

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

2009

Department of the Treasury
Internal Revenue Service (77)

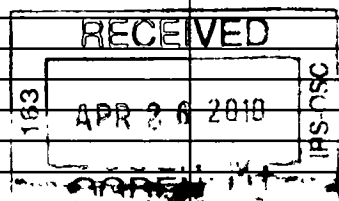
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2009, or tax year beginning , and ending

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation Howard Charitable Foundation		A Employer identification number 91-1952040
	Number and street (or P O box number if mail is not delivered to street address) 2525 Pio Pico	Room/suite 202	B Telephone number (see page 10 of the instructions) 760-730-7342
	City or town, state, and ZIP code Carlsbad CA 92008		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 28,987,150		J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	
E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))</i>		(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 <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	0	0		
	4 Dividends and interest from securities	1,050,101	1,050,101		
	5 a Gross rents			0	
	b Net rental income or (loss)			0	
	6 a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a	0			
	7 Capital gain net income (from Part IV, line 2)			0	
	8 Net short-term capital gain			0	
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	16,924	16,924	0		
12 Total. Add lines 1 through 11	1,067,025	1,067,025	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	250,000	150,000		100,000
	14 Other employee salaries and wages	62,400	30,000		32,400
	15 Pension plans, employee benefits	156,100	88,100		68,000
	16 a Legal fees (attach schedule)	0	0	0	0
	b Accounting fees (attach schedule)	7,748	0	0	7,748
	c Other professional fees (attach schedule)	166,954	166,954	0	0
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	-94,210	-94,210	0	0
	19 Depreciation (attach schedule) and depletion	0	0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	49,226	43,026	0	6,200
	24 Total operating and administrative expenses. Add lines 13 through 23	598,218	383,870	0	214,348
	25 Contributions, gifts, grants paid	13,315,000			13,315,000
26 Total expenses and disbursements. Add lines 24 and 25	13,913,218	383,870	0	13,529,348	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-12,846,193				
b Net investment income (if negative, enter -0-)		683,155			
c Adjusted net income (if negative, enter -0-)			0		



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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	277,037	358,312	358,312
	3	Accounts receivable			
		Less allowance for doubtful accounts	0	0	0
	4	Pledges receivable			
		Less allowance for doubtful accounts	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule)			
		Less allowance for doubtful accounts	0	0	0
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U S and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	253,750	253,750	134,250
	c	Investments—corporate bonds (attach schedule)	0	0	0
	11	Investments—land, buildings, and equipment basis			
	Less accumulated depreciation (attach schedule)	0	0	0	
12	Investments—mortgage loans				
13	Investments—other (attach schedule)	31,870,664	28,494,588	28,494,588	
14	Land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)	0	0	0	
15	Other assets (describe)	0	0	0	
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	32,401,451	29,106,650	28,987,150	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe See Attached Statement)	-17,007,444	4,059,589	
	23	Total liabilities (add lines 17 through 22)	-17,007,444	4,059,589	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	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	49,408,895	25,047,061		
30	Total net assets or fund balances (see page 17 of the instructions)	49,408,895	25,047,061		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	32,401,451	29,106,650		

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 49,408,895
2	Enter amount from Part I, line 27a	2 -12,846,193
3	Other increases not included in line 2 (itemize)	3 0
4	Add lines 1, 2, and 3	4 36,562,702
5	Decreases not included in line 2 (itemize) <u>Realized Capital Losses on Investments</u>	5 11,515,641
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6 25,047,061

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 UBS Global Securities Relationship Fund		P	5/1/2002	10/15/2009
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 1	0	11,515,642	-11,515,641	
b 0	0	0	0	
c 0	0	0	0	
d 0	0	0	0	
e 0	0	0	0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a 0	0	0	-11,515,641	
b 0	0	0	0	
c 0	0	0	0	
d 0	0	0	0	
e 0	0	0	0	
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	-11,515,641
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }			3	0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	22,335,068	59,839,454	0.373250
2007	24,430,000	96,353,499	0.253546
2006	12,337,000	96,376,354	0.128009
2005	11,296,000	99,759,943	0.113232
2004	5,389,050	98,641,690	0.054633
2 Total of line 1, column (d)			2 0.922670
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 0.184534
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 29,619,362
5 Multiply line 4 by line 3			5 5,465,779
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 6,832
7 Add lines 5 and 6			7 5,472,611
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18			8 13,529,348

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	6,832	
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	6,832	
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	6,832	
6 Credits/Payments				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	35,000		
b Exempt foreign organizations—tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	0		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments Add lines 6a through 6d		7	35,000	
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> 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	28,168	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>		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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
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?	N/A	
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 page 19 of the instructions) <input type="checkbox"/> CA, WA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <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 page 20 of the instructions)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	X		
14	The books are in care of ▶ Richard D. Newell Telephone no ▶ 760-586-4044 Located at ▶ 2525 Plo Pico, Suite 202 Carlsbad CA ZIP+4 ▶ 98101-3927			
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			<input type="checkbox"/>

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	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 2009?	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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
b	If "Yes," did it have excess business holdings in 2009 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 2009)	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 2009?	4b		X

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

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here **5b** N/A

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? Yes No
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? Yes No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Richard D Newell 2525 Pio Pico, ste 202 Carlsbad CA 92008	Sec/Treas 40 00	250,000	104,900	0
.....	00	0	0	0
.....	.00	0	0	0
.....	00	0	0	0

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
J C Northern 2525 Pio Pico, ste 202, Carlsbad, CA 92008	40.00	62,400	51,200	0
.....	.00	0	0	0
.....	00	0	0	0
.....	.00	0	0	0
.....	00	0	0	0

Total number of other employees paid over \$50,000 ▶ 1

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
-NONE-		0
.....		0
.....		0
.....		0
.....		0
.....		0
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 Charitable Grant Program	
2	
3	
4	

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

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

	Amount	
1		
2		
All other program-related investments See page 24 of the instructions		
3	0	
Total. Add lines 1 through 3		0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	28,013,248
b	Average of monthly cash balances	1b	2,057,170
c	Fair market value of all other assets (see page 24 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	30,070,418
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	30,070,418
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	451,056
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	29,619,362
6	Minimum investment return. Enter 5% of line 5	6	1,480,968

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1	Minimum investment return from Part X, line 6	1	1,480,968
2a	Tax on investment income for 2009 from Part VI, line 5	2a	6,832
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	6,832
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,474,136
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,474,136
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,474,136

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	13,529,348
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	
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	13,529,348
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	6,832
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	13,522,516

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				1,474,136
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2009				
a From 2004	594,908			
b From 2005	6,690,588			
c From 2006	7,736,426			
d From 2007	19,885,515			
e From 2008	19,364,675			
f Total of lines 3a through e	54,272,112			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 13,529,348				
a Applied to 2008, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2009 distributable amount				1,474,136
e Remaining amount distributed out of corpus	12,055,212			
5 Excess distributions carryover applied to 2009 (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	66,327,324			
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 page 27 of the instructions		0		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	594,908			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	65,732,416			
10 Analysis of line 9				
a Excess from 2005	6,690,588			
b Excess from 2006	7,736,426			
c Excess from 2007	19,885,515			
d Excess from 2008	19,364,675			
e Excess from 2009	12,055,212			

Part XIV Private Operating Foundations (see page 27 of the 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 2009, 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)

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

Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	
0	0	0	0	0
b 85% of line 2a	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	0	0	0	0
d Amounts included in line 2c not used directly for active conduct of exempt activities				0
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon				
a "Assets" alternative test—enter				
(1) Value of all assets				0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				0
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0	0	0	0
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)				0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				0
(3) Largest amount of support from an exempt organization				0
(4) Gross investment income				0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

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

NONE

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

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

Richard D. Newell 2525 Pio Pico, Suite 202 Carlsbad CA 92008

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

Application form supplied upon written request Applicant must be a qualified 501(c)(3) org

c Any submission deadlines

None

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

Health care, Educational, Domestic Humanitarian Charities

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				
Angel's Depot 1495 Poinsettia Ave , Suite 151 Vista CA 92081		501(c)(3)	Unrestricted	10,000
Assistance League of North Coast Carlsbad CA 92008		501(c)(3)	Operation School Bell	5,000
Brother Beno Foundation 3260 Production Ave Oceanside CA 92049		501(c)(3)	Unrestricted	50,000
Casa de Amparo 3355 Mission Ave , Suite 238 Oceanside CA 92054		501(c)(3)	Unrestricted	50,000
Community Resource Center 650 Second Street Encinitas CA 92024		501(c)(3)	Unrestricted	50,000
Criminal Justice Legal Foundation P O Box 1199 Sacramento CA 95812		501(c)(3)	Unrestricted	50,000
The Fund For American Studies 1706 New Hampshire Ave , NW Washington DC 2000		501(c)(3)	Unrestricted	50,000
The Hoover Institution 434 Galvez Mall, HHMB 308 Stanford CA 94305		501(c)(3)	Unrestricted	250,000
Interfaith Community Services 550 W Washington Ave , Ste B Escondido CA 92025		501(c)(3)	Unrestricted	50,000
Miramar Food Locker/Navy Wives Clubs of America P O Box 45066 San Diego CA 92145		501(c)(3)	Unrestricted	5,000
NW Indiana Symphony Society 1040 Ridge Road Munster IN 46321		501(c)(3)	Shore Arts Management	150,000
Northwestern University School of Law 2020 Ridge Ave Evanston IL 60208-4305		501(c)(3)	Bluhm Legal Clinic	50,000
Oceanside Museum of Art 704 Pier View Way Oceanside CA 92054		501(c)(3)	Construction Loan Retirement Challenge	300,000
Racing for Our Heros 6611 Hillcrest Ave , Ste 343 Dallas TX 75205		501(c)(3)	Wounded Warrior Program	25,000
Rock of Faith Foundation 4571 Sunburst Drive Oceanside CA 92056-3543		501(c)(3)	Shower Trailer	10,000
Rancho Sante Fe Foundation P O Box 811 Rancho Sante Fe CA 92067		501(c)(3)	Community Auditorium Construction	500,000
Total See Attached Statement			▶ 3a	13,315,000
b Approved for future payment				
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Total			▶ 3b	0

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

1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of:			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		
	0		

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

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.

Sign Here	 Signature of officer or trustee
	Preparer's signature
	Firm's name (or yours if self-employed), address, and ZIP code

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year
Recipient(s) paid during the year

Name Scripps Health Foundation				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 2669					
City La Jolla		State CA	Zip code 92038	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Cardiac Care Institute					Amount 10,000,000

Name The Heritage Foundation				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 214 Massachusetts Ave NE					
City Washington		State DC	Zip code 20002	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 1,000,000

Name The Salvation Army				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 2320 Fifth Ave					
City San Diego		State CA	Zip code 92101	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name United Way of San Diego				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street 4699 Murphy Canyon Road					
City San Diego		State CA	Zip code 92123	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name United Way Gem Society				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 8217					
City Kalispell		State MT	Zip code 59904	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 50,000

Name Wheaton American Legion/Merton-Dale Post #80				<input type="checkbox"/> Person	<input checked="" type="checkbox"/> Business
Street P O Box 835					
City Wheaton		State MN	Zip code 56296	Foreign Country	
Relationship		Foundation Status 501(c)(3)			
Purpose of grant/contribution Unrestricted					Amount 200,000

Continuation of Part XV, Line 3a (990-PF) - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name
Sol Aureus College Preparatory School Person Business

Street
7485 Rush River Drive

City Sacramento	State CA	Zip code 95831	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Efficacy Learning Program	Amount 30,000
--	------------------

Name
Samaritan Fellowship Person Business

Street
P O Box 495

City Carlisle	State PA	Zip code 17013	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 50,000
---	------------------

Name
Carlisle CARES Person Business

Street
45 South West Street

City Carlisle	State PA	Zip code 17013	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 100,000
---	-------------------

Name
Project Care of Carlisle Person Business

Street
8 Orange Street

City Carlisle	State PA	Zip code 17013	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 100,000
---	-------------------

Name
Safe Harbour, Inc Person Business

Street
102 West South Street

City Carlisle	State PA	Zip code 17013	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 50,000
---	------------------

Name
Women's Resource Center Person Business

Street
1963 Apple Street

City Oceanside	State CA	Zip code 92054	Foreign Country
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Relationship Foundation Status
501(c)(3)

Purpose of grant/contribution Unrestricted	Amount 30,000
---	------------------

Line 11 (990-PF) - Other Income

		16,924	16,924	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income
1	UBS Global Securities K-1	16,924	16,924	
2			0	
3			0	
4			0	
5			0	
6			0	
7			0	
8			0	
9			0	
10			0	

Line 16b (990-PF) - Accounting Fees

		7,748	0	0	7,748
	Name of Organization or Person Providing Service	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	Redfern & Company CPA's	7,748			7,748
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 16c (990-PF) - Other Fees

		166,954	166,954	0	0
	Name of Organization or Person Providing Service	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes (Cash Basis Only)
1	UBS Global Investment Managers	166,954	166,954		
2					
3					
4					
5					
6					
7					
8					
9					
10					

Line 18 (990-PF) - Taxes

		-94,210	-94,210	0	0
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Real estate tax not included in line 20				
2	Tax on investment income/Refund 2008	-94,210	-94,210		
3	Income tax				
4	State Tax				
5					
6					
7					
8					
9					
10					

Line 23 (990-PF) - Other Expenses

		49,226	43,026	0	6,200
	Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1	Amortization. See attached statement	0	0	0	0
2	Fund Raising				
3	Payroll taxes	15,468	9,300		6,168
4	Bank and custody fees	0	0		
5	Postage	32			32
6	Fees and Misc Office	608	608		
7	Other portfolio expenses from UBS K-1	33,118	33,118		
8					
9					
10					

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

			253,750	253,750	85,000	134,250
	Description	Num Shares/ Face Value	Book Value Beg of Year	Book Value End of Year	FMV Beg. of Year	FMV End of Year
1						
2	5,000 shrs Schering-Plough		253,750	253,750	85,000	134,250
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						

Part II, Line 13 (990-PF) - Investments - Other

			31,870,664	28,494,588	28,494,588
	Item or Category	Basis of Valuation	Book Value Beg. of Year	Book Value End of Year	FMV End of Year
1	UBS Bond Relationship Fund				
2	UBS Global Securities Relationship Fund		31,870,664	28,494,588	28,494,588
3					
4					
5					
6					
7					
8					
9					
10					

Part II, Line 22 (990-PF) - Other Liabilities

		-17,007,444	4,059,589
	Description	Beginning Balance	Ending Balance
1	Unrealized Gain UBS Funds	-18,057,444	2,859,589
2	Non-Qualified Post retirement benefit liability	1,050,000	1,200,000
3			
4			
5			
6			
7			
8			
9			
10			

Part IV (990-PF) - Capital Gains and Losses for Tax on Investment Income

		Amount											
Long Term CG Distributions		0											
Short Term CG Distributions		0											
				Totals	1	0	11,515,642	#####	0	0	0	-11,515,641	
	Kind(s) of Property Sold	CUSIP #	How Acquired	Date Acquired	Date Sold	Gross Sales Price	Depreciation Allowed	Cost or Other Basis Plus Expense of Sale	Gain or Loss	F M V as of 12/31/69	Adjusted Basis as of 12/31/69	Excess of FMV Over Adj Basis	Gains Minus Excess of FMV Over Adjusted Basis or Losses
1	UBS Global Securities Relationship Fund		P	5/1/2002	10/15/2009	1	0	11,515,642	#####			0	-11,515,641
2						0	0	0	0			0	0
3						0	0	0	0			0	0
4						0	0	0	0			0	0
5						0	0	0	0			0	0
6						0	0	0	0			0	0
7						0	0	0	0			0	0
8						0	0	0	0			0	0
9						0	0	0	0			0	0
10						0	0	0	0			0	0

Part

	250,000	104,900	0	
	Compensation	Benefits	Expense Account	Explanation
1	250,000	104,900		
2				
3				
4				
5				
6				
7				
8				
9				
10				