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 9/01 , 2010, and ending 8/31 , 2011

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

THE PENATES FOUNDATION
1 LIBERTY LANE (EAST) #100
HAMPTON, NH 03842

A Employer identification number
22-2536075

B Telephone number (see the instructions)
603-926-5911

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 ► ☐

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 ► ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, column (c), line 16)*
► $ 13,288,959.

J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _______________
(Part I, column (d) must be on cash basis)

	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 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 (att sch)	2,024,000.			
2	Ck ► ☐ if the foundn is **not** req to att Sch B				
3	Interest on savings and temporary cash investments	260,152.	260,152.	260,152.	
4	Dividends and interest from securities	79,394.	79,394.	79,394.	
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain/(loss) from sale of assets not on line 10	479,818.			
b	Gross sales price for all assets on line 6a 3,932,320.				
7	Capital gain net income (from Part IV, line 2)		479,818.		
8	Net short-term capital gain			7,368.	
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit/(loss) (att sch)				
11	Other income (attach schedule) SEE STATEMENT 1	-15,840.	-17,793		
12	**Total.** Add lines 1 through 11	2,827,524.	801,571	346,914.	
	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 sch)				
c	Other prof fees (attach sch) SEE ST 2	200,396.	130,271.		70,125.
17	Interest	2,347.	2,347.		
18	Taxes (attach schedule)(see instr) SEE STM 3	2,178.	978.		
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 4	6,089.	1,471.		3,000.
24	**Total operating and administrative expenses.** Add lines 13 through 23	211,010.	135,067.		73,125.
25	Contributions, gifts, grants paid PART XV	2,137,050.			2,137,050.
26	**Total expenses and disbursements.** Add lines 24 and 25	2,348,060.	135,067.	0.	2,210,175.
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	479,464.			
b	**Net investment income** (if negative, enter -0-)		666,504.		
c	**Adjusted net income** (if negative, enter -0-)			346,914.	

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Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing	114,148.	17,921.	17,921.
	2	Savings and temporary cash investments		1,287,778.	1,287,778.
	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 the instructions)			
	7	Other notes and loans receivable (attach sch) ►			
		Less allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)	13,692.		
	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) STATEMENT 5	11,893,287.	10,485,095.	11,983,260.
	14	Land, buildings, and equipment. basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	15	Other assets (describe ►)			
	16	**Total assets** (to be completed by all filers – see instructions. Also, see page 1, item I)	12,021,127.	11,790,794.	13,288,959.
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & 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 and complete lines 24 through 26 and lines 30 and 31.** ► ☐			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ► ☒			
	27	Capital stock, trust principal, or current funds	50,000.	50,000.	
	28	Paid-in or capital surplus, or land, building, and equipment fund	5,009,743.	5,009,743.	
	29	Retained earnings, accumulated income, endowment, or other funds	6,961,384.	6,731,051.	
	30	**Total net assets or fund balances** (see the instructions)	12,021,127.	11,790,794.	
	31	**Total liabilities and net assets/fund balances** (see the instructions)	12,021,127.	11,790,794.	

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	12,021,127.
2	Enter amount from Part I, line 27a	2	479,464.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	12,500,591.
5	Decreases not included in line 2 (itemize) ► SEE STATEMENT 6	5	709,797.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	11,790,794.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	SEE STATEMENT 7			
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) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (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	479,818.
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	7,368.

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 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 (column (b) divided by column (c))
2009	2,703,822.	12,149,357.	0.222549
2008	1,970,511.	14,406,291.	0.136781
2007	1,404,653.	20,559,663.	0.068321
2006	1,335,276.	21,880,328.	0.061026
2005	1,279,449.	21,135,590.	0.060535

2	**Total** of line 1, column (d)	2	0.549212
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	0.109842
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	13,067,597.
5	Multiply line 4 by line 3	5	1,435,371.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	6,665.
7	Add lines 5 and 6	7	1,442,036.
8	Enter qualifying distributions from Part XII, line 4	8	2,210,175.

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

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

1 a 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 instr.)**				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☒ and enter 1% of Part I, line 27b			1	6,665.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	6,665.
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	6,665.
6 Credits/Payments				
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	4,333.		
b Exempt foreign organizations – tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	2,500.		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments Add lines 6a through 6d			7	6,833.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►			9	0.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►			10	168.
11 Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ► 168. **Refunded** ►			11	0.

Part VII-A Statements Regarding Activities

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

Part VII-A | Statements Regarding Activities *(Continued)*

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

Website address ► N/A

14 The books are in care of ► STEPHANIE MORIN Telephone no ► 603-929-2373

Located at ► 1 LIBERTY LANE EAST, SUITE 100 HAMPTON NH ZIP + 4 ► 03842

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐

and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See 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

				Yes	No
	File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.				
1 a	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 the instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here	► ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__	☐ **Yes** ☒ **No**			
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 the instructions)		2b	N/A	
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)*		3b	N/A	
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 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 instructions)? **5b** N/A

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 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
SEE STATEMENT 8		0.	0.	0.

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 average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE	0	0.	0.	0.

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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
LIBERTY LANE SERVICE COMPANY 1 LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	PAYROLL & MGMT SERV	
Total number of others receiving over $50,000 for professional services ►		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see 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 instructions 3	
Total. Add lines 1 through 3 ►	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes				
a	Average monthly fair market value of securities			**1a**	11,981,476.
b	Average of monthly cash balances			**1b**	1,285,120.
c	Fair market value of all other assets (see instructions)			**1c**	
d	**Total** (add lines 1a, b, and c)			**1d**	13,266,596.
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**	13,266,596.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)			**4**	198,999.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			**5**	13,067,597.
6	**Minimum investment return.** Enter 5% of line 5			**6**	653,380.

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

1	Minimum investment return from Part X, line 6			**1**	653,380.
2a	Tax on investment income for 2010 from Part VI, line 5	**2a**	6,665.		
b	Income tax for 2010 (This does not include the tax from Part VI)	**2b**			
c	Add lines 2a and 2b			**2c**	6,665.
3	Distributable amount before adjustments. Subtract line 2c from line 1			**3**	646,715.
4	Recoveries of amounts treated as qualifying distributions			**4**	
5	Add lines 3 and 4			**5**	646,715.
6	Deduction from distributable amount (see instructions)			**6**	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5 Enter here and on Part XIII, line 1			**7**	646,715.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes		
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	**1a**	2,210,175.
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**	2,210,175.
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 instructions)	**5**	6,665.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	**6**	2,203,510.

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

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7					646,715.
2 Undistributed income, if any, as of the end of 2010:					
a Enter amount for 2009 only				0.	
b Total for prior years. 20____, 20____, 20____			0.		
3 Excess distributions carryover, if any, to 2010:					
a From 2005	121,384.				
b From 2006	269,228.				
c From 2007	415,162.				
d From 2008	1,258,374.				
e From 2009	2,099,890.				
f **Total** of lines 3a through e		4,164,038.			
4 Qualifying distributions for 2010 from Part XII, line 4 ► $ 2,210,175.					
a Applied to 2009, but not more than line 2a				0.	
b Applied to undistributed income of prior years (Election required – see instructions)			0.		
c Treated as distributions out of corpus (Election required – see instructions)		0.			
d Applied to 2010 distributable amount					646,715.
e Remaining amount distributed out of corpus		1,563,460.			
5 Excess distributions carryover applied to 2010 *(If an amount appears in column (d), the same amount must be shown in column (a))*		0.			0.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		5,727,498.			
b Prior years' undistributed income Subtract line 4b from line 2b			0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed			0.		
d Subtract line 6c from line 6b Taxable amount – see instructions			0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount — see instructions				0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)		121,384.			
9 **Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		5,606,114.			
10 Analysis of line 9:					
a Excess from 2006	269,228.				
b Excess from 2007	415,162.				
c Excess from 2008	1,258,374.				
d Excess from 2009	2,099,890.				
e Excess from 2010	1,563,460.				

Part XIV **Private Operating Foundations** (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ►

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

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

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

PAUL M. MONTRONE (SEE NOTE)

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

NONE

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

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

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

SEE STATEMENT 9

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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* SEE STATEMENT 10				
Total			► **3a**	2,137,050.
b *Approved for future payment*				
Total			► **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) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	260,152.	
4 Dividends and interest from securities			14	79,394.	
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	-15,840.	
8 Gain or (loss) from sales of assets other than inventory			18		479,818.
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)				323,706.	479,818.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 803,524.

(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.)
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

6/19/12 Date

▶ TREASURER Title

Paid Preparer Use Only

Print/Type preparer's name Howard Spitz	Preparer's signature Howard Spitz	Date 6/19/12	Check if ☐ if self-employed	PTIN P01005747

Firm's name ▶ LIBERTY LANE SERVICE COMPANY LLC

Firm's EIN ▶ 02-0476520

Firm's address ▶ ONE LIBERTY LANE (EAST) SUITE 100
HAMPTON, NH 03842

Phone no (603) 929-2411

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
THE PENATES FOUNDATION

Employer identification number
22-2536075

Organization type (check one)

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

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

General Rule

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

Special Rules

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

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

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

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2 of their 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)

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, or 990-PF.

Name of organization	Employer identification number
THE PENATES FOUNDATION	22-2536075

Part I Contributors (see instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	PAUL M. MONTRONE 1 LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	$ 2,000,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
2	THE OXFORD LEAGUE INC 1 LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	$ 24,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Schedule **B** (Form 990, 990-EZ, or 990-PF) (2010) Page 1 of 1 of **Part II**

Name of organization
THE PENATES FOUNDATION

Employer identification number
22-2536075

Part II **Noncash Property** (see instructions)

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

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

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

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

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

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

Name of organization
THE PENATES FOUNDATION

Employer identification number
22-2536075

Part III *Exclusively* **religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** Complete cols **(a)** through **(e)** and the following line entry.

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of **$1,000 or less** for the year (Enter this information once. See instructions) ► $ N/A

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

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

(e) Transfer of gift

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

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME	$ -15,840.		
TOTAL	$ -15,840.	$ 0.	$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVISORY FEES	$ 60,146.	$ 60,146.		
LIBERTY LANE SVC - MANAGEMENT FEES	140,250.	70,125.		$ 70,125.
TOTAL	$ 200,396.	$ 130,271.	$ 0.	$ 70,125.

STATEMENT 3
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	$ 1,200.			
FOREIGN TAXES PAID	978.	$ 978.		
TOTAL	$ 2,178.	$ 978.	$ 0.	$ 0.

STATEMENT 4
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	$ 1,471.	$ 1,471.		
FEES & LICENSES	3,000.			$ 3,000.
FILING FEES	758.			
OFFICE EXPENSE	860.			
TOTAL	$ 6,089.	$ 1,471.	$ 0.	$ 3,000.

STATEMENT 5
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

OTHER INVESTMENTS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
UBS #2587	COST	$ 526,599.	$ 531,723.
KR CAPITAL PARTNERS FUND LP	COST	0.	0.
PMM THL FUND INVESTMENT, LLC	COST	2,363.	2,337.
CCP FRIENDS 1999 2 PARTNERS	COST	0.	0.
BENNETT RESTRUCTURING FUND	COST	865,906.	885,493.
CCP FRIENDS 2000	COST	65,400.	696.
JPMP FRIENDS 2001	COST	12,498.	3,022.
BLACKSTONE DISTRESSED	COST	34,093.	8,105.
DELTEC BOND FUND LP	COST	612,263.	663,574.
SCS FINANCIAL STATE STREET	COST	3,861,596.	4,290,728.
SCS EQUITY STRATEGIES FUND	COST	288,288.	546,034.
SCS NAVIGATOR FUND	COST	257,255.	550,502.
SCS OPPORTUNITIES FUND	COST	3,925,000.	4,500,473.
TOTAL OTHER INVESTMENTS		$ 10,451,261.	$ 11,982,687.

OTHER SECURITIES			
DELTEC SECURITIES-NOMINEE	COST	0.	0.
WR HUFF-NOMINEE	COST	33,834.	573.
AXA/GILMAN-NOMINEE	COST	0.	0.
MELON AXA HY-NOMINEE	COST	0.	0.
MELON AXA SHORT-NOMINEE	COST	0.	0.
TOTAL OTHER SECURITIES		$ 33,834.	$ 573.
TOTAL		$ 10,485,095.	$ 11,983,260.

STATEMENT 6
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

PRIOR PERIOD ADJUSTMENT	$ 192,490.
TIMING ITEMS-PARTNER DISTRIBUTIONS	517,307.
TOTAL	$ 709,797.

STATEMENT 7
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	SCS FINANCIAL (ST)	PURCHASED	VARIOUS	VARIOUS
2	SCS FINANCIAL (LT)	PURCHASED	VARIOUS	VARIOUS
3	HUFF (ST)	PURCHASED	VARIOUS	VARIOUS
4	HUFF (LT)	PURCHASED	VARIOUS	VARIOUS
5	UBS (ST)	PURCHASED	VARIOUS	VARIOUS
6	UBS (LT)	PURCHASED	VARIOUS	VARIOUS
7	CT MEZZANINE III	PURCHASED	8/31/2003	3/31/2011
8	SALE OF AXA HIGH YIELD	PURCHASED	4/28/2010	9/01/2010

STATEMENT 7 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
9	SALE OF SCS NAVIGATOR SHARES	PURCHASED	9/08/2009	11/01/2010
10	SALE OF SCS EQUITY STRAT FUND SHARES	PURCHASED	VARIOUS	11/01/2010
11	PMM THL - PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
12	CCP FRIENDS 2000-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
13	CCP FRIENDS 2000-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
14	BENNETT RESTRC-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
15	BENNETT RESTRC-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
16	JPMP 2001-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
17	JPMP 2001-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
18	BLACKSTONE DIST-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
19	BLACKSTONE DIST-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
20	DELTEC TOTAL-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
21	DELTEC TOTAL-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
22	SCS NAVIGATOR-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
23	SCS NAVIGATOR-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
24	SCS EQUITY STRAT-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
25	SCS EQUITY STRAT-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
26	AXA HIGH YIELD-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
27	AXA HIGH INC-PASS THRU ST	PURCHASED	VARIOUS	VARIOUS
28	AXA HIGH INC-PASS THRU LT	PURCHASED	VARIOUS	VARIOUS
29	AXA HIGH YIELD-PASS THRU ST2011	PURCHASED	VARIOUS	VARIOUS
30	AXA HIGH YIELD-PASS THRU LT2011	PURCHASED	VARIOUS	VARIOUS
31	AXA HIGH INC-PASS THRU ST 2011	PURCHASED	VARIOUS	VARIOUS
32	AXA HIGH INC-PASS THRU LT 2011	PURCHASED	VARIOUS	VARIOUS
33	SALE OF AXA HIGH YIELD	PURCHASED	4/28/2010	8/31/2011
34	SALE OF AXA HIGH INCOME	PURCHASED	7/28/2010	8/31/2011

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I)-(J)	(L) GAIN (LOSS)
1	679,964.		633,235.	46,729.				$ 46,729.
2	733,741.		648,540.	85,201.				85,201.
3	11,407.		22,733.	-11,326.				-11,326.
4	64,185.		58,955.	5,230.				5,230.
5	92,100.		90,624.	1,476.				1,476.
6	15,977.		16,088.	-111.				-111.
7	366.		13,692.	-13,326.				-13,326.
8	425,440.		433,571.	-8,131.				-8,131.
9	422,002.		363,064.	58,938.				58,938.
10	275,000.		155,372.	119,628.				119,628.
11	0.		17,284.	-17,284.				-17,284.
12	0.		8.	-8.				-8.
13	0.		1,205.	-1,205.				-1,205.
14	23,982.		0.	23,982.				23,982.
15	119,291.		0.	119,291.				119,291.
16	0.		1.	-1.				-1.
17	0.		826.	-826.				-826.
18	353.		0.	353.				353.
19	0.		9,736.	-9,736.				-9,736.
20	0.		30,198.	-30,198.				-30,198.
21	19,964.		0.	19,964.				19,964.
22	0.		9,915.	-9,915.				-9,915.
23	0.		53,481.	-53,481.				-53,481.
24	0.		9,380.	-9,380.				-9,380.
25	89,855.		0.	89,855.				89,855.

STATEMENT 7 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I)-(J)	(L) GAIN (LOSS)
26	0.		2,376.	-2,376.				$ -2,376.
27	265.		0.	265.				265.
28	298.		0.	298.				298.
29	1,897.		0.	1,897.				1,897.
30	35,759.		0.	35,759.				35,759.
31	4,001.		0.	4,001.				4,001.
32	1,192.		0.	1,192.				1,192.
33	457,296.		424,259.	33,037.				33,037.
34	457,985.		457,959.	26.				26.
							TOTAL	$ 479,818.

STATEMENT 8
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
PAUL M. MONTRONE (SEE NOTE) LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	DIRECTOR 3.00	$ 0.	$ 0.	$ 0.
ANGELO M. MONTRONE LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	DIRECTOR 1.00	0.	0.	0.
PAUL M. MEISTER LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	DIRECTOR 1.00	0.	0.	0.
THEODORE KURZ 875 3RD AVE NEW YORK, NY 10022	DIRECTOR 1.00	0.	0.	0.
SANDRA G. MONTRONE LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	PRESIDENT/DIR. 3.00	0.	0.	0.
MICHELE M. COGAN (SEE NOTE) LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	VP/ADMIN/SEC/TR 30.00	0.	0.	0.
JEROME MONTRONE LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	DIRECTOR 0	0.	0.	0.

STATEMENT 8 (CONTINUED)
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
MATTHEW FRIEL LIBERTY LANE EAST SUITE 100 HAMPTON, NH 03842	DIRECTOR 1.00	$ 0.	$ 0.	$ 0.
	TOTAL	$ 0.	$ 0.	$ 0.

STATEMENT 9
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	MICHELE M. COGAN
CARE OF:	
STREET ADDRESS:	1 LIBERTY LANE EAST SUITE 100
CITY, STATE, ZIP CODE:	HAMPTON, NH 03842
TELEPHONE:	603-926-5911
FORM AND CONTENT:	LETTER
SUBMISSION DEADLINES:	NONE
RESTRICTIONS ON AWARDS:	NONE

STATEMENT 10
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
BOSTON LYRIC OPERA 45 FRANKLIN ST BOSTON, MA 02110			CULTURE & ARTS	$ 25,000.
UNIVERSITY OF SCRANTON 800 LINDEN ST SCRANTON, PA 18510			EDUCATION	625,000.
COVENANT HOUSE 460 W 41ST ST NEW YORK, NY 10036			CIVIC/COMMUNITY	10,000.
NEW GENERATION PO BOX 676 GREENLAND, NH 03840			CIVIC/COMMUNITY	5,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
COLUMBIA BUSINESS SCHOOL 101 URIS HALL NEW YORK, NY 10027			EDUCATION	$ 510,000.
SAN DIEGO OPERA 1200 THIRD AVE SAN DIEGO, CA 92101			ARTS & CULTURE	25,000.
NEW ENGLAND CONSERVATORY 290 HUNTINGTON AVE BOSTON, MA 02115			EDUCATION	55,000.
NEW VISIONS 96 MORTON ST NEW YORK, NY 10014			EDUCATION	1,000.
HOPE FOR HAITI 900 BROAD AVE #2C NAPLES, FL 34102			HUMANITARIAN SERVICES	25,000.
CHURCH OF ST AUGUSTINE EAGLE PARK, ROUTE 9 OSSINING, NY 10562			RELIGOUS	2,500.
GOOD SHEPHERD SERVICES 305 7TH AVE NEW YORK, NY 10001			COMMUNITY SERVICE/EDUCATION	5,000.
AMERICAN BOYCHOIR 19 LAMBERT DR PRINCETON, NJ 08540			ARTS & CULTURE	1,000.
BOSTON UNIVERSITY 211 BAY ST RD BOSTON, MA 02215			EDUCATION	20,000.
GREENWOOD COUNSELING SVC PO BOX 1549 LITCHFIELD, CT 06759			HEALTH & HUMAN SERVICES	1,000.
INNOCENCE PROJECT 100 FIFTH AVE, 3RD FLOOR NEW YORK, NY 10011			CIVIC/COMMUNITY	5,000.
ST IGNATIUS LOYOLA CHURCH 900 PARK AVE AT 84TH ST NEW YORK, NY 10028			RELIGOUS	25,000.
THE CHILDREN'S STOREFRONT 70 E 129TH ST NEW YORK, NY 10035			EDUCATION	2,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
ACCELERATED CURE PROJECT 300 FIFTH AVE WALTHAM, MA 02451			MEDICAL RESEARCH	$ 20,000.
HUGGINS HOSPITAL 240 S MAIN ST WOLFEBORO, NH 03894			MEDICAL/HEALTH	60,000.
MYELIN REPAIR FOUNDATION 18809 COX AVE, STE 190 SARATOGA, CA 95070			MEDICAL RESEARCH	10,000.
TRICKLE UP PROGRAM 104 W 27TH ST, 12TH FL NEW YORK, NY 10001			POVERTY ALLEVIATION	10,000.
BOSTON COLLEGE 140 COMMONWEALTH AVE CHESTNUT HILL, MA 02467			EDUCATION	40,000.
BOSTON SYMPHONY ORCHESTRA SYMPHONY HALL BOSTON, MA 02114			ARTS & CULTURE	47,500.
HEIFITZ INTERNATIONAL MUSIC PO BOX 6443 ELLICOTT CITY, MD 21042			ARTS EDUCATION	2,500.
KOLBE CATHEDRAL HIGH SCHOOL 33 CALHOUN PLACE BRIDGEPORT, CT 06604			EDUCATION	2,500.
NEW YORK CITY OPERA 20 LINCOLN CENTER NEW YORK, NY 10023			ARTS & CULTURE	25,000.
OPERA NEW HAMPSHIRE PO BOX 3426 MANCHESTER, NH 03105			ARTS & CULTURE	1,500.
SPALDING YOUTH CENTER PO BOX 247 TILTON, NH 03276			COMMUNITY SERVICES	2,500.
THE MUSIC HALL 104 CONGRESS ST PORTSMOUTH, NH 03801			ARTS & CULTURE	25,000.
YORKVILLE COMMON PANTRY 8 EAST 109TH ST NEW YORK, NY 10029			COMMUNITY SERVICES	10,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
CURRIER MUSEUM OF ART 201 MYRTLE WAY MANCHESTER, NH 03104			ARTS & CULTURE	$ 10,000.
COLUMBIA UNIVERSITY 475 RIVERSIDE DR NEW YORK, NY 10115			EDUCATION	2,500.
NEW HAMPSHIRE PHILHARMONIC 83 HANOVER ST MANCHESTER, NH 03101			ARTS & CULTURE	2,500.
MUSEUM OF ARTS & DESIGN 20 COLUMBUS CR NEW YORK, NY 10019			ARTS & CULTURE	20,000.
NEW HAMPSHIRE MUSIC FESTIVAL 52 SYMPHONY LANE CENTER HARBOR, NH 03226			ARTS & CULTURE	5,000.
THE BARNSTORMERS THEATRE 100 MAIN ST TAMWORTH, NH 03886			ARTS & CULTURE	5,000.
NASHUA SYMPHONY ORCHESTRA 6 CHURCH ST NASHUA, NH 03060			ARTS & CULTURE	5,000.
AFRICAN SISTERS EDUCATION COLLABORATIVE 2300 ADAMS AVE SCRANTON, PA 18509			EDUCATION	5,000.
FRIENDS OF THE BRIDGES HOUSE PO BOX 3967 CONCORD, NH 03302			HISTORIC PRESERVATION	20,000.
LIVE FREE OR DIE ALLIANCE PO BOX 264 FREEDOM, NH 03836	BOD MEMBER IN COMMON		CIVIC/COMMUNITY	30,000.
CENTER FOR NEIGHBORHOOD ENTERPRISE 1625 K ST NW, STE 1200 WASHINGTON, DC 20006			COMMUNITY SERVICES	25,000.
FDN FOR NATIONAL INSTITUTES OF HEALTH 9650 ROCKVILLE PIKE BETHESDA, MD 20814			MEDICAL RESEARCH	25,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
MUSEUM OF SCIENCE SCIENCE PARK BOSTON, MA 02114			EDUCATION & CULTURE	$ 1,200.
NAT'L LEADERSHIP ROUNDTABLE-CHURCH MGMT 1350 CONNECTICUT AVE NW WASHINGTON, DC 20036			RELIGOUS	10,000.
USO WORLD HEADQUARTER 211 WILSON BLVD ARLINGTON, VA 22201			ARMED SERVICES SUPPORT	300.
NEW HAMPSHIRE BOAT MUSEUM 397 CENTER ST WOLFEBORO FALLS, NH 03896			COMMUNITY SERVICE/EDUCATION	100.
ANTILLES SCHOOL PO BOX 11599 ST THOMAS, VI 00801			EDUCATION	5,000.
BRATTLEBORO RETREAT PO BOX 803 BRATTLEBORO, VT 05302			HEALTH & HUMAN SERVICES	10,000.
CITI PERFORMING ARTS CENTER 270 TREMONT ST BOSTON, MA 02116			ARTS & CULTURE	10,000.
CRISTO REY NEW YORK HIGH SCHOOL 112 EAST 160TH ST NEW YORK, NY 10029			EDUCATION	20,000.
KEYSTONE COLLEGE ONE COLLEGE GREEN LA PLUME, PA 18440			EDUCATION	10,000.
NEW HAMPSHIRE CATHOLIC CHARITIES PO BOX 686 MANCHESTER, NH 03105			CIVIC/COMMUNITY	10,000.
THE BUCKLEY SCHOOL 113 EAST 73RD ST NEW YORK, NY 10021			EDUCATION	6,000.
THE CHILD ADVOCACY CTR OF CARROLL COUNTY PO BOX 948 WOLFBORO, NH 03894			YOUTH SERVICES	5,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
THE TRUST FOR PUBLIC LAND 101 MONTGOMERY ST, STE 900 SAN FRANCISCO, CA 94104			CONSERVATION/PRESERVATION	$ 10,000.
UNITED WAY OF THE GREATER SEACOAST 112 CORPORATE DR, UNIT 3 PORTSMOUTH, NH 03801			CIVIC/COMMUNITY	10,000.
CASA-COURT APPOINTED SPECIAL ADVOCATES 100 WEST HARRISON, N TOWER, STE 500 SEATTLE, WA 98119			CIVIC/COMMUNITY	5,000.
CREATIVE ARTS WORKSHOP FOR KIDS 520 8TH AVE, STE 801A NEW YORK, NY 10018			ARTS & CULTIRE	10,000.
SEACOAST REPERTORY THEATRE 125 BOW ST PORTSMOUTH, NH 03801			ARTS & CULTURE	5,000.
WETA-THE BETTER ANGELS SOCIETY 2775 QUINCY ST ARLINGTON, VA 22206			ARTS & CULTURE	100,000.
ALPHA SIGMA NU PO BOX 1881 MILWAUKEE, WI 53201			EDUCATION	1,000.
AMERICAN CANCER SOCIETY 1 MAIN ST, STE 300 TOPSHAM, ME 04086			MEDICAL RESEARCH	500.
BOYS & GIRLS CLUB OF BOSTON 50 CONGRESS ST, STE 730 BOSTON, MA 02109			CIVIC & COMMUNITY	10,000.
CAMPINTERACTIVE 2865 UNIVERSITY AVE, E-1 BRONX, NY 10468			CIVIC & COMMUNITY	1,000.
CATHOLIC RELIEF SERVICES 209 WEST FAYETTE ST. BALTIMORE, MD 21201			RELIGIOUS	10,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
COMMUNITY ANTI-DRUG COALITIONS OF 625 SLATERS LN STE 300 ALEXANDRIA, VA 22314				$ 5,000.
CONGREGATION OF THE SISTERS 2300 ADAMS AVE SCRANTON, PA 18509				25,500.
COUNCIL OF MAJOR SUPERIORS OF WOM PO BOX 4467 WASHINGTON, DC 20017				3,000.
FAMILIES FIRST OF THE GREATER SEACOAST 100 CAMPUS DR. STE 12 PORTSMOUTH, NH 03801				1,000.
FRIENDS OF ABENAKI, INC. PO BOX 506 WOLFEBORO, NH 03894				5,000.
FRIENDS OF WOLFEBORO TOWN HALL PO BOX 901 WOLFEBORO, NH 03894				1,000.
FUND FOR PARKS & RECREATION 1010 MASS AVE, 3RD FL BOSTON , MA 02118				1,800.
GREAT WATERS MUSIC FESTIVAL PO BOX 488 WOLFEBORO, NH 03894				2,500.
HAMPTON FALLS POLICE ASSOCIATION 3 DRINKWATER RD HAMPTON FALLS, NH 03844				1,000.
HORIZONS FOR HOMELESS CHILDREN 1705 COLUMBUS AVE. ROXBURY, MA 02119				2,500.
LET'S GET READY 156 5TH AVE, STE 1100 NEW YORK, NY 10010				1,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
MARYWOOD UNIVERSITY 2300 SCRANTON AVE SCRANTON, PA 18509				$ 10,000.
MASSACHUSETTS GENERAL HOSPITAL 165 CAMBRIDGE ST STE 600 BOSTON, MA 02114				1,000.
MAYHEW PROGRAM PO BOX 120 BRISTOL, NH 03222				2,500.
METROPOLITAN OPERA GUILD 70 LINCOLN CENTER PLAZA NEW YORK, NY 10023				3,000.
NAT'L ALLIANCE ON MENTAL ILLNESS 15 GREEN ST CONCORD, NH 03301				150.
NEW HAMPSHIRE SPCA PO BOX 196 STRATHAM, NH 03885				500.
OPERA NEW JERSEY PO BOX 3151 PRINCETON, NJ 08543				2,500.
PINE HILL CHILD CARE CENTER 77 PINE HILL DR WILTON, NH 03086				500.
PINE STREET INN 444 HARRISON AVE BOSTON, MA 02118				5,000.
RIDE TO RECOVERY 2 CROOKED MILE RD DARIEN, CT 06820				2,500.
SAN DIEGO SYMPHONY FOUNDATION 1245 SEVENTH AVE SAN DIEGO, CA 92101				5,000.
SCHOLARSHIP & WELFARE FUND OF HUN 695 PARK AVE NEW YORK, NY 10065				1,000.

STATEMENT 10 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
SEACOAST AFRICAN AMERICAN CULTERAL CNT PO BOX 444 PORTSMOUTH, NH 03801				$ 1,000.
SISTERS OF ST JOSEPH 34 LOWER WESTFIELD RD STE 1 HOLYOKE, MA 01040				5,000.
SOCIETY FOR THE PROTECTION OF NH FORESTS 54 PORTSMOUTH ST CONCORD, NH 03301				5,000.
THE BLUE HILL TROUPE LTD PO BOX 286800 YORKVILLE STATION, NY 10128				800.
THE CAMP HARBOR VIEW FOUNDATION 200 CLARENDON ST, 60TH FL BOSTON, MA 02116				10,000.
THE CENTRAL ASSOC OF THE MIRACULOUS MEDA 475 E CHDTEN AVE PHILADELPHIA, PA 19144				5,000.
VCS INC 77 S MAIN ST NEW YORK, NY 10956				500.
VILLAGE PLAYERS PO BOX 770 WOLFEBORO, NH 03894				200.
WATERAID AMERICA 232 MADISON AVE, STE 1202 NEW YORK, NY 10016				20,000.
WOLFEBORO AREA CHILDREN'S CENTER 180 SOUTH MAIN ST WOLFEBORO, NH 03894				2,500.
			TOTAL	$ 2,137,050.

PART VII-B: STATEMENTS REGARDING ACTIVITIES FOR WHICH FORM 4720 MAY BE REQUIRED

QUESTION 1A(4): COMPENSATION TO A DISQUALIFIED PERSON:

THE FOUNDATION PAYS A MANAGEMENT FEE, WHICH IS REASONABLE IN COMMENSURATE WITH THE SERVICES RENDERED. THE MANAGEMENT FEE IS PAID TO LIBERTY LANE SERVICE COMPANY, WHO IN TURN PAYS COMPENSATION TO MICHELE COGAN, AN OFFICER OF THE FOUNDATION.

PART I: ANALYSIS OF REVENUE AND EXPENSES

LINE 11 - OTHER INCOME	COL A.	COL B.
CENTRIX	136	136
UBS	718	718
BLACKSTONE DISTRESSED	(1,258)	(1,258)
BENNETT RESTRUCTURING	(16,715)	(16,715)
CCP FREINDS 2000	166	166
JMP 2001	(20)	(20)
DELTEC BOND FUND	175	175
SCS NAVIGATOR	(1,094)	(1,094)
AXA	99	99
TOTALS	(17,793)	(17,793)

990-PF, PART XV, LINE 3(A)
DONEE RELATIONSHIP: LIVE FREE OR DIE ALLIANCE IS A RELATED PARTY IN THAT IT AND THE PENATES FOUNDATION SHARE ONE BOARD OF DIRECTOR MEMBER IN COMMON: PAUL M. MONTRONE.