokerage 579-875880 THALIA/MICHAEL C CARLOS FNDTN

Holdings (Symbol) as of December 31, 2010

	Quantity December 31, 2010	Price per Unit December 31, 2010	Total Cost Basis	Total Value December 1, 2010	Total Valu December 31, 201
Other					
M REDWOOD TRUST INC (RWT)	600.000	14.930	9,146.39	8,298.00	8,958.0
M SENIOR HOUSING PROP TRUST (SNH)	600.000	21.940	11,481.15	13,398.00	13,164.0
			20,627.54		22,122.0
Core Account					
CASH	94,274.400	1.000	not applicable	93,390.02	94,274.4
Total Market Value					$1,353,404.2

M - Position held in margin account.

All remaining positions held in cash account.

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

-- not available

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

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

MorganStanley SmithBarney

Holdings

Active Assets Account
632-046265-355

THALIA & MICHAEL C CARLOS FNDTN INC
CARE OF: HAROLD ABRAMS ESQ

GOVERNMENT SECURITIES

TREASURY SECURITIES

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
UNITED STATES TREASURY NOTE-INFLATION INDEXED CUSIP 912828BW9	200,000.000	$251,557.40 $254,478.30	$254,161.69	$(316.61)	$4,734.80 $2,174.40	1.86
Unit Price: $107.359; Coupon Rate 2.000%; Matures 01/15/14; Int. Semi-Annually Jan/Jul 15; Factor 1.18370000; Moody AAA S&P AAA; Issued 01/15/04; Amortized Quantity 236,740						
UNITED STATES TREASURY NOTE-INFLATION INDEXED CUSIP 912828FL9	200,000.000	236,851.16 239,600.48	243,103.33	3,502.85	5,415.10 2,486.82	2.22
Unit Price: $112.234; Coupon Rate 2.500%; Matures 07/15/16; Int. Semi-Annually Jan/Jul 15; Factor 1.08302000; Moody AAA S&P AAA; Issued 07/15/06; Amortized Quantity 216,604						
UNITED STATES TREASURY NOTE-INFLATION INDEXED CUSIP 912828MF4	150,000.000	167,166.80 167,443.29	157,664.74	(9,778.55)	2,086.07 958.00	1.32
Unit Price: $103.922; Coupon Rate 1.375%; Matures 01/15/20; Int. Semi-Annually Jan/Jul 15; Yield to Maturity .922%; Factor 1.01143000; Moody AAA S&P AAA; Issued 01/15/10; Amortized Quantity 151,714						
TREASURY SECURITIES		$655,575.36 $661,522.07	$654,929.76	$(6,592.31)	$12,235.97 $5,619.22	1.87%

FEDERAL AGENCIES

Security Description	Face Value	Orig. Total Cost / Adj. Total Cost	Market Value	Unrealized Gain/(Loss)	Estimated Annual Income / Accrued Interest	Yield %
FED HOME LN MTG CORP CUSIP 3134A4DY7	40,000.000	$43,206.43 $40,122.00	$40,430.00	$308.00	$2,250.00 $662.49	5.56
Unit Price: $101.075; Coupon Rate 5.625%; Matures 03/15/11; Int. Semi-Annually Mar/Sep 15; Moody AAA S&P AAA; Issued 03/15/01						
FED NATL MTG ASSN CUSIP 31359MJH7	125,000.000	137,574.93 125,846.45	127,645.00	1,798.55	7,500.00 958.33	5.87
Unit Price: $102.116; Coupon Rate 6.000%; Matures 05/15/11; Int. Semi-Annually May/Nov 15; Moody AAA S&P AAA; Issued 05/25/01						
FHLMC 3417 CB CUSIP 31397RGM2	150,000.000	150,755.25 6,437.63	6,381.70	(55.93)	336.29 28.02	5.26
Unit Price: $99.627; Coupon Rate 5.250%; Matures 11/15/36; Interest Paid Monthly Dec 15; Yield to Maturity 5.276%; Factor .04270400; Issued 02/01/08; Amortized Quantity 6,405						
FEDERAL AGENCIES		$331,536.61 $172,406.08	$174,456.70	$2,050.62	$10,086.29 $1,648.84	5.78%