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

2010

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2010, or tax year beginning

, 2010, and ending

, 20

G Check all that apply

Initial return    Initial return of a former public charity    Final return  
 Amended return    Address change    Name change

Name of foundation

Lovsted Family Charitable Foundation

A Employer identification number  
94-3216413

Number and street (or P O box number if mail is not delivered to street address)

3879 West Mercer Way

Room/suite

City or town, state, and ZIP code

Mercer Island WA 98040

B Telephone number (see instructions)  
(206) 232-8649H Check type of organization  Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust    Other taxable private foundationC If exempt application is pending, check here ►  
D 1. Foreign organizations, check here ►  
2. Foreign organizations meeting the 85% test, check here and attach computation ►

I Fair market value of all assets at end of year (from Part II, col (c), line 16)

J Accounting method.  Cash    Accrual  
 Other (specify) \_\_\_\_\_E If private foundation status was terminated under section 507(b)(1)(A), check here ►  
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ►

► \$ 422,241 (Part I, column (d) must be on cash basis)

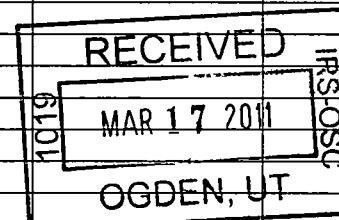
**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), &amp; (d) may not necessarily equal the amounts in column (a) (see instructions))

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
	1 Contributions, gifts, grants, etc., received (attach schedule)	16,849			
	2 Check ► if the foundation is not required to attach Sch. B				
	3 Interest on savings and temp cash investments	2,229	2,229		
	4 Dividends and interest from securities	3,124	3,124		
R E V E N U E	5 a Gross rents ..				
	b Net rental income or (loss) _____				
	6 a Net gain/(loss) from sale of assets not on line 10	2,538			
	b Gross sales price for all assets on line 6a 10,735				
	7 Capital gain net income (from Part IV, line 2)		2,538		
	8 Net short-term capital gain			0	
	9 Income modifications			0	
	10 a Gross sales less rts. & allowances 0				
	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	24,740	7,891	0	
O P E R A 	13 Compensation of officers, directors, trustees, etc ..	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits,				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) # 1	475			
	c Other professional fees (attach schedule)				
	17 Interest ..				
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings ..				
	22 Printing and publications ..				
	23 Other expenses (attach schedule) ..				
	24 Total operating and administrative expenses. Add lines 13 through 23	475	0	0	0
	25 Contributions, gifts, grants paid	11,500			11,500
	26 Total exp & disbursements Add lines 24 and 25	11,975	0	0	11,500
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	12,765			
	b Net investment income (if neg, enter -0-)		7,891		
	c Adjusted net income (if neg, enter -0-)			0	

For Paperwork Reduction Act Notice, see the Instructions.

Form 990-PF (2010)



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<b>Part II</b> <b>Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only (See inst.)	<b>Beginning of year</b>	<b>End of year</b>	
			<b>(a) Book Value</b>	<b>(b) Book Value</b>	<b>(c) Fair Market Value</b>
<b>A S S E T S</b>	1	Cash -- non-interest-bearing	35,277		37,727
	2	Savings and temporary cash investments	50,838		6,727
	3	Accounts receivable ►			
		Less allowance for doubtful accts ►			
	4	Pledges receivable ►			
		Less allowance for doubtful accts ►			
	5	Grants receivable . . . . .			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7	Other notes and loans receivable (attach schedule) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments -- U S and state govt obligations (attach schedule)			
	b	Investments -- corporate stock (attach schedule) #2	355,169		377,787
	c	Investments -- corporate bonds (attach schedule)			
	11	Investments -- land, buildings, and equipment basis ►			
	Less accumulated depreciation (attach schedule) ►				
12	Investments -- mortgage loans				
13	Investments -- other (attach schedule)				
14	Land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach schedule) . . . ►				
15	Other assets (describe ► )				
16	<b>Total assets</b> (to be completed by all filers -- see the instructions Also, see page 1, item I)	441,284	0	422,241	
<b>L I A B I L T I E S</b>	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	<b>Total liabilities</b> (add lines 17 through 22) . . . . .	0	0	
		<b>Foundations that follow SFAS 117, check here. ►</b> <input type="checkbox"/>			
		<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24	Unrestricted . . . . .			
	25	Temporarily restricted . . . . .			
	26	Permanently restricted . . . . .			
		<b>Foundations that do not follow SFAS 117, ck. here ►</b> <input checked="" type="checkbox"/>			
		<b>and complete lines 27 through 31.</b>			
	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	441,284	422,241		
30	<b>Total net assets or fund balances</b> (see the instructions)	441,284	422,241		
31	<b>Total liabilities and net assets/fund balances</b> (see the inst.)	441,284	422,241		

**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	441,284
2	Enter amount from Part I, line 27a	2	12,765
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	454,049
5	Decreases not included in line 2 (itemize) ► See attachment #3	5	31,808
6	Total net assets or fund balances at end of year (line 4 minus line 5) -- Part II, column (b), line 30	6	422,241

**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 attachment #4				
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) FMV 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	2,538
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 the instructions) If (loss), enter -0- in Part I, line 8			3	0

**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?  
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part. Yes  No

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

(a) Base period years Calendar year (or tax year beg. in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009			
2008			
2007			
2006			
2005			

- 2 Total of line 1, column (d) 2
- 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
- 4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5 4
- 5 Multiply line 4 by line 3 5
- 6 Enter 1% of net investment income (1% of Part I, line 27b) 6
- 7 Add lines 5 and 6 7
- 8 Enter qualifying distributions from Part XII, line 4 8

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.

<b>Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 -- see the Instructions)</b>		
1 a	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 Inst.)		1 158
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	
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 3 158	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) 4 0	
5	<b>Tax based on Investment Income.</b> Subtract line 4 from line 3 If zero or less, enter -0- 5 158	
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	
d	Backup withholding erroneously withheld 6d	
7	Total credits and payments Add lines 6a through 6d 7 0	
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached 8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter amount owed 9 158	
10	<b>Overpayment.</b> 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 <b>Credited to 2011 estimated tax</b> ► Refunded ► 11	

**Part VII-A Statements Regarding Activities**

1 a	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 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 1b X	
c	Did the foundation file <b>Form 1120-POL</b> for this year? 1c X	
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ 0 (2) On foundation managers ► \$ 0 0	
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ 0	
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities 2 X	
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes 3 X	
4 a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? b If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? 4a X	
4 b	4b 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 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 yr? If "Yes," complete Part II, col (c), & Part XV 7 X	
8 a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ► WA	
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation 8b X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV 9 X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses #.5 10 X	

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

11		X
12		X
13	X	
14	The books are in care of ► See attachment #6	Telephone no ► Located at ►
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? See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ►	Yes X No

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

	Yes	No
1a During the year did the foundation (either directly or indirectly)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
1b If any answer is "Yes" to 1a(1)-(6), did <b>any</b> 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 instructions)? Organizations relying on a current notice regarding disaster assistance check here ►	1b	X
1c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? ►	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If "Yes," list the years ► 20____, 20____, 20____, 20____	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Are there any years listed in 2a for which the foundation is <b>not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement -- see instructions)	2b	X
c If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here ► 20____, 20____, 20____, 20____		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010)	3b	X
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))?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(3) Provide a grant to an individual for travel, study, or other similar purposes?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 instructions)			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>			5b <input checked="" type="checkbox"/> X
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? If "Yes," attach the statement required by Regulations section 53 4945-5(d)			N/A <input type="checkbox"/> Yes <input type="checkbox"/> No
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870			6b <input checked="" type="checkbox"/> X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
				7b <input checked="" type="checkbox"/> X

**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 Instructions).**

(a) Name and address	(b) Title, and avg hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp	(e) Expense account, other allowances
See attachment #7				

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and avg 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 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	
2	
3	
4	

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

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

**Amount**

1	
2	
All other program-related investments. See the instructions	
3	

**Total.** Add lines 1 through 3


**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see 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 460,196
b	Average of monthly cash balances	1b 39,177
c	Fair market value of all other assets (see the instructions)	1c 352,253
d	<b>Total</b> (add lines 1a, b, and c)	1d 851,626
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e
2	Acquisition indebtedness applicable to line 1 assets.	2
3	Subtract line 2 from line 1d	3 851,626
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see the instructions)	4 12,774
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5 838,852
6	<b>Minimum Investment return.</b> Enter 5% of line 5	6 41,943

**Part XI Distributable Amount** (see 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 41,943
2a	Tax on investment income for 2010 from Part VI, line 5	2a 158
b	Income tax for 2010 (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 158
3	Distributable amount before adjustments Subtract line 2c from line 1	3 41,785
4	Recoveries of amounts treated as qualifying distributions	4
5	Add lines 3 and 4	5 41,785
6	Deduction from distributable amount (see the instructions)	6
7	<b>Distributable amount</b> as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7 41,785

**Part XII Qualifying Distributions** (see the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes	1a 11,500
a	Expenses, contributions, gifts, etc -- total from Part I, column (d), line 26	1b
b	Program-related investments -- total from Part IX-B	2
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	3a
3	Amounts set aside for specific charitable projects that satisfy the	3b
a	Suitability test (prior IRS approval required)	4 11,500
b	Cash distribution test (attach the required schedule)	5 0
4	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6 11,500
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 the instructions)	
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	

**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 the instructions)**

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				41,785
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 2000, 2001, 2002				
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ 11,500				
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required -- see the instructions)				
c Treated as distributions out of corpus (Election required -- see the instructions)				
d Applied to 2010 distributable amount				
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 the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount -- see the instructions				
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				41,785
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see 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 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				►	N/A		
b	Check box to indicate whether the foundation is a private operating foundation described in section					4942(j)(3) or	4942(j)(5)	
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				Tax year	Prior 3 years		(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007				
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 exempt act							
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 min. investment return shown in Part X, line 6 for each year listed							
c	"Support" alternative test -- enter							
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)							
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)							
(3)	Largest amount of support from an exempt organization							
(4)	Gross investment income							

**Part XV Supplementary Information** (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year -- see the instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))  
None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest  
None

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

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

a The name, address, &  Carl Lovsted from applications should be addressed

3879 W Mercer Way  
Mercer Island, WA 98040

(206) 232-8649

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

*Letter with financial information including the cost of operation*

c Any submission deadlines

*November each year*

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

*Can only award mainly to local charities and for an annual period.*

**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)				
<b>a</b> Paid during the year See attachment #8				
<b>Total</b>				► 3a 11,500
<b>b</b> Approved for future payment				
<b>Total</b>				► 3b

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions )
	(a) Business code	(b) Amount	(c) Excl code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees & contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments				2,229	
4 Dividends and interest from securities				3,124	
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					
8 Gain or (loss) from sales of assets other than inventory					
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		5,353	0
13 Total. Add line 12, columns (b), (d), and (e)				13	5,353

(See worksheet in line 13 instructions to verify calculations)

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

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

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

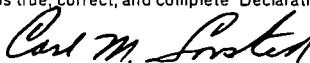
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?	Yes	No
a	Transfers from the reporting foundation to a noncharitable 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		

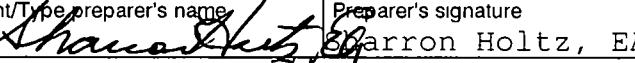
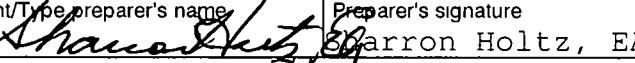
(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2 a 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

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

Paid Preparer Use Only	Print/Type preparer's name  Barron Holtz, EA	Preparer's signature  Barron Holtz, EA	Date 03-03-11	Check <input type="checkbox"/> if self-employed	PTIN 43-1871840
	Firm's name ► HRB Tax Group Inc				Firm's EIN ► 43-1871840
	Firm's address ► 16025 NE 85TH STE 101				Phone no (425) 558-3541

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

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

OMB No. 1545-0047

**2010****Name of the organization**Lovsted Family Charitable Foundation**Employer Identification number**

94-3216413

**Organization type (check one)****Filler of:****Section:**

Form 990 or 990-EZ

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

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundation**Check if your organization is covered by the General Rule or a Special Rule.****Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions**General Rule** For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor Complete Parts I and II**Special Rules** For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1 Complete Parts I and II For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . ► \$ \_\_\_\_\_**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)**For Paperwork Reduction Act Notice, see the Instructions  
for Form 990, 990-EZ, or 990-PF.****Schedule B (Form 990, 990-EZ, or 990-PF) (2010)**

Name of organization Lovsted Family Charitable Foundation	Employer identification number 94-3216413
--	--

**Part I** **Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Carl M. Lovsted 3879 W Mercer Way Seattle, WA 98040	\$ _____	<input checked="" type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>
—	_____	\$ _____	<input type="checkbox"/> Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <small>(Complete Part II if there is a noncash contribution )</small>

## 990 SCHEDULE OF ACCOUNTING FEES

Attachment 1: page 1 - 990-PF Page 1, Part I, Line 16b

Open to Public Inspection	For calendar year 2010, or tax period beginning , and ending		
Name of Organization	Employer Identification Number		
Lovsted Family Charitable Foundation	94-3216413		
Accounting Category	Amount	Net Investment Income	Adjusted Net Income
Tax Preparation	475		
<b>Total:</b>	<b>475</b>		

## 990 SCHEDULE OF INVESTMENTS - CORPORATE STOCKS

Attachment 2: page 1 - 990-PF Page 2, Part II, Line 10b

Open to Public Inspection	For calendar year 2010, or tax period beginning  , and ending			Employer Identification Number
Name of Organization <b>Lovsted Family Charitable Foundation</b>			94-3216413	
Description of Property	Cost	FMV at Year End	Book Value	Fair Market Value
Corporate Stocks		X		377,787
<b>Total:</b>				377,787

**990 SCHEDULE OF OTHER DECREASES**

Attachment 3: page 1 - 990- PF Page 2, Part III, Line 5

Open to Public Inspection	For calendar year 2010, or tax period beginning , and ending	
Name of Organization	Lovsted Family Charitable Foundation	Employer Identification Number 94-3216413
Description of Decrease		Total Amount
Chanfges in stock valuation		31,808
		Total: 31,808

# 990 PART IV CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Attachment 4: page 1 - 990-PF Page 3, Part IV, line 1

Open to Public Inspection	For calendar year 2010 or tax period beginning , and ending		
Name of Organization <b>Lovsted Family Charitable Foundation</b>		Employer Identification Number <b>94-3216413</b>	
(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) 09-04-2009
1	Energy Transfer Partner LP	P	(d) Date Sold (mo, day, yr) 12-20-2010
(e) Gross Sales Price		(f) Depreciation Allowed (or allowable)	(g) Cost or Other Basis Plus Expense of Sale 8,197
1	10,735		(h) Gain or (loss) (e) Plus (f) Minus (g) 2,538
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 if 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)) 2,538
1			

## 990 SCHEDULE OF SUBSTANTIAL CONTRIBUTORS

Attachment 5: page 1 - 990-PF Page 4, Part VII-A, Line 10

Open to Public Inspection	For calendar year 2010, or tax period beginning , and ending	
Name of Organization Lovsted Family Charitable Foundation		Employer Identification Number 94-3216413
Name of Contributor	Address of Contributor	
Carl M. Lovsted	3879 West Mercer Way Mercer Island, WA 98040	

## 990 BOOKS ARE IN CARE OF

Attachment 6 - 990-PF Page 5, Part VII-A, Line 14

Open to Public Inspection	For calendar year 2010, or tax period beginning	, and ending
Name of Organization <u>Lovsted Family Charitable Foundation</u>	Employer Identification Number <u>94-3216413</u>	
Part VII-A - Line 14		

Individual Name Carl M. Lovsted

or

Business Name

Street Address 3879 Mercer Way

U S Address

Zip code 98040

City Mercer Island

State WA

or

Foreign Address

City

\_\_\_\_\_  
Province or State \_\_\_\_\_

Country

\_\_\_\_\_  
Postal code \_\_\_\_\_

Phone Number

(206) 232-8649

Fax Number

\_\_\_\_\_

# 990 CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Attachment 7: page 1 - 990-PF Page 6, Part VIII

Open to Public Inspection	For calendar year 2010, or tax period beginning _____, and ending _____			Employer Identification Number 94-3216413	
Name of Organization Lovsted Family Charitable Foundation	(A) Name and Address Carl Lovsted 3879 West Mercer Way Mercer Island, WA 98040	(B) Title and Average Hrs per Week Director 1.00	(C) Compensation (If not paid, enter 0) 0	(D) Cont to Employee Ben Plans & Def Comp 0	(E) Expense Account & Other Allowances 0

## 990 GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Attachment 8: page 1 990-PF Page 11, Part XV Line 3a

Open to Pu

Inspection For calendar year 2010, or tax period beginning

, and ending

Name of Organization

Lovsted Family Charitable Foundation

Employer Identification Number  
94-3216413

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
<b>Name and Address (home or business)</b>				
Union Gospel Mission PO Box 202 Seattle, WA 98111	none		Restoring Hope and Changing Lives	1,000
Northwest Harvest PO Box 12272 Seattle, WA 98102	none		Feeding the Hungry	250
Fred Hutchinson Cancer Research PO Box 19024 Seattle, WA 98109	none		Improving the Lives of People with Cancer	1,000
Goodwill 1765 6th Ave South Seattle, WA 98134	none		Training and Education Programs for Students	500
Medical Teams International PO Box 1930 D1MF Seattle, WA 98111	none		Improving Health Care Systems	500
Northwest Parkinson 400 Mercer Street Seattle, WA 98109	none		Education about Parkinsons	500
Salvation Army PO Box 9219 Seattle, WA 98109	none		Helping Those in Need	500
Virginia Mason 2010 Virginia Mason Medical Center Seattle, WA 98101	none		Training Medical Teams	1,000
Young Life Mercer Island PO Box 2920 Colorado Springs, CO 80901	none		Reaching Kids For Christ	500
Young Life Colorado PO Box 2920 Colorado Springs, CO 80901	none		Reaching Kids For Christ	1,000
Childhaven 316 Broadway Seattle, WA 98122	none		Taking Care of Children	1,000
Senior Services Meals on Wheels 2208 Second Ave Suite 100 Seattle, WA 98121	none		Promoting the Well Being of Older Adults	500
Downtown Emergency Service 515 Third Avenue Seattle, WA 98104	none		Opening Doors for the Homeless	500
Vine Maple Place 22815 SE 216th Way	none		Providing Transitional	500

**Total:**

**8,750**

## 990 GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Attachment 8: page 2 990-PF Page 11, Part XV Line 3a

Open to Pu

Inspection For calendar year 2010, or tax period beginning

, and ending

Name of Organization

Name of organization  
Lovsted Family Charitable Foundation

Employer Identification Number  
94-3216413

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)				
Maple Valley, WA 98038			Housing and Services for Homeless Families	
National Multiple Sclerosis 192 Nickerson St. Seattle, WA 98109	none		Education About MS	500
Rowing Advisory Council Green Lake Crew 5900 Green Lake Way N Seattle, WA 98103	none		Help For Young Athletes	250
Nightwatch PO Box 21181 Seattle, WA 98111	none		Working with Poor and Homeless	1,000
Seattle Times Children Seattle, WA 98103	none		Working with Children	
Plymouth Housing 2113 - 3rd Ave Seattle, WA 98121	none		Housing for Needy	250
				250

**Total:**

2,750

## 2010 DETAIL STATEMENTS

Lovsted Family Charitable Foun  
94-3216413

Page 1

### STATEMENT #1 - Interest (990-PF PG 1 Line 3(b))

Northern Investors.....	2,229
TOTAL CARRIED TO 990-PF PG 1 Line 3(b).....	2,229

### STATEMENT #2 - Dividends (990-PF PG 1 Line 4(b))

Vanguard Brokerage Services.....	1,193
Vanguard GNMA.....	1,931
TOTAL CARRIED TO 990-PF PG 1 Line 4(b).....	3,124

### STATEMENT #3 - Contributions, gifts, grants (EZ1 PF1 Line 1)

Carl Lovsted.....	16,849
TOTAL CARRIED TO EZ1 PF1 Line 1.....	16,849