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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

2011**For calendar year 2011 or tax year beginning , and ending**

Name of foundation The Sam & Diane Stewart Family Foundation		A Employer identification number 20-6090860
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) (800) 839-1754
Foundation Source 501 Silverside Rd City or town, state, and ZIP code Wilmington DE 19809-1377		C If exemption application is pending, check here ☐
G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☒ Address change ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 4,448,083		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐
J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) _____		

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 instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check ☒ if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	10	10		
4 Dividends and interest from securities	255,032	255,032		
5 a Gross rents				
b Net rental income or (loss)				
6 a Net gain or (loss) from sale of assets not on line 10	186,653			
b Gross sales price for all assets on line 6a	1,608,206			
7 Capital gain net income (from Part IV, line 2)		147,569		
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	48,980	38,051		
12 Total. Add lines 1 through 11	490,675	440,662		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16 a Legal fees (attach schedule)				
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest	2,253	2,253		
18 Taxes (attach schedule) (see instructions)	8,925	129		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule)	42,574	18,890		22,794
24 Total operating and administrative expenses. Add lines 13 through 23	53,752	21,272		22,794
25 Contributions, gifts, grants paid	155,500			155,500
26 Total expenses and disbursements. Add lines 24 and 25	209,252	21,272		178,294
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	281,423			
b Net investment income (if negative, enter -0-)		419,390		
c Adjusted net income (if negative, enter -0-)				

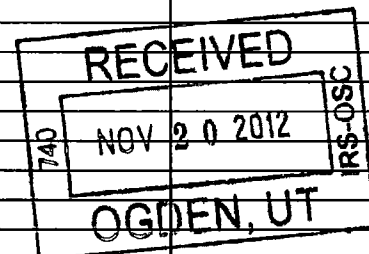
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Form **990-PF** (2011) **7**

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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			
	2 Savings and temporary cash investments	16,763	24,941	24,941
	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 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			
	10 a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	3,730,860	3,655,351	3,885,592
	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)	167,229	515,983	537,550	
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 the instructions Also, see page 1, item I)	3,914,852	4,196,275	4,448,083	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0	0		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here 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			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	3,914,852	4,196,275	
	30 Total net assets or fund balances (see instructions)	3,914,852	4,196,275	
31 Total liabilities and net assets/fund balances (see instructions)	3,914,852	4,196,275		

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	3,914,852
2 Enter amount from Part I, line 27a	2	281,423
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	4,196,275
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	4,196,275

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 Publicly-traded Securities				
b Passthrough K1 Capital Gain				
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 1,608,206		1,490,527	117,680	
b			29,889	
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			117,680	
b			29,889	
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	147,569	
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 instructions) If (loss), enter -0- in Part I, line 8 }		3		

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 (col. (b) divided by col. (c))
2010	139,003	4,005,618	0.034702
2009	146,312	3,229,897	0.045299
2008	154,275	3,882,967	0.039731
2007	397,115	4,853,874	0.081814
2006	173,471	4,261,007	0.040711
2 Total of line 1, column (d)			2 0.242257
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 0.048451
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 4,547,540
5 Multiply line 4 by line 3			5 220,333
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 4,194
7 Add lines 5 and 6			7 224,527
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 178,294

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see 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 instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	8,388	
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	8,388	
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4		
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	8,388	
6 Credits/Payments				
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	7,416		
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	1,201		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d	7	8,617		
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8	0		
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	229		
11 Enter the amount of line 10 to be Credited to 2012 estimated tax ☐ 229 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>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</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ UT		
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? <i>If "No," attach explanation</i>	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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		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 make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶				
14	The books are in care of ▶ Foundation Source Telephone no ▶ (800) 839-1754			
Located at ▶ 501 Silverside Road, Suite 123 Wilmington DE ZIP+4 ▶ 19809-1377				
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 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶				X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ ☐	1b	N/A
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 2011?	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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see 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 2011 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 2011)	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 2011?	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?☐ 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?
If "Yes" to 6b, file Form 8870**6b** X**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?**7b** N/A**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see 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 ATTACHMENT				

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				
	00			
	00			
	00			
	00			
	00			

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

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
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 instructions)

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

	Amount
1	
2	
3 All other program-related investments. See instructions.	
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	4,626,798
b	Average of monthly cash balances	1b	-10,006
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	4,616,792
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	4,616,792
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	69,252
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,547,540
6	Minimum investment return. Enter 5% of line 5	6	227,377

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	227,377
2a	Tax on investment income for 2011 from Part VI, line 5	2a	8,388
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	1,348
c	Add lines 2a and 2b	2c	9,736
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	217,641
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	217,641
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	217,641

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	178,294
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
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	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	178,294
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	178,294

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				217,641
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			73,302	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2011				
a From 2006	0			
b From 2007	0			
c From 2008	0			
d From 2009	0			
e From 2010	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 178,294				
a Applied to 2010, but not more than line 2a			73,302	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				104,992
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2011 (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	0			
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				
d Subtract line 6c from line 6b Taxable amount—see instructions		0		
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				112,649
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2007	0			
b Excess from 2008	0			
c Excess from 2009	0			
d Excess from 2010	0			
e Excess from 2011	0			

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)
1	Program service revenue					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	10	
4	Dividends and interest from securities			14	255,032	
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	525990	8,467	18	178,186	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue a K-1 Pass-Through Income	525990	10,929	14	38,007	
b	Bank Cash Award			14	44	
c						
d						
e						
12	Subtotal Add columns (b), (d), and (e)		19,396		471,279	0
13	Total. Add line 12, columns (b), (d), and (e)				13	490,675

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Form 990-PF, Part I, Line 6 - Gain/Loss from Sale of Assets Other Than Inventory

		Gross Sales	Cost Basis	Net Gain or Loss
TOTAL		0	0	12,472

	Description	Gross Sales Price	Cost Basis	Valuation Method	Expense of Sale & Imprv Cost	Deprec	Net Gain or Loss
1	K-1 Passthrough UBI						12,472
2							
3							
4							
5							
6							
7							
8							
9							
10							

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

TOTAL:				48,980	38,051	0
	Description	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income		
1	KKR & CO LP K-1 Pass-Through Share of Partnership Income/(Loss)	16,019	16,019	0		
2	KKR FINANCIAL HOLDINGS LLC K-1 Pass-Through Share of Partnership Income/(Loss)	32,917	21,988	0		
3	Bank Cash Award	44	44	0		
4						
5						
6						
7						
8						
9						
10						

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

		TOTAL:							
	Description	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose				
1	Estimated Tax for 2011	5,800	0	0	0				
2	Foreign Tax Paid	129	129	0	0				
3	IRS Excise Tax Payment with 1st ext 2010 990-PF	2,996	0	0	0				
4									
5									
6									
7									
8									
9									
10									

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

TOTAL:		(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
	Description				
1	Administrative Fees	22,794	0	0	22,794
2	KKR & CO LP K-1 pass-through expenses	1,399	1,399	0	0
3	KKR FINANCIAL HOLDINGS LLC K-1 pass-through expenses	18,381	17,491	0	0
4					
5					
6					
7					
8					
9					
10					

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

		TOTAL:			3,655,351	3,885,592
	Description	Shares	Book Value End of Year	FMV End of Year		
1	AMERICAN CAPITAL AGENCY CORP (AGNC)	8,500	252,145	238,680		
2	CAPITALSOURCE INC (CSE)	42,000	242,261	281,400		
3	CAPSTEAD MTG CP NEW (CMO)	20,100	217,250	250,044		
4	COLONY FINANCIAL INC (CLNY)	36,000	581,261	565,560		
5	DIREXION DAILY CHINA BULL 3X SHARES (YINN)	3,000	87,608	48,870		
6	IPATH US TREASURY 10-YEAR BEAR ETN (DTYS)	3,900	208,591	125,814		
7	ISHARES MSCI BRAZIL FREE INDEX FD (EWZ)	1,875	109,256	107,606		
8	ISHARES S&P LAT AM40 (ILF)	2,350	90,628	100,040		
9	MATTHEWS ASIAN GROWTH & INC FUND (MACSX)	12,791	228,261	192,764		
10	NORTHSTAR REALTY FINANCE CORP (NRF)	90,500	335,963	431,685		
11	TEVA PHARMECEUTICAL SP ADR (TEVA)	3,000	135,008	121,080		
12	TWO HARBORS INVESTMENT CORP. (TWO)	25,000	248,156	231,000		
13	WASATCH EMERGING MARKETS SMALL CAP FUND (WAEMX)	78,035	113,281	172,457		
14	WASATCH GLOBAL SCIENCE AND TECHNOLOGY FD (WAGTX)	10,862	132,713	170,417		
15	WASATCH STRATEGIC INCOME FUND (WASIX)	100,139	672,969	848,175		

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

TOTAL:			515,983	537,550
	Asset Description	Book Value End of Year	FMV End of Year	
1	KKR & CO LP (KKR)	163,614	179,620	
2	KKR FINANCIAL HOLDINGS LLC (KFN)	352,369	357,930	
3				
4				
5				
6				
7				
8				
9				
10				

Form 990-PF, Part VIII, Line 1 - Compensation of Officers, Directors, Trustees and Foundation Managers

TOTAL:							0	0	0	0
	Name	Street	City	State	Zip Code	Title	Avg Hrs	Comp	Benefits	Expense Acct
1	Diane P Stewart	Foundation Source 501 Silverside Rd	Wilmington	DE	19809	Trustee	1	0	0	0
2	Samuel S Stewart Jr	Foundation Source 501 Silverside Rd	Wilmington	DE	19809	Trustee	1	0	0	0
3										
4										
5										
6										
7										
8										
9										
10										

Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

UTAH MUSEUM OF FINE ARTS

Street

410 CAMPUS CENTER DR

City

SALT LAKE CITY

State

UT

Zip Code

84112

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Doug Snow Campaign

Amount

5,000

Name

UTAH MUSEUM OF FINE ARTS

Street

410 CAMPUS CENTER DR

City

SALT LAKE CITY

State

UT

Zip Code

84112

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

Leconte Stewart Campaign

Amount

5,000

Name

UTAH MUSEUM OF NATURAL HISTORY

Street

540 ARAPEEN DR, STE 250

City

SALT LAKE CITY

State

UT

Zip Code

84108

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

5,000

Name

UTAH SYMPHONY & OPERA

Street

123 W S TEMPLE

City

SALT LAKE CTY

State

UT

Zip Code

84101

Foreign Country

Relationship

N/A

Foundation Status

509(a)(1)

Purpose of grant/contribution

General & Unrestricted

Amount

5,000

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

Name

Street

City

State

Zip Code

Foreign Country

Relationship

Foundation Status

Purpose of grant/contribution

Amount

0

**SCHEDULE D
(Form 1041)**Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2011

Name of estate or trust

The Sam & Diane Stewart Family Foundation

Employer identification number

20-6090860

Note: Form 5227 filers need to complete **only Parts I and II****Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b					1b 0
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3 2,364
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet					4 ()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back					5 2,364

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b					6b 0
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8 6,103
9 Capital gain distributions					9
10 Gain from Form 4797, Part I					10
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet					11 ()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back					12 6,103

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.
(HTA)

Schedule D (Form 1041) 2011

Part III Summary of Parts I and II**Caution:** Read the instructions before completing this part

	(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13	2,364	2,364
14 Net long-term gain or (loss)			
a Total for year	14a	6,103	6,103
b Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		0
c 28% rate gain	14c		0
15 Total net gain or (loss). Combine lines 13 and 14a	15	0	8,467

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of	16	()
a The loss on line 15, column (3) or		
b \$3,000		

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	8,753	
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	6,103	
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20 Add lines 18 and 19	20	6,103	
21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21	0	
22 Subtract line 21 from line 20. If zero or less, enter -0-	22	6,103	
23 Subtract line 22 from line 17. If zero or less, enter -0-	23	2,650	
24 Enter the smaller of the amount on line 17 or \$2,300	24	2,300	
25 Is the amount on line 23 equal to or more than the amount on line 24? ☒ Yes. Skip lines 25 and 26, go to line 27 and check the "No" box ☐ No. Enter the amount from line 23	25	0	
26 Subtract line 25 from line 24	26	0	
27 Are the amounts on lines 22 and 26 the same? ☐ Yes. Skip lines 27 thru 30, go to line 31 ☒ No. Enter the smaller of line 17 or line 22	27	6,103	
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	0	
29 Subtract line 28 from line 27	29	6,103	
30 Multiply line 29 by 15% (15)	30		915
31 Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31		433
32 Add lines 30 and 31	32		1,348
33 Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33		2,080
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36).	34		1,348