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 organization may be able to use a copy of this return to satisfy state reporting requirements

2005

OMB No 1545-0052

For calendar year 2005, or tax year beginning , and ending Name change Amended return G Check all that apply Initial return Final return Address change Name of organization A Employer identification number Use the IRS label. 13-3031164 Otherwise, THE STEPPING STONES FOUNDATION Room/suite print Number and street (or P O box number if mail is not delivered to street address). Telephone number or type. 914-232-4822 PO BOX 452 See Specific City or town, state, and ZIP code C If exemption application is pending, check here Instructions. BEDFORD HILLS, 10507 D 1. Foreign organizations, check here Foreign organizations meeting the 85% test, check here and attach computation X Section 501(c)(3) exempt private foundation H Check type of organization Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation E If private foundation status was terminated. X Accrual under section 507(b)(1)(A), check here Cash Fair market value of all assets at end of year Accounting method Other (specify) (from Part II, col (c), line 16) If the foundation is in a 60-month termination. 7,330,441. (Part I, column (d) must be on cash basis.) under section 507(b)(1)(B), check here Analysis of Revenue and Expenses (d) Disbursements (c) Adjusted net (a) Revenue and (b) Net investment (The total of amounts in columns (b), (c), and (d) may not for chantable purposes expenses per books income income necessarily equal the amounts in column (a)) (cash basis only) ZOOR 38,974. Contributions, gifts, grants, etc., received Check X if the foundation is not required to attach Sch. B. Interest on savings and temporary cash investments 221,410.Statement 1 221,410. 221,410. 2 Dividends and interest from securities 5a Gross rents Net rental income or (loss) 171,399. 62 Net gain or (loss) from sale of assets not on line 10 SCANNEL b Gross sales price for all assets on line 6a 2,523,242. 171,399. Capital gain net income (from Part IV, line 2) Net short-term capital gain Income modifications Gross sales less returns and allowances b Less Cost of goods and CEIVED c Gross profit pr (loss) 15,863.Statement 2 15,863. 0 Other income Total. Aposines Hinrough 41 2006 447,646. 392,809. 237,273. 107,611. 107,611. Compensation of officers, directors, trustees, etc. Other employees and wages 11,230. 11,230. 10,784. 10,784. Pension plans, employee benefits 16a Legal fees 3,250. 3,250. 6,500. Stmt 3 **b** Accounting fees 43,353. 41,503. 1,850. 41,503. Stmt 4 c Other professional fees Interest 12,588. 12,588. Stmt 5 0 0. 18 Taxes 4,685. 0. Depreciation and depletion 16,085. 15,469. 0. Occupancy 668. 668. 0 0. Travel, conferences, and meetings 4,261. 4,261. Printing and publications 95,684. 95,094. 312 312. Stmt 6 Other expenses Total operating and administrative 45,065. 260,761. 312,243. 45,065. expenses. Add lines 13 through 23 Contributions, gifts, grants paid Total expenses and disbursements. 312,243. 45,065. 45,065. 260,761. Add lines 24 and 25 Subtract line 26 from line 12 135,403. 2 Excess of revenue over expenses and disbursements 347,744. **b Net investment income** (if negative, enter -0-) 192,208. C Adjusted net income (if negative, enter -0-)

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

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| | | Balance Sheets Attached schedules and amounts in the description | Beginning of year | End of y | /ear |
|--------|----------------|---|--|----------------|--|
| P | art | Dalance Sheets column should be for end-of-year amounts only | (a) Book Value | (b) Book Value | (c) Fair Market Value |
| | 1 | Cash - non-interest-bearing | 957. | 32,942. | 32,942. |
| | 2 | Savings and temporary cash investments | 44,141. | 25,816. | 25,816. |
| | 3 | Accounts receivable \(\sum_{} \) | | | |
| | | Less allowance for doubtful accounts | 34,146. | 31,524. | 31,524. |
| | 4 | Pledges receivable | | | |
| | | Less allowance for doubtful accounts | | | |
| | 5 | Grants receivable | | | <u> </u> |
| | 6 | Receivables due from officers, directors, trustees, and other | | | |
| | | disqualified persons | ······································ | | ······································ |
| | 7 | Other notes and loans receivable | | | |
| | | Less allowance for doubtful accounts | | | |
| its | 8 | Inventories for sale or use | | 8,589. | <u>8,589.</u> |
| Assets | 9 | Prepaid expenses and deferred charges | 13,814. | 14,472. | 14,472. |
| ⋖ | 10a | Investments - US and state government obligations Stmt 7 | 618,847. | 507,548. | 507,548. |
| | b | Investments - corporate stock Stmt 8 | 3,642,443. | 3,707,852. | 3,707,852. |
| | C | Investments - corporate bonds Stmt 9 | 1,479,762. | 1,558,459. | 1,558,459. |
| | 11 | Investments - land, buildings, and equipment basis | | | |
| | | Less accumulated depreciation | _ | | |
| | 12 | Investments - mortgage loans | - | | |
| | 13 | Investments - other | | | |
| | 14 | Land, buildings, and equipment basis \triangleright 1,558,429. | 1 447 004 | 1 442 22 | 1 442 220 |
| | | Less. accumulated depreciation Stmt 10 \sum 115,190. | 1,447,924. | 1,443,239. | 1,443,239. |
| | 15 | Other assets (describe) | | - | |
| | | | 7 202 224 | 7 220 441 | 7 220 441 |
| | 16 | Total assets (to be completed by all filers) | 7,282,034. | 7,330,441. | 7,330,441. |
| | 17 | Accounts payable and accrued expenses | 9,078. | 14,719. | |
| | 18 | Grants payable | | | |
| ies | 19 20 21 | Deferred revenue | | | |
| Σ | 20 | Loans from officers, directors, trustees, and other disqualified persons | | | |
| Lia | 21 | Mortgages and other notes payable | | | |
| | 22 | Other liabilities (describe –) | | | |
| | 22 | Total liabilities (add lass 17 through 99) | 9,078. | 14,719. | |
| | 23 | Total liabilities (add lines 17 through 22) Organizations that follow SFAS 117, check here | | 14/11/ | |
| | | | | | |
| ces | 24 | and complete lines 24 through 26 and lines 30 and 31. | 7,272,956. | 7,302,262. | |
| _ | 25 | Unrestricted | 1,2,2,550 | 13,460. | |
| Balaı | 26 | Temporarily restricted Permanently restricted | | | |
| | 20 | Organizations that do not follow SFAS 117, check here | | | |
| Fund | | and complete lines 27 through 31. | | | |
| 0 | 27 | Capital stock, trust principal, or current funds | | | |
| ets | 28 | Paid-in or capital surplus, or land, bldg, and equipment fund | | | |
| Ass | 27 28 29 | Retained earnings, accumulated income, endowment, or other funds | | | |
| - | 30 | Total net assets or fund balances | 7,272,956. | 7,315,722. | |
| _ | | | | | |
| | 31 | Total liabilities and net assets/fund balances | 7,282,034. | 7,330,441. | |
| | | | | | |
| | art | Analysis of Changes in Net Assets or Fund Ba | nances | • | |
| 1 | Tota | net assets or fund balances at beginning of year - Part II, column (a), line 3 | 0 | | |
| | (mus | st agree with end-of-year figure reported on prior year's return) | | 1 | 7,272,956. |
| 2 | Ente | r amount from Part I, line 27a | | 2 | 135,403. |
| 3 | Othe | r increases not included in line 2 (itemize) 🕨 | | 3 | <u> </u> |
| | | lines 1, 2, and 3 | | 4 | 7,408,359. |
| | | eases not included in line 2 (itemize) $ ightharpoonup$ CHANGE IN UNREA | | ATION 5 | 92,637. |
| 6 | Tota | net assets or fund balances at end of year (line 4 minus line 5) - Part II, col | umn (b), line 30 | 6 | <u>7,315,722.</u> |

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| Part IV Capital Gains | and Losses for fax on in | ivesumeni | Lincome | | | | | |
|--|---|--|--------------------------------------|-----------------------------|---|--------------|--|---------------------------------------|
| (a) List and desc 2-story brick wa | P - | low acquired Purchase Donation | 1 ' / | ate acquired , day, yr) | (d) Date sold (mo , day, yr) | | | |
| 1a SEE SCHEDULE A | TTACHED #12 | | | | P | | | |
| b SEE SCHEDULE A | | <u> </u> | | | P | <u> </u> | - | |
| c SEE SCHEDULE A | | P | | | | | | |
| d | | | | | | | _ | |
| e | | | | | | | _ | |
| (e) Gross sales price | (f) Depreciation allowed (or allowable) | | st or other basis expense of sale | | | • |) Gain or (loss) plus (f) minus (| • |
| a 1,191,665. | | | 1,193,03 | 2. | | | | -1,367. |
| b 1,320,285. | | | 1,158,81 | 1. | | | | 161,474. |
| 11,292. | | | | | | | | 11,292. |
| <u>d</u> | | | | | | | | |
| | | | | | | <u> </u> | | · |
| Complete only for assets showing | g gain in column (h) and owned by | the foundation | on 12/31/69 | | | (I) Gains | (Col (h) gain | minus |
| (i) F M V as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | , , , | cess of col (i) col (j), if any | | | , , | ut not less that ses (from col (| · · · · · · · · · · · · · · · · · · · |
| a | | | | | | | | -1,367. |
| b | | | | | • | | | 161,474. |
| C | | | | | | | | 11,292. |
| d | | | | | | | | |
| e | | | | | | | | |
| 2 Capital gain net income or (net ca | pital loss) { If gain, also enter | r ın Part I, line - ın Part I, line | ⁷ } | | 2 | | | 171,399. |
| 3 Net short-term capital gain or (los if gain, also enter in Part I, line 8, | • | nd (6) | | 1 | | | | |
| If (loss), enter -0- in Part I, line 8 | | | | | | | | -1,367. |
| Part V Qualification U | nder Section 4940(e) for | Reduced | Tax on Net | Inve | estment li | ncome |) | |
| If section 4940(d)(2) applies, leave the Was the organization liable for the self "Yes," the organization does not question the appropriate amount in a section. | ction 4942 tax on the distributable a | complete this p | part | | | | | Yes X No |
| (a) | | | Thaking any onen | 4) | | · · · · · | | (d) |
| Base periód years Calendar year (or tax year beginnii | (b) ng in \ Adjusted qualifying dis | tributions | Net value of no | (C) Inchari | table-use asse | ets | | oution ratio rided by col. (c)) |
| 2004 | | 2,779. | | 5. | 506,91 | 4. | | .042270 |
| 2003 | | 8,801. | | | 032,70 | | | .045463 |
| 2002 | | 3,247. | | | 207,59 | | | .044790 |
| 2001 | | 0,890. | - | | 538,11 | | | .036274 |
| 2000 | 21 | 0,579. | | 5, | 863,84 | 2. | | .035911 |
| | | | | | | | | |
| 2 Total of line 1, column (d) | | | | | | 2 | | .204708 |
| 3 Average distribution ratio for the | 5-year base period - divide the total (| on line 2 by 5, | or by the number | of year | ırs | | | |
| the foundation has been in exister | | | | - | | 3 | | .040942 |
| | | | | | | | | |
| 4 Enter the net value of noncharitat | le-use assets for 2005 from Part X, | line 5 | | | | 4 | <u>, </u> | 5,705,648. |
| | | | | | | | | |
| 5 Multiply line 4 by line 3 | | | | | | 5 | | 233,601. |
| | | | | | | ! | | |
| 6 Enter 1% of net investment incon | ne (1% of Part I, line 27b) | | | | | 6 | | 3,477. |
| | | | | | | | | |
| 7 Add lines 5 and 6 | | | | | | 7 | <u>, </u> | 237,078. |
| R Enter avalitions distabilities for | n Dart VII. linn 4 | | | | | | | 260,761. |
| 8 Enter qualifying distributions from | | 4 L | . 1 . A . A . A | a = | / A - - | 0 | <u> </u> | 200,701 |
| If line 8 is equal to or greater than See the Part VI instructions | line 7, check the box in Part VI, line | and comp | piete that part usin | ıg a 1% | 6 tax rate | | | |

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| ******* | 990-PF (2005) THE STEPPING STONES FOUNDATION | | 13-303 | | | Page 4 |
|----------------|---|---------------------------------------|--------------------|---------------|------------|----------------|
| | t VI Excise Tax Based on Investment Income (Section 4940(a), | | <u> 4948 - see</u> | Instru | ictio | ns) |
| 1a | Exempt operating foundations described in section 4940(d)(2), check here 🕨 🛄 and enter "N | /A" on line 1 | | | | |
| | Date of ruling letter (attach copy of ruling letter if necessary-see in | _ | | | | |
| | Domestic organizations that meet the section 4940(e) requirements in Part V, check here $\triangleright X$ | and enter 1% | 1 | | 3,4 | <u>77.</u> |
| | of Part I, line 27b | art Line 12 col /b\ | | | | |
| | All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of P | | | | | 0. |
| | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others e | nter -u-) | 2 | | 2 / | 77 |
| _ | Add lines 1 and 2 | | 3 | <u>-</u> | 3,4 | //· |
| | Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others e | nter -0-) | 4 | | 2 4 | 77 |
| 5 | Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- | | 5 | | 3,4 | //• |
| | Credits/Payments | 3 4 5 0 | | | | |
| а | 2005 estimated tax payments and 2004 overpayment credited to 2005 | 3,459 | • | | | |
| b | Exempt foreign organizations - tax withheld at source | | _ | | | |
| C | Tax paid with application for extension of time to file (Form 8868) | 2,000 | <u>•</u> | | | |
| d | Backup withholding erroneously withheld <u>6d</u> | | _ | | | |
| 7 | Total credits and payments Add lines 6a through 6d | | 7 | | <u>5,4</u> | <u>59.</u> |
| 8 | Enter any penalty for underpayment of estimated tax. Check here X if Form 2220 is attached | | 8 | | | <u>7.</u> |
| 9 | Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed | | 9 | | | |
| 10 | Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid | | 10 | | <u>1,9</u> | 75. |
| 11 | Enter the amount of line 10 to be Credited to 2006 estimated tax | 1,975. Refunded ▶ | 11 | | | 0. |
| Pa | rt VII-A Statements Regarding Activities | | | | | |
| 1a | During the tax year, did the organization attempt to influence any national, state, or local legislation | or did it participate or interve | ne in | | Yes | No |
| _ | any political campaign? | | | 1a | | Х |
| b | Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (se | e instructions for definition)? | | 1b | | X |
| | If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and co | | | | | |
| | distributed by the organization in connection with the activities. | | | | | |
| c | Did the organization file Form 1120-POL for this year? | | | 1c | | X |
| C | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year | | | | ••••• | |
| a | (1) On the organization ► \$ (2) On organization managers ► | ^ | _ | | | |
| | | · | <u>-</u> | | ! | |
| e | Enter the reimbursement (if any) paid by the organization during the year for political expenditure | tax imposeu on organization | | | | |
| _ | managers > \$ U • | | | , | 1 | x |
| 2 | Has the organization engaged in any activities that have not previously been reported to the IRS? | | | | | |
| _ | If "Yes," attach a detailed description of the activities. | | | | | |
| 3 | Has the organization made any changes, not previously reported to the IRS, in its governing instru | iment, articles of incorporation | 1, 01 | | | v |
| _ | bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes | | | 4- | | Y |
| | Did the organization have unrelated business gross income of \$1,000 or more during the year? | | N/A | 43 | | |
| | If "Yes," has it filed a tax return on Form 990-T for this year? | | IA / EZ | 4b | | v |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year? | | | 5 | | |
| | If "Yes," attach the statement required by General Instruction T. | | | | | |
| 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 direct | tions that conflict with the star | te law | | v | |
| | remain in the governing instrument? | | | 6 | X | |
| 7 | Did the organization have at least \$5,000 in assets at any time during the year? | | | 7 | X | ļ |
| | If "Yes," complete Part II, col (c), and Part XV. | | | | | |
| 8a | Enter the states to which the foundation reports or with which it is registered (see instructions) | > | | ; | | |
| | NY | | | | | |
| þ | If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorn | ey General (or designate) | | | ! | |
| | of each state as required by General Instruction G? If "No," attach explanation | | | 8b | X | ļ |
| 9 | Is the organization claiming status as a private operating foundation within the meaning of section | 4942(J)(3) or 4942(J)(5) for c | alendar | | | |
| | year 2005 or the taxable year beginning in 2005 (see instructions for Part XIV)? If "Yes," comple | ete Part XIV | | 9 | X | <u> </u> |
| 10 | Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listin | g their names and addresses | | 10 | | X |
| 11 | Did the organization comply with the public inspection requirements for its annual returns and exe | | | 11 | X | |
| | Web site address ► WWW.STEPPINGSTONES.ORG | | | | | |
| 12 | The books are in care of > The Foundation | Telephone no | ▶914-23 | 32 - 4 | 822 | |
| | Located at ▶ PO BOX 452, BEDFORD HILLS, NY | • • • • • • • • • • • • • • • • • • • | ZIP+4 ▶1(| | | |
| 13 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check h | ere | | | • | • |
| | and enter the amount of tax-exempt interest received or accrued during the year | | 13 | N | /A | |
| 52353 01-05 | 31 | | Fo | rm 990 | -PF | (2005) |
| 51-00 | 4 | | | | - • | , - <i>f</i> |

| 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 organization (either directly or indirectly) | | | |
| (1) Engage in the sale or exchange, or leasing of property with a disqualified person? | ∑ No | | |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) | | | |
| a disqualified person? \square Yes \square | <u> </u> | | |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? | <u>C</u> No | | |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? | 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)? | <u>C</u> No | | |
| (6) Agree to pay money or property to a government official? (Exception Check "No" | | | |
| if the organization agreed to make a grant to or to employ the official for a period after | | | |
| termination of government service, if terminating within 90 days) | <u>C</u> 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)? | <u>1b</u> | | <u>X</u> |
| Organizations relying on a current notice regarding disaster assistance check here | | | |
| c Did the organization 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 2005? | 1 c | | <u>X</u> |
| 2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation | | | |
| defined in section 4942(j)(3) or 4942(j)(5)) | | | |
| a At the end of tax year 2005, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning | _ - | | |
| before 2005? | <u> No</u> No | | |
| If "Yes," list the years ▶ , , , , , | | | |
| b Are there any years listed in 2a for which the organization 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 | 7/7 | | |
| | 1/A 2b | | |
| c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here | | | |
| | | | |
| 3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time | ; | | |
| during the year? The state of the second state of the second seco | Z NO | | |
| b If "Yes," did it have excess business holdings in 2005 as a result of (1) any purchase by the organization 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, | 1/A 3b | | |
| romin tree, to determine in the enganneauth made entered become and interesting in a decept | | | |
| 4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | | |
| b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that | | | v |
| had not been removed from jeopardy before the first day of the tax year beginning in 2005? | 4b | | <u>.</u> |
| 5a During the year did the organization pay or incur any amount to (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes X | Z] No | | |
| | 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 | | | |
| | | | |
| (-) | | | |
| (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)? Yes | ζ] No | | |
| | 7 MO | | |
| (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? | Z 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 No. 1045 or the exceptions of the transactions fail to qualify under the exceptions described in Regulations | V/A 5b | | |
| | > | | |
| Organizations relying on a current notice regarding disaster assistance check here c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained | | | |
| expenditure responsibility for the grant? N/A | | | |
| If "Yes," attach the statement required by Regulations section 53.4945-5(d) | | | |
| 6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on | | | |
| a personal benefit contract? | ₹ Nn | | |
| b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X |
| If you answered "Yes" to 6b, also file Form 8870. | | | - |
| | Form 990 | -PF (| 2005) |

523541 01-05-06

| Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors | | | | | | | | | |
|---|--|---|---|---------------------------------------|--|--|--|--|--|
| 1 List all officers, directors, trustees, foundation managers and their (a) Name and address | compensation. (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 | (e) Expense account, other allowances | | | | | |
| | to position | 611161 -0-7 | compensation | 4.1011003 | | | | | |
| See Statement 11 | | 107,611. | 10,784. | 0. | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 2 Compensation of five highest-paid employees (other than those in | | enter "NONE." | 7-0 | | | | | | |
| (a) Name and address of each employee paid more than \$50,000 | (b) Title and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances | | | | | |
| None | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Total number of other employees paid over \$50,000 | | | > | 0 | | | | | |
| 3 Five highest-paid independent contractors for professional service (a) Name and address of each person paid more than \$50,000 | | (b) Type of serv | rice | (c) Compensation | | | | | |
| None | | <u> </u> | | | | | | | |
| | | | | <u> </u> | | | | | |
| | | | | - | | | | | |
| | | | | | | | | | |
| | <u></u> | | | | | | | | |
| | | | | | | | | | |
| Total number of others receiving over \$50,000 for professional services | | <u> </u> | | 0 | | | | | |
| Total number of others receiving over \$50,000 for professional services Part IX-A Summary of Direct Charitable Activities | | | <u> </u> | | | | | | |
| List the foundation's four largest direct charitable activities during the tax year. Incommer of organizations and other beneficiaries served, conferences convened, re | search papers produced, etc | nation such as the | E | xpenses | | | | | |
| 1 N/A | | | | | | | | | |
| 2 | | | | | | | | | |
| | | <u>. </u> | | | | | | | |
| 3 | | | | | | | | | |
| 4 | | | | | | | | | |
| | <u> </u> | | | | | | | | |
| 523551 | | | | OOO DE (OOOE) | | | | | |

| Part IX-B Summary of Program-Related Investments | | |
|--|-----------------------------------|------------------------------|
| Describe the two largest program-related investments made by the foundation during the tax year on line | es 1 and 2 | Amount |
| 1 N/A | | |
| | | |
| | | |
| 2 | | |
| | | |
| 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., purpose | s | |
| a Average monthly fair market value of securities | 1a | 5,745,061. |
| b Average of monthly cash balances | 1b | 14,640. |
| c Fair market value of all other assets | 1c | 32,835. |
| d Total (add lines 1a, b, and c) | 1d | 5,792,536. |
| e Reduction claimed for blockage or other factors reported on lines 1a and | | |
| 1c (attach detailed explanation) | 0. | |
| 2 Acquisition indebtedness applicable to line 1 assets | 2 | 0. |
| 3 Subtract line 2 from line 1d | 3 | 5,792,536. |
| 4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instruction | s) <u>4</u> | 86,888. |
| 5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4. | 5 | 5,705,648. |
| 6 Minimum investment return. Enter 5% of line 5 | 6 | 285,282. |
| Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private foreign organizations check here X and do not complete this part) | operating foundations and certain | |
| 1 Minimum investment return from Part X, line 6 | 1 | |
| 2a Tax on investment income for 2005 from Part VI, line 5 | | |
| b Income tax for 2005 (This does not include the tax from Part VI) | | |
| c Add lines 2a and 2b | 2c | |
| 3 Distributable amount before adjustments Subtract line 2c from line 1 | 3 | |
| 4 Recoveries of amounts treated as qualifying distributions | 4 | |
| 5 Add lines 3 and 4 | 5 | |
| 6 Deduction from distributable amount (see instructions) 7 Distributable amount as advisted. Subtract line 6 from line 5. Enter here and an Dart VIII, line 1. | <u>b</u> | |
| 7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1 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 | 260,761. |
| b Program-related investments - total from Part IX-B | 15 | 0. |
| 2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purpositions | | |
| 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 | 260,761. |
| 5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment | | |
| income Enter 1% of Part I, line 27b | 5 | 3,477. |
| 6 Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 257,284. |
| Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when c | alculating whether the foundation | on qualifies for the section |

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4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

| | (a) Corpus | (b) Years prior to 2004 | (c) 2004 | (d) 2005 |
|--|---------------|----------------------------|--|--|
| 1 Distributable amount for 2005 from Part XI, | | <u> </u> | | |
| line 7 | | | | 0. |
| 2 Undistributed income, if any, as of the end of 2004 | | | | |
| a Enter amount for 2004 only | | | 0. | |
| b Total for prior years | | | | |
| | | 0. | | |
| 3 Excess distributions carryover, if any, to 2005 | | | | |
| a From 2000 | | | | |
| b From 2001 | | | | |
| c From 2002 | | | | |
| d From 2003 | | | | |
| e From 2004 | | | | |
| f Total of lines 3a through e | 0. | | | |
| 4 Qualifying distributions for 2005 from | | | | |
| Part XII, line 4 ► \$ N/A | | | | |
| a Applied to 2004, 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 2005 distributable amount | | | | 0. |
| e Remaining amount distributed out of corpus | 0 - | | | |
| 5 Excess distributions carryover applied to 2005 | 0. | | | 0. |
| (if an amount appears in column (d), the same amount must be shown in column (a)) | | | , | |
| 6 Enter the net total of each column as indicated below: | | | | |
| a Corpus Add lines 3f, 4c, and 4e Subtract line 5 | 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 | | 0. | | |
| d Subtract line 6c from line 6b Taxable | | | | |
| amount - see instructions | | 0. | | |
| e Undistributed income for 2004. Subtract line | | | | |
| 4a from line 2a Taxable amount - see instr | | | 0. | · |
| f Undistributed income for 2005. Subtract | | | | |
| lines 4d and 5 from line 1. This amount must | | | | |
| be distributed in 2006 | | | | 0. |
| 7 Amounts treated as distributions out of | | | | |
| corpus to satisfy requirements imposed by | | | | |
| section 170(b)(1)(E) or 4942(g)(3) | 0. | | | · · · · · · · · · · · · · · · · · · · |
| 8 Excess distributions carryover from 2000 | | | | |
| not applied on line 5 or line 7 | 0. | | | ; |
| 9 Excess distributions carryover to 2006. | | | | |
| Subtract lines 7 and 8 from line 6a | 0. | | | |
| O Analysis of line 9 | | | | |
| a Excess from 2001 | | | | |
| b Excess from 2002 | | | | |
| c Excess from 2003 | | | | |
| d Excess from 2004 | | | | |
| e Excess from 2005 | | | | |
| | | | | Form QQO-PF (2005) |

| Part XIV Private Operating Fo | nundations (see inst | | A guestion 9) | | |
|---|-----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|
| | | | 1, question 3) | <u> </u> | |
| 1 a If the foundation has received a ruling or foundation, and the ruling is effective for | | | N 09/1 | 5/91 | |
| b Check box to indicate whether the organi | | | | | 2(j)(5) |
| 2 a Enter the lesser of the adjusted net | Tax year | ig louridation doscribou i | Prior 3 years | <u> </u> | |
| income from Part I or the minimum | (a) 2005 | (b) 2004 | (c) 2003 | (d) 2002 | (e) Tota! |
| investment return from Part X for | | | <u>- ''</u> | | |
| each year listed | 192,208. | 163,438. | 223,987. | 188,966. | 768,599. |
| b 85% of line 2a | 163,377. | 138,922. | 190,389. | 160,621. | 653,309. |
| c Qualifying distributions from Part XII, | | | | | |
| line 4 for each year listed | 260,761. | 234,669. | 230,653. | 234,948. | 961,031. |
| d Amounts included in line 2c not | | | | | |
| used directly for active conduct of | | | | | |
| exempt activities | 0. | 0. | 0. | 3,000. | 3,000. |
| e Qualifying distributions made directly | | | | · | |
| for active conduct of exempt activities | | | | | |
| Subtract line 2d from line 2c | 260,761. | 234,669. | 230,653. | 231,948. | 958,031. |
| 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 | 190,188. | 183,564. | 167,757. | 173,587. | 715,096. |
| 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 Info | | | | had \$5,000 or mo | ore in assets |
| at any time during the | he year-see page | 26 of the instruc | tions.) | | |
| 1 Information Regarding Foundation a List any managers of the foundation who year (but only if they have contributed m None | have contributed more th | | butions received by the fo | undation before the close | of any tax |
| b List any managers of the foundation who other entity) of which the foundation has | | | r an equally large portion | of the ownership of a part | nership or |
| <u>None</u> | | | | | |
| 2 Information Regarding Contribution Check here ► if the organization the organization makes gifts, grants, etc. | only makes contributions (| to preselected charitable | organizations and does n | | |
| a The name, address, and telephone numbers ANNAH PERCH, EXECUTION C/O THE STEPPING STORESTON | VE DIRECTOR, | 914-232-48 | 322 | 10507 | |
| b The form in which applications should be THERE ARE NO FORMAL | e submitted and information | on and materials they sho | ould include | | |
| c Any submission deadlines NONE | | | | | |
| d Any restrictions or limitations on awards STEPPING STONES IS A | | | | | RE |
| LIMITED. | | | | | |
| 523581/01-05-06 | | | | Fo | rm 990-PF (2005) |

| Recipient | If recipient is an individual, | | D a.f. a.a.a.f. a.a. | |
|-------------------------------------|---|--------------------------------|----------------------------------|--------|
| 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 |
| Paid during the year | | | | |
| | | | | |
| None | | | | |
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| Total Approved for future payment | | | ▶ 3a | |
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| the company of the contract of | Unrelated | ousiness income | | y section 512, 513, or 514 | (e) |
|--|--|--|-------------|----------------------------|---------------------------------------|
| | (a) Rusiness | (b) | | (d) | Related or exempt |
| 1 Program service revenue | code | Amount | code | Amount | function income |
| a ROYALTIES ON BOOK | | | | | 1,312 |
| b PRODUCT SALES | | | | | 14,551 |
| C | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencie | es | | | | |
| 2 Membership dues and assessments | | | | | |
| 3 Interest on savings and temporary cash | | | | | |
| investments | | | | | |
| 4 Dividends and interest from securities | | | 14 | 221,410. | |
| 5 Net rental income or (loss) from real estate | | | | | |
| a Debt-financed property | | | | | |
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| | | | 18 | 171,399. | |
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| e | L L L L L L L L L L L L L L L L L L L | | | 302 800 | 15 063 |
| e | | U. | (1 | 334,007. | 13,003 |
| 2 Subtotal Add columns (b), (d), and (e) | | <u> </u> | <u> </u> | | |
| 1 Program services revenue a ROYALTIES ON BOOK b PRODUCT SALES c 1 14,551. c 1 | | | | | |
| 2 Subtotal Add columns (b), (d), and (e) 13 Total. Add line 12, columns (b), (d), and (e) (See worksheet in line 13 instructions to verify calci | · · · · · · · · · · · · · · · · · · · | plishment of Ex | cempt P | 13 | |
| Subtotal Add columns (b), (d), and (e) 13 Total. Add line 12, columns (b), (d), and (e) (See worksheet in line 13 instructions to verify calculated and the second secon | ivities to the Accom | | <u> </u> | Jrposes | 408,672 |
| Subtotal Add columns (b), (d), and (e) 13 Total. Add line 12, columns (b), (d), and (e) (See worksheet in line 13 instructions to verify calculated a Relationship of Act Line No. Explain below how each activity for | ivities to the Accom | olumn (e) of Part XVI-A | <u> </u> | Jrposes | 408,672 |
| 2 Subtotal Add columns (b), (d), and (e) 3 Total. Add line 12, columns (b), (d), and (e) See worksheet in line 13 instructions to verify calculated a second columns. Part XVI-B Relationship of Act Line No. Explain below how each activity for the organization's exempt purposes | which income is reported in a content than by providing funda | olumn (e) of Part XVI-A ds for such purposes) | contributed | Jrposes | 408,672 |
| 2 Subtotal Add columns (b), (d), and (e) 3 Total. Add line 12, columns (b), (d), and (e) See worksheet in line 13 instructions to verify calculated a substitution of the organization o | which income is reported in a cother than by providing fundamental COHOLISM — "I | olumn (e) of Part XVI-Ads for such purposes) | contributed | Jrposes | 408,672 |
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| 2 Subtotal Add columns (b), (d), and (e) 3 Total. Add line 12, columns (b), (d), and (e) See worksheet in line 13 instructions to verify calculated a substitution of Act Part XVI-B Relationship of Act Line No. Explain below how each activity for the organization's exempt purposes 1 A BOOK RELATED TO AI | which income is reported in a cother than by providing fundamental COHOLISM — "I | olumn (e) of Part XVI-Ads for such purposes) | contributed | Jrposes | 408,672 |
| 2 Subtotal Add columns (b), (d), and (e) 13 Total. Add line 12, columns (b), (d), and (e) See worksheet in line 13 instructions to verify calculated a substitution of the organization | which income is reported in a cother than by providing fundamental COHOLISM — "I | olumn (e) of Part XVI-Ads for such purposes) | contributed | Jrposes | 408,672 |
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| Pa | art XI | Information Re Exempt Organ | | and Transactions an | nd Relationships With Nonch | naritable | € | |
|---------------|-----------------------------|--|---|--|--|-----------------|---------------|-------------|
| 1 | Did th | | rectly engage in any of the followi | ng with any other organization | described in section 501(c) of | | Yes | No |
| • | | | (3) organizations) or in section 5 | | | | | |
| а | | • | zation to a noncharitable exempt | | | | | |
| _ | (1) (| | • | | | [1a(1) | | X |
| | ` ' | ther assets | | | | 1a(2) | | X |
| b | ` ' | transactions | | | | | | |
| | (1) S | ales of assets to a noncharital | ble exempt organization | | | 1b(1) | | X |
| | ` ' | | ncharitable exempt organization | | | 15(2) | | X |
| | • • | lental of facilities, equipment, | | | | 1b(3) | | X |
| | (4) F | Reimbursement arrangements | | | | 1b(4) | | X |
| | (5) L | oans or loan guarantees | | | | 1b(5) | | X |
| | (6) F | erformance of services or me | mbership or fundraising solicitati | ons | | 1b(6) | | X |
| C | Sharii | ng of facilities, equipment, ma | ılıng lısts, other assets, or paid er | nployees | | 1c | | X |
| d | If the | answer to any of the above is | "Yes," complete the following sch | edule Column (b) should alwa | ys show the fair market value of the good | s, other ass | sets, | |
| | or sei | vices given by the reporting o | rganization. If the organization re | ceived less than fair market val | lue in any transaction or sharing arrangen | nent, show | ın | |
| | colun | nn (d) the value of the goods, | other assets, or services received | | | | | |
| (a) | _ine no | (b) Amount involved | (c) Name of noncharitab | le exempt organization | (d) Description of transfers, transactions, a | nd sharing ar | rangeme | ints |
| | | | N/A | | · | | | |
| | | · · | | | | <u> </u> | | |
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| 2a | | · · | ctly affiliated with, or related to, o | | zations described | | | 7 |
| | | • • | r than section 501(c)(3)) or in sec | ction 527? | | L Yes | L | _ No |
| <u>b</u> | If Ye | s," complete the following scho | · · · · · · · · · · · · · · · · · · · | (b) Tupe of ergenization | (e) Description of relation | nchio | | |
| | | (a) Name of org | anization | (b) Type of organization | (c) Description of relation | nisilip | | |
| | | N/A | | | | | | |
| | _ | · | | | | | · | |
| | | · | | <u> </u> | <u>. </u> | ·· · | | |
| | | | | | <u> </u> | | | |
| $\overline{}$ | Under o | enalties of penury. I declare that I h | ave examined this return, including acc | companying schedules and statemen | nts, and to the best of my knowledge and belief, i | t is true, come | ect, | |
| | | | er than taxpayer or fiduciary) is based o | | | · | | |
| | | Luda 4 | ucl | 111113/06 | Executive Director | | | |
| 2 | Si | gnature of officer or trustee | | Date | Title | | | |
| Here | <u>-</u> | | | | | parer's SSN o | r PTIN | |
| igu | Paid eparer's se Only | Preparer's signature | In A. Milla | NU | V 1 U 4 moloved > | | | |
| S | age ago | Orvon | J Flanagan & | | EIN EIN | | | |
| | rep Ise | I min a man o (or yours | ast 42nd Street | | | <u>-</u> | | |
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| | | | | | | Form 990 | | |

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AMORTIZATION REPORT FORM 2005 DEPRECIATION

 \vdash Page 990-PF

| tmount Of epreciation | • | 4,435 | 250. | • | 0 | 0 | 0 | 4,685, | | | | | • | | | | | |
|-----------------------------|------------------|-------------------------|------------|----------------|-----------|-------------|-----------|--|---------------------------------------|-------------|----------|-------------|---|-------------|------------|-------|----------|-------------|
| rrent , | | | | | _ | | | <u>.</u> | • | | <u> </u> | | | | | | <u> </u> | |
| Sec | | • | • | • | • | | • | ······································ | | | | | | | . . | | | |
| Accumulated Depreciation | | 43,066 | 3,000 | 9,257 | 18,364 | 32,429 | 4,389 | 110,505 | | | | | | | | | | |
| Basis For Depreciation | 1400000. | 90,147 | 5,000. | 8,100. | 18,364. | 32,429 | 4,389. | 1558429 | | | | | | | | | | |
| Reduction In Basis | | | | | | | | • | | | | | | | | | | |
| Bus % Excl | | | | | | | | | | | | | | | | | | |
| Unadjusted Cost Or Basis | 1400000. | 90,147. | 5,000. | 8,100. | 18,364. | 32,429. | 4,389. | 1558429. | | | | | | | | | | |
| S S | 7 | 7.7 | 17 | <u></u> | 17 | 2 | 17 | • | • | | | ********* | | | - † | ***** | ··· | |
| Lıfe | | 27.50 | 20.00 | 7.00 | 7.00 | 5,00 | 5.00 | | | | | | | | | | | |
| Method | Ĥ | SI | ${\bf SL}$ | SI | SL | SI | SL | | • | | | | | | | | | |
| Date Acquired | 00588 | /aries | /aries | /aries | /aries | /aries | 01 | | · · · · · · · · · · · · · · · · · · · | ••••••• | | | | | | | ··· | |
| Description | LAND & BUILDINGS | BUILDING IMPROVEMENTS A | DRIVEWAY | HEATING SYSTEM | EQUIPMENT | EQUIPMENT | EQUIPMENT | Epr | | | | | | | | | | |
| Asset | | ~ | | 4 | S | • | | | | | | | | | | | | |

| Form 990-PF. Divide | nds and | Inter | est from | Seci | ırities | Statement 1 |
|---|---------|--------------------------|----------------------------|-----------------|-----------------------------------|-------------------------------|
| Source | | Gross | Amount | _ | pital Gains Dividends | Column (A) Amount |
| DIVIDENDS & INTEREST ON SECURITIES | | | 221,410. | | 0. | 221,410. |
| Total to Fm 990-PF, Part I, | ln 4 | | 221,410. | | 0. | 221,410. |
| Form 990-PF | O | ther I | ncome | | | Statement 2 |
| Description | | | (a) Revenue Per Book | | (b) Net Invest- ment Income | - |
| ROYALTIES ON BOOK PRODUCT SALES | | | • | 312. 551. | 0 . | • |
| Total to Form 990-PF, Part | I, line | 11 | 15, | 863. | 0 | 15,863. |
| Form 990-PF | Ac | counti | ng Fees | | | Statement 3 |
| Description | Expe | a) nses Books | (b) Net Inv ment In | | (c) Adjusted Net Income | (d) Charitable Purposes |
| OWEN J FLANAGAN & CO - ACCOUNTING & TAX | | 6,500. | 3 | ,250 | . 3,250 | 0. |
| To Form 990-PF, Pg 1, ln 16 | b | 6,500. | 3 | , 250 | 3,250 | 0. |
| Form 990-PF | Other | Profes | sional F | ees | | Statement 4 |
| Description | Expè | a) nses Books | (b) Net Inv ment In | | (c) Adjusted Net Income | |
| MORSE WILLIAMS - INV. ADVISORY SARAH CAMPICHIONI LISA WEILBACKER BEN GILLEN | | 1,503. 200. 1,075. | | , 503 0 0 | | 3. 0. 200. 0. 1,075. 150. |

| (a) Expenses Per Books | (b) Net Invest- ment Income | (c) Adjusted Net Income | (d) Charitable Purposes |
|------------------------------|--|---|---|
| 250. 3,000. 9,338. | 0.0.0. | 0.0.0. | 250. 3,000. 9,338. |
| 12,588. | 0. | 0. | 12,588. |
| | Expenses Per Books 250. 3,000. 9,338. | Expenses Net Invest- Per Books ment Income 250. 0. 3,000. 0. 9,338. 0. | Expenses Net Invest- Adjusted Net Income 250. 0. 0. 0. 3,000. 0. 0. 0. 9,338. 0. 0. 0. |

| Form 990-PF | Other E | xpenses | St. | atement 6 |
|-------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| Description | (a) Expenses Per Books | (b) Net Invest- ment Income | (c) Adjusted Net Income | (d) Charitable Purposes |
| REPAIRS & MAINTENANCE | 52,013. | 0. | 0. | 52,876. |
| ARCHIVES | 1,687. | 0. | 0. | 1,687. |
| ANNUAL PICNIC | 1,433. | 0. | 0. | 1,433. |
| INSURANCE | 13,554. | 0. | 0. | 14,212. |
| OFFICE | 13,831. | 0. | 0. | 13,284. |
| BANK FEES | 312. | 312. | 312. | 0. |
| WEB SITE | 665. | 0. | 0. | 665. |
| PRODUCTS | 4,566. | 0. | 0. | 4,566. |
| BOARD VISITORS & COMMUNITY | 576. | 0. | 0. | 504. |
| RELATIONS | 2,953. | 0. | 0. | 2,953. |
| MARKETING SURVEY | 3,424. | 0. | 0. | 3,424. |
| STAFF DEVELOPMENT | 80. | 0. | 0. | 80. |
| To Form 990-PF, Pg 1, ln 23 | 95,094. | 312. | 312. | 95,684. |

| Form 990-PF. U.S. and State | /City Gov | ernment | Obligations | Statement 7 |
|---|-----------------|--|---|--|
| Description | U.S. Gov't | Other Gov't | Book Value | Fair Market Value |
| US GOVERNMENT BONDS STMT #13 | X | | 507,548. | 507,548. |
| Total U.S. Government Obligations | | • | 507,548. | 507,548. |
| Total State and Municipal Governme | ent Oblig | ations | | |
| Total to Form 990-PF, Part II, lin | ne 10a | | 507,548. | 507,548. |
| Form 990-PF Co | orporate | Stock | | Statement 8 |
| Description | | | Book Value | Fair Market Value |
| CORPORATE STOCK STMT #13 | | | 3,707,852. | 3,707,852. |
| Total to Form 990-PF, Part II, lin | ne 10b | | 3,707,852. | 3,707,852. |
| Form 990-PF Co | orporate | Bonds | | Statement 9 |
| Description | | | Book Value | Fair Market Value |
| CORPORATE BONDS STMT #13 | | • | 1,558,459. | 1,558,459. |
| Total to Form 990-PF, Part II, lin | ne 10c | | 1,558,459. | 1,558,459. |
| Form 990-PF Depreciation of Asse | ets Not E | leld for | Investment | Statement 10 |
| Description | Cost Other E | | Accumulated Depreciation | Book Value |
| | | | | |
| LAND & BUILDINGS BUILDING IMPROVEMENTS DRIVEWAY HEATING SYSTEM EQUIPMENT EQUIPMENT EQUIPMENT Total To Fm 990-PF, Part II, ln 14 | 1 | 0,000. 0,147. 5,000. 8,100. 8,364. 2,429. 4,389. | 0. 47,501. 3,250. 9,257. 18,364. 32,429. 4,389. | 1,400,000. 42,646. 1,750. -1,157. 0. 0. 1,443,239. |

| Form 990-PF. | Part VIII - List Trustees and | | | State | ement 11 |
|--------------------|----------------------------------|--------------------------|-------------------|---------------------------------|----------|
| Name and Address | | Title and Avrg Hrs/Wk | Compen- sation | Employee Ben Plan Contrib | |
| MAUREEN SULLIVAN | | TRUSTEE | | ^ | |
| NEW YORK, NY | | 1.00 | 0. | 0. | 0. |
| MICHAEL KELLY | | TREASURER | | 0. | 0. |
| SHARON, CT | | 1.00 | 0. | • | 0. |
| WILLIAM BORCHERT | | TRUSTEE | ^ | ^ | ^ |
| OSSINING, NY | | 1.00 | 0. | 0. | 0. |
| ROBERT HOGUET | | PRESIDENT | | ^ | ^ |
| NEW YORK, NY | | 1.00 | 0. | 0. | 0. |
| JULIE CLARK BOAK | | SECRETARY | 0. | 0. | ^ |
| NEW YORK, NY | | 1.00 | • | • | • |
| JOHNNY W. ALLEM | | TRUSTEE 1.00 | 0. | 0. | Λ |
| WASHINGTON, DC | | | • | • | |
| EILEEN GIULIANI | | FORMER EXECUT | TIVE DIRECTOR | 4,378. | 0. |
| BEDFORD HILLS, NY | | 40.00 | 40,901. | 4,370. | • |
| DON HARRELL | | TRUSTEE 1.00 | 0. | 0. | 0. |
| NEW YORK, NY | | 1.00 | | . | • |
| ANNAH PERCH | | EXECUTIVE DIF | | C 106 | ^ |
| BEDFORD HILLS, NY | | 40.00 | 30,03U. | 6,406. | 0. |
| Totals included or | n 990-PF, Page 6, | Part VIII | 107,611. | 10,784. | 0. |

SMES

| REALIZED GAINS AND LOSSES |
|---------------------------|
|---------------------------|

| Date Date Quantity Security Date Incomed long 100 12618.80 1641132 31792.22 loc-12-03 01-14-05 300 00 HSBC HLDGS PLC 18,928.20 24,627.88 5,697.87 loc-12-03 01-14-05 300 00 HSBC HLDGS PLC 18,928.20 24,627.88 5,697.87 loc-12-03 01-14-05 300 00 HSBC HLDGS PLC 18,928.20 24,627.88 5,697.87 loc-12-03 01-24-05 500 00 DRAVTH BNC 18,680.00 18,082.34 1,300.23 loc-12-03 10-24-05 500 00 QUALCOMM INC 18,680.00 18,602.00 9,305.40 loc-12-03 20-04-05 500 00 QUALCOMM INC 18,336.45 19,145.54 6,138.94 01-12-03 20-04-05 500 00 PRAYTHEON CO 16,336.45 19,145.54 6,138.94 01-12-03 20-04-05 500 00 PED FRAM CR BK 10,000 00 18,777 13,487.48 6,138.94 02-10-05 100 00 UNTEDHEALTH GRP 4,933.67 18,487.48 14,476.19 02-10-05 100 00 U | Date | ſ | • | | | Describe | 1 | Tona Tanna |
|--|------------|------------|----------|---------------------|---------|----------|----|------------|
| 2-03 01-11-05 200.00 HSBC HLDGS PLC 12,618.80 16,411.32 3,792.52 0-10-14-05 200.00 HSBC HLDGS PLC 11,210.20 2,732.09 6529.78 0-10-14-05 200.00 BAC CORP MASS 1.110.20 2,732.09 11,310.80 0-10-14-05 200.00 BAC CORP MASS 1.110.20 2,732.09 11,310.80 0-10-14-05 200.00 RSO MATN INC 11,222.67 14,113.53 1,606.33 0-10-24-05 200.00 QUALCOMM INC 8,666.00 18,002.40 19,104.54 0-20-10-15 500.00 QUALCOMM INC 11,407.00 11,465.34 19,145.54 19,145.54 0-20-10-15 500.00 RAYTHEON CO 11,407.00 11,465.34 19,145.54 | | Date | Quantity | Security | Dasis | rroceas | וב | Long rerni |
| 2-03 01-11-05 20000 HSBC HLDGS PLC 12,618.80 16,411.32 5,992.73 2-03 01-18-05 3000 00 HSBC HLDGS PLC 18,982.00 24,627.98 5,697.73 6-03 01-18-05 300 00 HSBC HLDGS PLC 11,020 2,732.90 659.77 6-03 01-18-05 300 00 ROW MTN INC 3,884.40 1,490.75 3,606.33 2-03 01-24-05 500 00 QUALCOMM INC 3,884.40 1,490.75 3,606.33 2-03 01-24-05 500 00 QUALCOMM INC 3,884.40 1,490.75 3,912.81 2-03 01-24-05 500 00 QUALCOMM INC 3,884.40 1,490.75 3,912.81 2-03 01-24-05 500 00 QUALCOMM INC 3,884.40 1,490.75 2,912.81 2-03 01-24-05 500 00 QUALCOMM INC 3,884.40 1,490.75 2,188.90 2-03 02-04-05 500 00 RAPHERD SIGNAL 10,740.50 14,453.44 2,188.90 2-03 02-04-05 500 00 COMCAST CLA 14,527.00 13,487.44 -18.44 2-04-05 | • | | | | | | | |
| 1970 11-10-10 2000 HINDOR PLC 11972 24,627.8 5,699.7 11-10-20 24,627.8 5,699.7 11-10-20 200.00 EMC CORP MASS 2,110.20 2,772.90 6,22.7 2,900 10-14-05 200.00 EMC CORP MASS 2,110.20 2,772.90 6,22.7 2,900 10-124-05 200.00 GMAC CORP MINC 12,128.6 7,490.7 3,490.7 3,800.3 1,830.8 1,240.5 500.00 QUALCOMM INC 16,386.4 7,490.7 7,490.7 18,602.4 3,905.4 6,203 6,20-10-5 500.00 QUALCOMM INC 16,386.4 19,145.34 19,145.34 2,809.00 C,203.05 500.00 QMACTHEON CO 12,407.00 19,145.34 19,145.34 2,809.00 C,203.05 500.00 RAYTHEON CO 12,407.00 12,407.00 19,145.34 6,738.4 6,738.4 19,145.34 19,145 | ے د | 1110 | | לאם זא ט | 618.8 | 6.411 | | 792.5 |
| 243 01-14-05 500.00 EMC CORP MASS 12,110.20 2,732.01 2,73 | 7 9 | 7-11-1 | • | | | | | 003 |
| 0.19 5.10 5.10 5.13 5.27 5.29 6.27 0.3 0.1-24-05 5.00 BACC CORP MASS 2,110 20 2,132.90 6.23 6.24 7,490 7.5 6.03 0.1-24-05 5.00 QUALCOMIA INC 3,884 7,490 7.490 7.5 3,606.30 18,006.30 9.00 QUALCOMIA INC 16,740 16,653.37 3,135.34 3,125.34 2,125.34 5,125.34 2,120.37 3,125.34 2,120.37 1,125.34 2,120.37 2,120.37 2,120.37 2,120.37 2,120.34 | 7 | -14-0 | 300 00 | CHLLOS | 7.976, | 4,027.9 | | ,077 |
| 4.3 1.24-05 500.00 BRON MTN INC 12.28.67 14,113.53 1,530.83 4.3 10.1-24-05 200.00 QUALCOMM INC 8,666.00 18,002.73 3,506.43 4.3 10.1-27-05 500.00 QUALCOMM INC 8,666.00 14,633.37 3,912.87 4.3 10.2-01-05 500.00 APPLIED SIGNAL 10,740.50 14,633.37 2,912.87 4.2 20.03-05 500.00 RAYTHEON CO 12,811.00 12,792.54 2,899.02 4.2 20.2-04-05 500.00 TATHEON CO 12,811.00 12,792.57 -184.93 4.2 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 4.2 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 4.2 2.1-05 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 4.2 2.1-05 100.00 UNITEDHEALTH GRP 4,903.67 8,000.00 10,000.00 10,000.00 10,000.00 10,000.00 10,000 | 9 | -18-0 | 200.00 | | ,110.2 | ,732.9 | | 622. |
| 0.3 01-24-05 200 0 QUALCOMM INC 3,884.40 7,490.75 3,606.31 0.3 01-24-05 500 00 QUALCOMM INC 1,665.00 18,662.40 9,396.47 0.3 01-27-05 500 00 QAPULED SIGNAL 10,740.50 19,145.54 2,390.40 0.2 0.2-03-05 500 00 RAYTHEON CO 12,407 00 19,145.54 2,809.00 0.3 0.2-03-05 500 00 RAYTHEON CO 12,407 00 19,145.54 6,738.50 0.2 0.2-03-05 500 00 RAYTHEON CO 12,407 00 19,145.54 6,738.50 0.2 0.2-03-05 500 00 RAYTHEON CO 12,407 00 12,792.57 1,849.00 0.2 0.2-10-05 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 0.2 0.2-14-05 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 0.2 0.2-14-05 100.000 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 0.2 0.2-14-05 100.000 UNITEDHEALTH GRP 4,903.60 10,000.00 15,487.48 4,476.11 | 4 | -24-0 | 200.00 | - | 282. | 4,113.5 | | ,830.8 |
| 63 01-27-05 500.00 QUALCOMM INC 8,666.00 18,062.40 9,396.47 93 02-01-05 500.00 APPLEDS IGNAL 10,740.50 14,653.37 3,912.87 93 02-01-05 500.00 APPLEDS IGNAL 10,745.44 2,809.00 93 02-01-05 500.00 TENN VALLEY AUTH SER 12,407.00 19,145.54 6,738.54 92 02-04-05 500.00 TENN VALLEY AUTH SER 12,811.00 12,792.57 1-18.43 93 02-04-05 500.00 TENN VALLEY AUTH SER 1,811.00 12,792.57 1-18.43 93 02-10-05 100.00 UNTEDHEALTH GRP 4,903.67 8,772.71 3,869.04 94 02-11-05 500.00 COMCAST CL A 14,527.00 15,487.48 960.44 95 02-11-05 500.00 COMCAST CL A 14,527.00 15,487.48 960.44 95 02-11-05 500.00 COMCAST CL A 14,527.00 15,487.48 960.44 96 02-11-05 500.00 OU STSY NITS 10,500.00 100,000.00 10,487.48 4,476.19 97< | 9 | 1-24-0 | 200 00 | ¥ | ,884.4 | ,490.7 | | ,606.3 |
| 0.3 0.2-01-05 500 to APPLED SIGNAL 10,740 50 14,653.37 3-912.87 0.2 0.2-03-05 500 to RAYTHEON CO 16,336.45 19,145.54 2,089.00 0.2-04-05 500 to RAYTHEON CO 12,407 to 19,145.54 6,738.54 0.2 0.2-04-05 500 to TENN VALLEY AUTH SER 12,411.00 12,792.57 1889.00 0.2 10-05 100 to UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 0.3 10-10-05 100 to COMCAST CLA 14,527.00 15,487.48 960.44 0.3 10-11-05 100 to COMCAST CLA 14,527.00 15,487.48 960.44 0.3 10-11-05 500 to OO COMCAST CLA 14,527.00 15,487.48 960.44 0.2 10.0 10.5 To Company Compan | 2-0 | -27-0 | 500.00 | A | 0.999 | ,062.4 | | ,396.4 |
| 6.2-63-63 500.00 RAYTHEON CO 16,336.45 19,145.34 2,809.05 0.2-03-05 500.00 RAYTHEON CO 12,407.00 12,192.57 -184.34 0.2-04-05 500.00 RAYTHEON CO 12,407.00 12,792.57 -184.3 0.2-04-05 500.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.04 0.3 02-11-05 100.00 UNITEDHEALTH GRP 14,527.00 15,487.48 960.46 0.3 02-11-05 500.00 COMCAST CL A 14,527.00 15,487.48 960.46 0.2-14-05 100,000.00 FED FARM CR BK 100,000.00 100,000.00 15,120% Due 02-14-12 360.000 0.2-15-05 50,000 10 STSY NITS 360.56.50 50,000.00 -562.56 0.2-15-05 100.00 CATERPILLAR INC 9,865.50 50,000.00 -562.36 0.3-10-05 500.00 HOME DEPOT INC 20,387.70 26,803.11 2,977.10 0.3-10-05 500.00 HOME DEPOT INC 20,387.70 26,803.11 2,977.10 0.3-10-05 500.00 BOT INC 1,099.40 7,555.75 3,947.01 | 9 | 919 | 200 00 | ŽĽ | .740 5 | ,653.3 | | ,912.8 |
| 6.738.54 6.738.54 6.2 02-05 5 00.00 TENN VALLEY AUTH SER 12,407 00 12,407 00 12,492 57 -18.43 6.2 02-04-05 5 00.00 TENN VALLEY AUTH SER 12,811.00 12,792 57 -18.43 9.2 02-10-05 1 00.00 UNTEDHEALTH GRP 4,903.67 8,772.71 3,869.04 9.2 11-05 5 00.00 COMCAST CL A 14,527.00 15,487.48 960.48 -0.2 02-14-05 100.00 UN TEDHEALTH GRP 4,903.67 8,772.71 3,869.04 -0.2 02-14-05 5 0,000 ON TED FARM CR BK 100,000 ON TED FARM CR BK 100,000 ON TED FARM CR BK 100,000 ON TED FARM CR BK 4,829.50 5,000 ON TED FARM CR BK 4,829.50 7,931.73 -562.50 -0.0 0.22-05 100.00 CATERPILLAR INC 9,965.50 7,931.73 -2,933.70 -2,933.70 -2,933.70 -2,933.70 -2,933.70 -2,933.70 -2,933.70 -2,933.70 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 -2,937.11 - | 5,6 | 03-0 | 500.00 | THE | .336.4 | 145.5 | | 809.0 |
| 02 02-04-05 500.00 TENN VALLEY AUTH SER 12,811.00 12,792.57 -18,43 02 02-04-05 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 03 02-10-05 100.00 COMCAST CL A 14,527.00 15,487.48 960.48 03 02-11-05 500 00 COMCAST CL A 14,527.00 100,000.00 FED FARM CR BK 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.00 100,000.0 | , 6 | 03-0 | 200 00 | AYT | 4070 | 145.5 | | 738.5 |
| 0.00 DIOLOGO UNITEDHEALTH GRP 4,903.67 8,772.71 3,869.00 0.01 0.05 100.00 UNITEDHEALTH GRP 14,527.00 15,487.48 960.46 0.02 14-05 100,000.00 FED FARM CR BK 100,000.00 100,000.00 100,000.00 9.02-14-05 50,000 US TSY NTS 50,562.50 50,000.00 -562.51 9.02-25-05 100.00 US TSY NTS 50,562.50 50,000.00 -562.51 0.0 0.2-25-05 100.00 US TSY NTS 50,562.50 50,000.00 -562.51 0.0 0.2-25-05 100.00 US TSY NTS 50,562.50 50,000.00 -562.51 0.0 0.2-25-05 100.00 US TSY NTS 50,562.50 50,000.00 -562.51 0.0 0.2-25-05 100.00 HOME DEPOT INC 9,865.50 7,391.71 2,325.11 0.0 0.2-25-05 500.00 HOME DEPOT INC 2,023.20 6,137.91 2,141.47 0.0 0.2-10-05 500.00 RABENICAN EXPESS 23,387.00 | 3 | 040 | 500.00 | VALLEY | ,811. | ,792 5 | | -18.4 |
| 03 02-10-05 100.00 UNITEDHEALTH GRP 4,903.67 8,772.71 3,8690- 03 02-11-05 500 00 COMCAST CL A 14,527.00 15,487.48 960.44 03 02-11-05 500 00 00 COMCAST CL A 100,000 00 100,000.00 1508.00 | | | | m | | | | |
| 0.3 0.2-11-05 500 00 COMCAST CL A 14,527.00 15,487.48 960.46 0.2 0.2-14-05 100,000.00 FED FARM CR BK 100,000.00 100,000.00 56.256 0.2 0.2-14-05 100,000.00 FED FARM CR BK 100,000.00 6.120% Due 02-14-12 56.250 0.5 0.2-15-05 50,000 00 VS TSY NTS 7.500% Due 0.2-15-05 4,829.50 9,305.69 4,476.11 0.0 0.2-25-05 100 00 CATERPILLAR INC 9,965.50 7,331.73 -2,033.7 0.0 0.2-25-05 200 00 HOME DEPOT INC 9,965.50 7,331.73 -2,033.7 0.1 0.2-26-05 500 00 HOME DEPOT INC 9,965.50 7,331.73 -2,033.7 0.1 0.2-26-05 500 00 HOME DEPOT INC 2,023.20 6,137.91 4,114.7 0.3 0.2-10-05 500 00 HOME DEPOT INC 2,223.20 8,159.18 2,925.1 0.3 0.3-10-05 500 00 RSA SEC INC 7,038.76 8,159.19 1,064.3 0.3 0.3-10-05 500 00 LANDSTAR SYS INC 3,871.00 26,803.11 | 9 | 2-10-0 | 100.00 | [— | ,903 | ,772. | | 3,869.04 |
| 02 02-14-05 100,000.00 FED FARM CR BK 100,000 00 100,000 100,000 00 -562.58 95 02-15-05 50,000 00 US TSY NTS 50,562.50 50,000.00 -562.58 03 02-25-05 100.00 CATERPILLAR INC 9,965.50 7,931.73 -2,033.71 09 02-25-05 200 00 HOME DEPOT INC 9,965.50 7,931.73 -2,033.71 03 02-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 03 3-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 03 3-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 03 3-10-05 500.00 RSA SEC INC 7,938.76 8,159.18 1,064.3 04 3-21-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 04 3-21-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 04 3-21-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 04 0-22-05 1,000 00 STORAGE TECH CP 2,380.89 31,316.96 5,936.0 03 4-13-05 500.00 JUNIPER NETWORKS 7,184.70 11,169.78 3,985.0 04 4-22-05 1,000 00 LANDESTAR SYS INC 4,789.80 6,944.70 </td <td>7.0</td> <td>2-11-0</td> <td></td> <td>MO</td> <td>4,527.0</td> <td>5,487.</td> <td></td> <td>960.48</td> | 7.0 | 2-11-0 | | MO | 4,527.0 | 5,487. | | 960.48 |
| 6.120% Due 02-14-12 95 02-15-05 50,000 00 US TSY NTS 7.500% Due 02-15-05 0.2-25-05 100.00 CATERPILLAR INC 0.2-25-05 10.00 CATERPILLAR INC 0.2-25-05 10.00 CATERPILLAR INC 0.2-25-05 10.00 CATERPILLAR INC 0.2-25-05 10.00 CATERPILLAR INC 0.2-20-05 10.00 CATERPILLAR INC 0.2-20-05-05-05-05-05-05-05-05-05-05-05-05-05 | 7-0 | 2-14-0 | 0.00 | FED FARM CR BK | 0,000,0 | 0,000,0 | | |
| -95 02-15-05 50,000 00 US TSY NTS 50,562.50 50,000.00 -562.50 -03 7.500% Due 02-15-05 7,500% Due 02-15-05 4,829.50 9,305.69 4,476.11 -03 02-25-05 100.00 CATERPILLAR INC 9,965 50 7,931.73 -2,033.7 -01 03-09-05 500.00 HOME DEPOT INC 2,023.20 6,137.91 4,476.11 -03 03-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 -03 03-10-05 500.00 AMERICAN EXPRESS 2,3877.00 26,803.11 2,926.1 -03 03-10-05 500.00 AMERICAN EXPRESS 2,3877.00 26,803.11 2,926.1 -03 03-10-05 500.00 AMERICAN EXPRESS 2,449.40 7,555.75 3,956.1 -03 03-10-05 500.00 RSA SEC INC 500.00 RSA SEC INC 7,094.86 8,159.18 1,064.3 -04 03-21-05 1,000 On STORAGE TECH CP 3,871.33 7,038.76 3,467.4 -04 03-28-05 1,000 On STORAGE TECH CP 7,184.70 11,69.7 | | | | 6.120% Due 02-14-12 | | | | |
| 7,500% Due 02-15-05 9,305.69 9,305.69 4,476.11 00 2-25-05 100.00 CATERPILLAR INC 9,965 50 7,931.73 -2,033.7 -01 03-09-05 500.00 HOME DEPOT INC 9,965 50 7,931.73 -2,033.7 -01 03-09-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.13 3,010-05 500.00 AMERICAN EXPRESS 4,499.40 7,555.75 100 00 L3 COMM HLDGS 4,499.40 7,555.75 1,000.00 RSA SEC INC 1,998.18 2,322.00 8,159.19 1,000.00 LANDSTAR SYS INC 1,998.18 2,332.92 3,871.33 7,038.76 1,000.00 LANDSTAR SYS INC 7,184.70 11,169.78 11,169.78 19,401.25 10,000.00 LANDSTAR SYS INC 19,401.25 10,401.25 10,000.00 LANDSTAR SYS INC 19,401.25 10,401.25 10,000.00 LANDSTAR SYS INC 19,401.25 10,401.36 10,401.25 10,401.36 | Ò | -15-0 | | US TSY NTS | 0,562. | 0,000 | | • |
| -03 02-25-05 100.00 CATERPILLAR INC 4,829.50 9,305.69 4,476.11 -00 02-25-05 100.00 HOME DEPOT INC 9,965 50 7,931.73 -2,033.7 -01 03-09-05 500.00 HOME DEPOT INC 2,023.20 6,137.91 4,114.7 -03 03-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 -02 03-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 -02 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 -03 03-10-05 500.00 RND STAR SYS INC 1,998.18 2,392.92 3,467.4 -04 03-28-05 1,000 O STORAGE TECH CP 2,5380.89 31,316.96 5,936.0 -03 03-28-05 1,000 O ELL INC 7,184.70 11,169.78 3,487.00 -04 04-13-05 500.00 FINST DATA 19,401.25 18,817.81 -583.4 -04 04-22 | | | | 7.500% Due 02-15-05 | | | | |
| 7-00 02-25-05 200 00 HOME DEPOT INC 9,965 50 7,931.73 -2,033.77 8-01 03-09-05 500.00 BOTTOMLINE TECH 2,023.20 6,137.91 4,114.7 0-03 03-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 9-02 03-10-05 500.00 RSA SEC INC 7,555.75 3,056.3 9-03 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 1-03 03-10-05 500.00 LANDSTAR SYS INC 3,871.33 7,038.76 3,167.4 9-04 03-21-05 1,000 00 STORAGE TECH CP 2,392.92 3,94.7 5-03 03-28-05 1,000 00 STORAGE TECH CP 2,392.92 3,94.7 5-04 04-13-05 500.00 IUNIPER NETWORKS 7,184.70 11,169.78 3,985.0 8-01 04-13-05 500.00 IUNIPER NETWORKS 7,201.00 10,767.54 -583.4 2-04 04-22-05 1,000.00 LANDSTAR SYS INC 4,789.80 6,964.70 6,964.70 9-02 05-10-05 300.00 L3 COMM HLDGS <td>9</td> <td>-25-0</td> <td>100.00</td> <td>ATE</td> <td>,829.5</td> <td>,305.6</td> <td></td> <td></td> | 9 | -25-0 | 100.00 | ATE | ,829.5 | ,305.6 | | |
| 8-01 03-09-05 500.00 BOTTOMLINE TECH 2,023.20 6,137.91 4,114.7 0-03 03-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 9-02 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.18 2,927.13 9-03 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.33 1-03 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.33 1-03 03-10-05 500.00 LANDSTAR SYS INC 3,871.33 7,038.76 3,167.44 5-02 03-28-05 1,000 0 STORAGE TECH CP 2,380.89 31,316.96 5,936.0 5-03 03-28-05 1,000 0 STORAGE TECH CP 2,380.89 31,316.96 5,936.0 8-01 04-13-05 500.00 JUNIPER NETWORKS 7,201.00 10,767.54 -583.4 2-04 04-22-05 1,000.00 LANDSTAR SYS INC 4,789.80 6,964.70 6,964.70 9-02 <td>7.0</td> <td>Ó</td> <td>200 00</td> <td>HOME DEPOT INC</td> <td>,965 5</td> <td>,931.7</td> <td></td> <td></td> | 7.0 | Ó | 200 00 | HOME DEPOT INC | ,965 5 | ,931.7 | | |
| 0-03 03-10-05 500.00 AMERICAN EXPRESS 23,877.00 26,803.11 2,926.1 9-02 03-10-05 100 00 L3 COMM HLDGS 4,499.40 7,555.75 3,056.3 9-02 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 2,927.1 1-03 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 1-03 03-10-05 500.00 LANDSTAR SYS INC 3,871.33 7,038.76 3,167.4 5-02 03-28-05 1,000 00 STORAGE TECH CP 25,380.89 31,316.96 5,936.0 8-01 04-13-05 300 00 DELL INC 7,184.70 11,169.78 3,566.5 2-04 04-22-05 1,000.00 LANDSTAR SYS INC 19,401.25 18,817.81 -583.4 9-04 04-22-05 1,000.00 LANDSTAR SYS INC 4,789.80 6,964.70 2,174.9 8-01 04-22-05 1,000.00 LANDSTAR SYS INC 4,789.80 6,964.70 2,174.9 9-02 05-10-05 300.00 L3 COMM HLDGS 9,547.00 13,615.17 4,068.1 | ∞ | 03-09-05 | 200.00 | | ,023.2 | ,137. | | 14.7 |
| 9-0203-10-05100 to L3 COMM HLDGS4,499.407,555.753,056.30-0303-10-05500.00 RSA SEC INC5,232.008,159.182,927.131-0303-10-05500.00 RSA SEC INC7,094.868,159.191,064.39-0403-21-05500.00 LANDSTAR SYS INC3,871.337,038.763,167.45-0203-28-05150 00 ABIGALL ADAMS NB1,998.182,392.92394.75-0303-28-051,000 00 STORAGE TECH CP25,380.8931,316.965,936.05-0304-13-05300 00 DELL INC7,184.7011,169.783,566.54-0304-13-05500.00 JUNIPER NETWORKS7,201.0010,767.54-583.42-0404-22-051,000.00 LANDSTAR SYS INC4,789.806,964.702,174.98-0104-27-05300.00 L3 COMM HLDGS13,498.2020,422.766,924.59-0205-10-05200 00 L3 COMM HLDGS9,547.0013,615.174,068.1 | 9 | 3-10-0 | 500.00 | AMERICAN EXPRESS | 3,877.0 | 6,803. | | 26.1 |
| 0-03 03-10-05 500.00 RSA SEC INC 5,232.00 8,159.18 2,927.13 1-03 03-10-05 500.00 RSA SEC INC 7,094.86 8,159.19 1,064.3 9-04 03-21-05 200.00 LANDSTAR SYS INC 3,871.33 7,038.76 3,167.44 5-02 03-28-05 1,000 00 STORAGE TECH CP 25,380.89 31,316.96 5,936.0 5-03 03-28-05 1,000 00 STORAGE TECH CP 25,380.89 31,316.96 5,936.0 8-01 04-13-05 300 00 DELL INC 7,184.70 11,169.78 3,566.5 2-04 04-22-05 500.00 JUNIPER NETWORKS 7,201.00 10,767.54 -583.4 2-04 04-22-05 1,000.00 LANDSTAR SYS INC 19,401.25 18,817.81 -583.4 8-01 04-22-05 1,000.00 LANDSTAR SYS INC 4,789.80 6,964.70 2,174.9 8-01 04-27-05 200 00 DELL INC 4,789.80 6,964.70 6,924.5 9-02 05-10-05 200 00 L3 COMM HLDGS 9,547 00 13,615.17 4,068.1 | 9 | 3-10-0 | 100 00 | L3 COMM HLDGS | 499.4 | ,555. | | 56.3 |
| 1-0303-10-05500.00 RSA SEC INC7,094.868,159.191,0064.39-0403-21-05200.00 LANDSTAR SYS INC3,871.337,038.763,167.45-0203-28-05150 00 ABIGAIL ADAMS NB1,998.182,392.92394.75-0303-28-051,000 00 STORAGE TECH CP25,380.8931,316.965,936.08-0104-13-05300 00 DELL INC7,184.7011,169.783,985.08-0404-13-05500.00 JUNIPER NETWORKS7,201.0010,767.543,566.52-0404-22-051,000.00 FIRST DATA19,401.2518,817.81-583.49-0404-22-051,000.00 LANDSTAR SYS INC4,789.806,964.702,174.98-0104-27-05300.00 L3 COMM HLDGS13,498.2020,422.766,924.59-0205-10-05200 00 L3 COMM HLDGS9,547.0013,615.174,068.1 | 9 | 3-10-0 | 500.00 | RSA SEC INC | ,232 | ,159.1 | | 27.1 |
| 9-0403-21-05200.00 LANDSTAR SYS INC3,871.337,038.763,167.45-0203-28-05150 00 ABIGAIL ADAMS NB1,998.182,392.92394.75-0303-28-051,000 00 STORAGE TECH CP25,380.8931,316.965,936.05-0303-28-051,000 00 DELL INC7,184.7011,169.783,985.08-0104-13-05500.00 JUNIPER NETWORKS7,201.0010,767.543,566.52-0404-22-051,000.00 LANDSTAR SYS INC19,401.2518,817.81-583.49-0404-22-051,000.00 LANDSTAR SYS INC4,789.806,964.702,174.98-0104-27-05300.00 L3 COMM HLDGS13,498.2020,422.766,924.59-0205-10-05200 00 L3 COMM HLDGS9,547 0013,615.174,068.1 | 9 | 3-10-0 | 500.00 | RSA SEC INC | ,094 | 1.651, | | 64.3 |
| 5-0203-28-05150 00 ABIGAIL ADAMS NB1,998.182,392.92394.75-0303-28-051,000 00 STORAGE TECH CP25,380.8931,316.965,936.08-0104-13-05300 00 DELL INC7,184.7011,169.783,985.04-0304-13-05500.00 JUNIPER NETWORKS7,201.0010,767.543,566.52-0404-22-05500.00 FIRST DATA19,401.2518,817.81-583.49-0404-22-051,000.00 LANDSTAR SYS INC19,356.6732,715.2213,358.58-0104-27-05200 00 DELL INC4,789.806,964.705,964.709-0205-10-05200 00 L3 COMM HLDGS9,547.0013,615.174,068.1 | 9 | 3-21-0 | 200.00 | LANDSTAR SYS INC | ,871. | ,038.7 | | ,167.4 |
| 5-0303-28-051,000 00STORAGE TECH CP25,380.8931,316.965,936.08-0104-13-05300 00DELL INC7,184.7011,169.783,985.04-0304-13-05500.00JUNIPER NETWORKS7,201.0010,767.543,566.52-0404-22-05500.00JUNIPER NETWORKS19,401.2518,817.81-583.49-0404-22-051,000.00LANDSTAR SYS INC19,356.6732,715.2213,358.58-0104-27-05200 00DELL INC4,789.806,964.705,174.99-0205-10-05300.00L3 COMM HLDGS13,498.2020,422.766,924.51-0305-10-05200 00L3 COMM HLDGS9,547.0013,615.174,068.1 | 5-0 | 3-28-0 | | | ,998.1 | ,392. | | 94.7 |
| 8-01 04-13-05 300 00 DELL INC 7,184.70 11,169.78 3,985.0 4-03 04-13-05 500.00 JUNIPER NETWORKS 7,201.00 10,767.54 3,566.5 2-04 04-22-05 500.00 FIRST DATA 19,401.25 18,817.81 -583.4 9-04 04-22-05 1,000.00 LANDSTAR SYS INC 19,356.67 32,715.22 13,358.5 8-01 04-27-05 200 00 DELL INC 4,789.80 6,964.70 2,174.9 9-02 05-10-05 300.00 L3 COMM HLDGS 13,498.20 20,422.76 6,924.5 1-03 05-10-05 200 00 L3 COMM HLDGS 9,547.00 13,615.17 4,068.1 | 5-0 | 3-28-0 | | STORAGE TECH CP | 5,380.8 | 1,316.9 | | ,936.0 |
| 4-03 04-13-05 500.00 JUNIPER NETWORKS 7,201.00 10,767.54 3,566.5 2-04 04-22-05 500.00 FIRST DATA 19,401.25 18,817.81 -583.4 9-04 04-22-05 1,000.00 LANDSTAR SYS INC 19,356.67 32,715.22 13,358.5 8-01 04-27-05 200.00 DELL INC 4,789.80 6,964.70 2,174.9 9-02 05-10-05 300.00 L3 COMM HLDGS 13,498.20 20,422.76 6,924.5 11-03 05-10-05 200.00 L3 COMM HLDGS 9,547.00 13,615.17 4,068.1 | op. | 13-0 | | DELL INC | ,184.7 | 1,169.7 | | ,985.0 |
| -04 04-22-05 500.00 FIRST DATA 19,401.25 18,817.81 -583.4 -04 04-22-05 1,000.00 LANDSTAR SYS INC 19,356.67 32,715.22 13,358.5 -01 04-27-05 200 00 DELL INC 4,789.80 6,964.70 2,174.9 -02 05-10-05 300.00 L3 COMM HLDGS 13,498.20 20,422.76 6,924.5 -03 05-10-05 200 00 L3 COMM HLDGS 9,547 00 13,615.17 4,068.1 | 4-0 | 13-0 | 500.00 | JUNIPER NETWORKS | 201.0 | ,767.5 | | ,566.5 |
| 1.000 LANDSTAR SYS INC 19,356.67 32,715.22 13,358.5 1.000 LANDSTAR SYS INC 4,789.80 6,964.70 2,174.9 2,00 00 L3 COMM HLDGS 13,498.20 20,422.76 6,924.5 200 00 L3 COMM HLDGS 9,547.00 13,615.17 4,068.1 | 2-0 | 4-22-0 | 500.00 | | 9,401. | 8,817.8 | | 83.4 |
| 8-01 04-27-05 200 00 DELL INC 4,789.80 6,964.70 2,174.9 9-02 05-10-05 300.00 L3 COMM HLDGS 13,498.20 20,422.76 6,924.5 1-03 05-10-05 200 00 L3 COMM HLDGS 9,547 00 13,615.17 4,068.1 | 9 | 4-22-0 | 1,000.00 | LAND | 9,356. | 2,7152 | | 58.5 |
| 9-02 05-10-05 300.00 L3 COMM HLDGS 13,498.20 20,422.76 6,924.5 1-03 05-10-05 200 00 L3 COMM HLDGS 9,547 00 13,615.17 4,068.1 | 8-0 | 4-27-0 | 000 | DELL INC | ,789.8 | ,964.7 | | 74. |
| 1-03 05-10-05 200 00 L3 COMM HLDGS 9,547 00 13,615.17 4,06 | 9 | 5-10-0 | | COMM | ,498.2 | 0,422.7 | | ,924.5 |
| | 9 | 5-10-0 | | COMM | .547 | 3.615.1 | | 90. |

Morse, Williams & Company REALIZED GAINS AND LOSSES THE STEPPING STONES FOUNDATION R2514

From 01-01-05 Through 12-31-05

| | į | | | | • | Gain O | Or Loss |
|---------------|------------------|-------------|----------------------|-----------|-----------|------------|------------|
| Open Date | Close | Ougntity | Security | Cost | Proceede | Short Term | Tong Torm |
| | | | | | | | The second |
| 07-24-02 | 05-13-05 | 8 | MARATHON OIL | 4,438.33 | 9,222.61 | | 4.784 28 |
| 12-05-02 | 05-19-05 | | LACLEDE GRP INC | 758.6 | 14.857.37 | | |
| 06-26-02 | 9 | 8 | TENN VALLEY AUTH SER | 2,8110 | 2,500 | | Ō |
| | | | ~ | • | | | |
| 10-23-03 | 06-01-05 | 500.00 | TENN VALLEY AUTH SER | 13,052.00 | 12,500.00 | | -552 00 |
| | • | | | | | | |
| 05-07-04 | 9 | 8 | | S. | m | | 483 54 |
| 06-11-02 | 06-14-05 | 50,000.00 F | FED FARM CR BK | 20,000.00 | 50,000.00 | | |
| 05-16-03 | 20.20.70 | 5 | 3.000 Me CO Me | 12 611 50 | 14 662 38 | | 2 051 00 |
| | 7,00 | | VEDION COMM | 7 110 0 | 1,000,1 | | 0.100, |
| 7 6 | 2 6 | 3 5 | | 2 7 | 0,020.0 | | -284 U |
| D-47-/ | CD-17-/0 | 00.000 | NET | 0.102, | 1,942 | | ./41 |
| 10-03-01 | 08-02-05 | 8 | TXI CAP TR I TR PFD | ,502 | ,617. | | 22,115.62 |
| င္ပဲ | 08-09-05 | 8 | CITIGROUP INC | 13 | 8,692 83 | | -820 17 |
| $\overline{}$ | 08-09-05 | 300.00 | CITIGROUP INC | 14,383.00 | 13,039.25 | | -1,343.75 |
| 06-22-04 | $\mathbf{\circ}$ | 8 | DRS TECH INC | 8,970.40 | 15,570.34 | | 99.9 |
| 05-03-04 | 08-17-05 | 50 | SPRINT NEXTEL | 9 57 | 13 12 | | 3 |
| 10-18-01 | \sim | 200.00 I | PFIZER INC | 8,382.80 | 4,997.06 | | _ |
| 10-18-01 | 08-25-05 | 8 | PFIZER INC | 8,382.80 | 4,961.61 | | |
| 05-03-04 | | 8 | SPRINT NEXTEL | 87. | 6,683 85 | | 9 |
| 12-02-02 | _ | 8 | ABIGAIL ADAMS NB | 8,925.21 | 10,770 19 | | ,844 |
| 12-09-02 | 15-0 | 8 | 8 | 5,987 90 | 7,072.96 | | 85 |
| 08-12-03 | 9 | | ABIGAIL ADAMS NB | 3,814.40 | 3,857.98 | | 43 58 |
| Ś | 09-16-05 | | H | 24 | 12,169.24 | | |
| 19 | Q | 8 | 1 & H/ | 8,153.00 | 8,112.82 | | 40.18 |
| 05-03-04 | -30-0 | | SPRINT NEXTEL | 14,232.81 | 17,533.59 | | 3,300.78 |
| 10-21-02 | -11-0 | _ | \mathbf{C} | | 5,972.81 | | -1,137.99 |
| 01-07-03 | 10-11-05 | 8 | VERIZON COMM | 4,357.33 | 2,986.41 | | 2 |
| 07-26-02 | -17-0 | | PLUM CRK TIMBER | 8,161.20 | 10,579.55 | | 2,418.35 |
| 01-07-03 | 10-17-05 | 8 | VERIZON COMM | 8,714.67 | 5,893.03 | | ,821.6 |
| 10-18-01 | -24-0 | 9 | PFIZER INC | 4,191.40 | 9 | | -2,100.03 |
| 04-27-04 | Q | 8 | PFIZER INC | 3,694.50 | 2,091.37 | | ,603 |
| <u> </u> | 9 | 00. | QUEST DIAGNOS | 25,462.00 | 28,128.00 | | 2,666 00 |
| 9-17- | 10-24-05 | 200 00 | V F CORP | 7,998.80 | 10,468.89 | | 2,470 09 |
| 10-06-04 | 10-28-05 | 2,000.00 I | LUCENT TECH | 6,562.00 | 5,485.64 | | 3 |

Morse, Williams & Company REALIZED GAINS AND LOSSES THE STEPPING STONES FOUNDATIO

IE STEPPING STONES FOUNDATION R2514

Company to the continue of the

From 01-01-05 Through 12-31-05

| Cuose Cost Date Quantity Securly Cost 10-28-05 2,000.00 LUCENT TECH 7,022.00 5,485.63 10-28-05 5,000.00 VERLSIGN INC 6,535.00 11,391.12 11-09-05 500.00 VERLSIGN INC 9,500.00 11,391.12 11-09-05 500.00 PP PLC SPONS ADR 10,509.50 13,193.05 11-09-05 500.00 BP PLC SPONS ADR 10,509.50 13,193.05 11-14-05 500.00 BP PLC SPONS ADR 10,509.50 13,193.05 11-14-05 500.00 BRISTOL-MYERS SQUIBB 11,377.00 10,566.74 11-14-05 500.00 VERIZON COMM 10,273.00 9,387.76 11-14-05 500.00 VERIZON COMM 10,273.00 9,387.76 11-14-05 500.00 VERIZON COMM 10,273.00 9,566.74 11-14-05 500.00 VERIZON COMM 1,320.50 9,566.74 11-14-05 500.00 POTTOMLINE TECH 4,266.00 5,000.00 11-23-05 50,000.00 CIT GRP HLDGS SR 5,000.00 5,000.00 11-23-05 50,000.00 FIZZER INC | | į | | | | | Gain C | Or Loss |
|---|----------|--------|----------|--------------------|---------------|-----------|------------|------------|
| 10-28-05 2,000.00 LUCENT TECH 7,022.00 11-04-05 500.00 VERISIGN INC 6,536.00 11-04-05 500.00 VERISIGN INC 6,536.00 11-04-05 500.00 VERISIGN INC 6,536.00 11-04-05 5200.00 BP PLC SPONS ADR 10,909.50 13-04-05 11-09-05 500.00 BP PLC SPONS ADR 10,909.50 11-104-05 500.00 BP PLC SPONS ADR 16,388.25 11-14-05 500.00 BR PLC SPONS ADR 16,238.25 11-14-05 500.00 VERIZON COMM 7,337.00 10-11-14-05 500.00 VERIZON COMM 7,335.00 6,220.00 VERIZON COMM 7,305.00 6,300.00 CTT GRP HLDGS SR 5,000.00 CTT GRP HLDGS SR 1,000.00 CTT GRP HLDGS SR 1,000.00 CTT GRP HLDGS PLC 1,1538,011.49 1,350.00 CTT GRP HLDGS PLC 1,1538,011.49 1,350.00 CTT GRP HLDGS PLC 1,239.00 CTT GRP HLDGS PLC 1,239.00 CTT GRP HARM 6,450.13 5,000.00 CTT GRP HARM 6,450.13 5,000.00 CTT GRP HARM 6,450.13 5,000.00 CTT GRP HARM 5,800.00 | Open | Close | Quantity | Security | Cost Basis | Proceeds | Short Term | Long Term |
| 10-28-05 2,000.00 LUCENT TECH 7,022.00 5 | | | | | | | | |
| 10-28-05 500.00 VERISIGN INC 6,536.00 111-04-05 100,000.00 FED HOME LN MTG 99,500.00 95,500.00 11-04-05 500.00 BP PLC SPONS ADR 10,909.50 132 11-09-05 300.00 BP PLC SPONS ADR 10,309.50 133 11-14-05 300.00 BP PLC SPONS ADR 10,309.50 11-14-05 300.00 VERIZON COMM 7,305.00 7,305 | 10-18-04 | 0-28-0 | _ | UCENT TECH | 22.0 | ,485.6 | | -1,536.37 |
| 11-04-05 100,000.00 FED HOME LN MTG 99,500.00 | 05-21-03 | 9 | - | ERISIGN INC | 6,536 | 1.393.1 | | 4.857.12 |
| \$200% Due 03-05-19 11-09-05 500.00 BP PLC SPONS ADR 11-09-05 11-09-05 11-09-05 11-09-05 11-09-05 11-09-05 11-09-05 11-09-05 11-09-05 11-14-05 11-09-05 11-14 | 03-05-04 | 1-04-0 | ,000.00 | ED HOME LN MTG | 9,500 | 5,375.0 | | 125.0 |
| 11-09-05 500.00 BP PLC SPONS ADR 28,567.00 312 11-09-05 500.00 BP PLC SPONS ADR 10,909.50 11-09-05 11-09-05 300.00 BP PLC SPONS ADR 16,388.25 11-14-05 300.00 O CATERPILLAR INC 4,829.50 10.11-14-05 300.00 VERIZON COMM 10,273.00 6 11-14-05 300.00 VERIZON COMM 10,273.00 6 11-14-05 200.00 VERIZON COMM 7,305.00 6 11-22-05 50,000.00 CTT GRP HLDGS SR 5,066.00 5,000.00 CTT GRP HLDGS SR 4,266.00 5,000.00 BOTTOMLINE TECH 8,251.00 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12-15-05 1,000.00 BOTTOMLINE TECH 8,251.00 12-15-05 1,000.00 BOTTOMLINE TECH 8,251.00 12-15-05 1,000.00 BOTTOMLINE TECH 3,054.50 2,000.00 INTEL CORP 3,055.40 2,000.00 INTEL CORP 3,055.40 2,000.00 INTEL CORP 1,158.811.49 1,320 1,000.00 EMC CORPER INDS LTD 6,145.00 6,145.00 6,145.00 1,000.00 HSBC HLDGS PLC 15,283.00 1,158.811.49 1,320 1,169.50 1,000.00 HSBC HLDGS PLC 15,283.00 1,000.00 HSBC HLDGS PLC | | | 3 | .200% Due 03-05-19 | | | | |
| 11-09-05 200.00 BP PLC SPONS ADR 10,909.50 11-14-05 300.00 BP PLC SPONS ADR 16,388.25 19,909.50 11-14-05 300.00 BP PLC SPONS ADR 16,388.25 19,000.00 CATERPILLAR INC 4,226.00 11-14-05 300.00 VERIZON COMM 7,305.00 6,11-14-05 300.00 VERIZON COMM 7,305.00 6,11-14-05 300.00 VERIZON COMM 7,305.00 5,910% Due 11-23-05 47,502.00 5,910% Due 11-23-05 4,266.00 6,910. | 09-04-00 | 9 | 8 | PLC SPONS | 28,567.00 | 2,982.6 | | 4,415.61 |
| 11-09-05 300.00 BP PLC SPONS ADR 16,388.25 19 11-14-05 500.00 BRISTOL-MYERS SQUIBB 13,377 00 10 11-14-05 200.00 CATERPILLAR INC 4,829.50 10 11-14-05 300.00 VERIZON COMM 7,305.00 9 11-14-05 300.00 VERIZON COMM 7,305.00 9 11-14-05 50,000.00 CIT GRP HLDGS SR 50,864.00 50 11-23-05 50,000.00 CIT GRP HLDGS SR 47,502.00 50 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 1,000.00 PFIZER INC 3,694.50 2 12-15-05 1,000.00 INTEL CORP 3,055.40 2 12-19-05 1,000.00 INTEL CORP 3,055.40 2 12-19-05 1,000.00 EMC CORP MASS 11,158,811.49 1,320 12-19-05 1,000.00 EMC CORP INDS LTD 6,145.00 6 11-14-05 1,000.00 COOPER INDS LTD 6,145.00 6 11-14-05 1,000.00 TEVA PHARM 6,450.13 5 11-14-05 1,000.00 TEVA PHARM 6,450.13 5 11-14-05 1,000.00 TEVA PHARM 25,002.00 12,003.00 11-14-05 1,000.00 TEVA PHARM 25,002.00 21,003.00 11-14-05 1,000.00 TEVA PHARM 25,002.00 21,003.00 11-14-05 1,000.00 TEVA PHARM 25,005.00 21,003.00 11-14-05 1,000.00 TEVA PHARM 25,005.00 21,005.00 11-14-05 200.00 TEVA PHARM 25,005.00 11-14-05 200.00 TEVA PHARM 25,005.00 11-14-05 200.00 TEVA PHARM 25,005 | 09-12-00 | P | | PLC SPONS | 10,909.50 | 3,193.0 | | 283.5 |
| 11-14-05 500.00 BRISTOL-MYERS SQUIBB 13,377 00 11-14-05 200.00 CATERPILLAR INC 4,829.50 100.11-14-05 300.00 VERIZON COMM 10,273.00 90.00 VERIZON COMM 10,273.00 90.00 VERIZON COMM 1,22-05 500.00 VERIZON COMM 7,305.00 65.00.00 OFT GRP HLDGS SR 50,864.00 50,000.00 CIT GRP HLDGS SR 50,864.00 50,000.00 CIT GRP HLDGS SR 4,266.00 60.00 BOTTOMILINE TECH 8,251.00 12-14-05 1,000.00 BOTTOMILINE TECH 8,251.00 12-15-05 100.00 PFIZER INC 3,694.50 2,594.50 2,100.00 PFIZER INC 1,000.00 PFIZER INDS LTD 1,000.00 PF | 10-10-00 | P | | PLC SPONS AI | 16,388.25 | 9,789.5 | | 401.3 |
| 11-14-05 200.00 CATERPILLAR INC 4,829.50 10 11-14-05 300.00 VERIZON COMM 1,305.00 11-14-05 11-14-05 200.00 VERIZON COMM 7,305.00 6 11-22-05 500.00 BOTTOMLINE TECH 4,266.00 5 11-23-05 50,000.00 CIT GRP HLDGS SR 5,864.00 5 12-06-05 50,000.00 CIT GRP HLDGS SR 4,266.00 6 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 100.00 PFIZER INC 1,502.00 5 12-15-05 100.00 PFIZER INC 1,3694.50 2 12-19-05 200.00 PFIZER INC 10,738.00 6 12-19-05 1,000.00 EMC CORP MASS 10,553.00 13 12-19-05 1,000.00 EMC CORP MASS 10,553.00 13 12-19-05 1,000.00 EMC CORP MASS 10,500.00 COOPER INDS LTD 1,158,811.49 1,320 11-10-05 1,000.00 COOPER INDS LTD 6,145.00 6 11-10-05 200.00 HSBC HLDGS PLC 15,283.00 10 11-10-05 200.00 TEVA PHARM 6,450.13 5 11-14-05 100.00 TEVA PHARM 25,800.50 21 11-14-05 200.00 TEVA PHARM 25,800.50 21 11-14-05 21-14 | 12-01-03 | 94 | | ISTOL-MYERS | 0 | 0,867 | | 509.4 |
| 11-14-05 300.00 VERIZON COMM 10,273.00 9 11-12-05 500.00 VERIZON COMM 7,305.00 6 11-23-05 500.00 BOTTOMLINE TECH 4,266.00 5 11-23-05 50,000.00 CTT GRP HLDGS SR 50,864.00 50 11-23-05 50,000.00 CTT GRP HLDGS SR 7,502.00 50 12-06-05 500.00 CTT GRP HLDGS SR 4,266.00 6 12-14-05 1,000.00 PFIZER INC 3,694.50 12-19-05 100.00 PFIZER INC 10,738.00 6 12-19-05 200.00 PFIZER INC 10,738.00 512-19-05 100.00 INTEL CORP 3,694.50 12-19-05 100.00 INTEL CORP 3,694.50 13.694.50 12-19-05 100.00 INTEL CORP 11,158.811.49 1,320 10-07-05 100.00 COOPER INDS LTD 6,145.00 6,145.00 60 HSBC HLDGS PLC 15,283.00 16,140.00 COOPER INDS LTD 6,145.00 6,145.00 6,145.00 11-10-05 500.00 HSBC HLDGS PLC 15,283.00 11,202.00 11-14-05 500.00 MICROSOFT CORP 13,992.00 12-14-05 500.00 MICROSOFT CORP 13,992.00 12-24-05 500.00 TEVA PHARM 25,800.50 21 | 9 | 64 | _ | ATERPILLAR IN | 53 | 0,966. | | , C |
| 11-14-05 200:00 VERIZON COMM 7,305:00 6 11-23-05 50:00 BOTTOMLINE TECH 4,266:00 50 11-23-05 50:00:00 CTT GRP HLDGS SR 50,864:00 50 11-23-05 50:00:00 CTT GRP HLDGS SR 47,502:00 50 12-14-05 10:00:00 CTT GRP HLDGS SR 47,502:00 60 12-14-05 10:00:00 BOTTOMLINE TECH 8,251:00 12 12-15-05 30:00 PFIZER INC 3,694:50 2 12-15-05 30:00 PFIZER INC 10,738:00 60 12-15-05 30:00 PFIZER INC 10,738:00 60 12-19-05 50:00 DYTEL CORP 5,841:80 5,8 | 39 | 94 | | ZON | 0.273 | 382. | | -890. |
| 11-22-05 500.00 BOTTOMLINE TECH 4,266.00 50 5.910% Due 11-23-05 50,000.00 CIT GRP HLDGS SR 5,864.00 50 5.910% Due 11-23-05 50,000.00 CIT GRP HLDGS SR 47,502.00 5.910% Due 11-23-05 47,502.00 5.910% Due 11-23-05 47,502.00 612-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12-15-05 100.00 PIZER INC 12-15-05 300.00 PIZER INC 12-19-05 500.00 INTEL CORP 5,841.80 5,000 INTEL CORP 5,841.80 5,000 INTEL CORP 11-19-05 500.00 PLUM CRK TIMBER 14,247.00 18 12-19-05 100.00 EMC CORP MASS 11,158,811.49 1,320 01-07-05 500.00 ALLTEL CORP 6,145.00 6,145.00 60 1-10-05 500.00 ALLTEL CORP 6,145.00 6,145.00 60 1-10-05 500.00 HSBC HLDGS PLC 6,145.00 6,145.00 11-18-05 500.00 HSBC HLDGS PLC 15,283.00 11-18-05 500.00 HSBC HLDGS PLC 15,280.00 11-18-05 500.00 HSBC HLDGS PLC 15,280.50 11-18-05 500.00 HSBC HLDGS PLC 15,280.00 11-18-05 500.00 HSBC HLDGS PLC 15,280.00 11-18-05 500.00 HSBC HLDGS PLC 13,992.00 11-18-05 500.00 HSBC HLDGS PLC 14,903.13 11-18-05 500.00 H | Ö | 4 | | Z | ,305 | 255 | | |
| 11-23-05 50,000.00 CTT GRP HLDGS SR 50,864.00 S0 5.910% Due 11-23-05 11-23-05 50,000.00 CTT GRP HLDGS SR 47,502.00 S0 5.910% Due 11-23-05 47,502.00 S0 5.910% Due 11-23-05 4,266.00 6 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12-15-05 100.00 PFIZER INC 12-15-05 100.00 PFIZER INC 12-19-05 100.00 INTEL CORP 5,841.80 5,000.00 PLUM CRK TIMBER 14,247.00 18 12-19-05 1,000.00 EMC CORP MASS 10,551.00 13 1,158,811.49 1,320 1-07-05 100.00 COOPER INDS LTD 6,145.00 6,145.00 601-10-05 500.00 HSBC HLDGS PLC 15,283.00 16,145.00 601-18-05 500.00 HSBC HLDGS PLC 15,283.00 16,259.00 01-24-05 500.00 MICROSOFT CORP 13,992.00 12,24-05 500.00 TEVA PHARM 6,450.13 500.00 1-24-05 500.00 TEVA PHARM 13,992.00 12,260.00 12,24-05 500.00 TEVA PHARM 13,992.00 12,250.00 12,24-05 500.00 TEVA PHARM 13,250.00 12,24-05 500.00 TEVA PHARM 13,000.00 12,24-05 12,000.00 12,2 | 1-12 | 29 | | OTTOMLINE | ,266 | .956 | | .690.0 |
| 11-23-05 50,000.00 CIT GRP HLDGS SR 47,502.00 50 12-06-05 500.00 CIT GRP HLDGS SR 4,266.00 6 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 100.00 PFIZER INC 16,738.00 6 12-15-05 300.00 PFIZER INC 16,738.00 6 12-19-05 200 00 INTEL CORP 5,841.80 3,053.40 2 12-19-05 100.00 INTEL CORP 14,247.00 18 12-19-05 1,000.00 EMC CORP MASS 10,551.00 13 12-19-05 100.00 COOPER INDS LTD 6,145.00 6,145.00 01-10-05 500.00 HSBC HLDGS PLC 6,145.00 16,14-05 200.00 HSBC HLDGS PLC 15,283.00 16,18-05 200.00 HSBC HLDGS PLC 15,283.00 16,18-05 200.00 IEVA PHARM 6,450.13 51.24-05 200.00 TEVA PHARM 13,992.00 12,026.40 21.24-05 200.00 TEVA PHARM 25,800.50 21 | 1-25 | 3-0 | 00.000 | • | 0,864 | 0,000 | | -864.00 |
| 11-23-05 50,000.00 CTT GRP HLDGS SR 47,502.00 50 12-06-05 5.910% Due 11-23-05 4,266.00 6 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 1,000.00 PFIZER INC 10,738.00 6 12-19-05 200 00 INTEL CORP 5,841.80 5 12-19-05 1,000.00 INTEL CORP 14,247.00 18 12-20-05 1,000.00 EMC CORP MASS 10,551.00 13 12-20-05 1,000.00 COOPER INDS LTD 6,145.00 6 01-07-05 200.00 COOPER INDS LTD 6,145.00 6 01-10-05 500.00 HSBC HLDGS PLC 15,283.00 16 01-18-05 200.00 TEVA PHARM 6,450.13 5 01-24-05 800.00 TEVA PHARM 25,800.50 21 01-24-05 800.00 TEVA PHARM 25,800.50 21 11-23-25-06-20-20-20-20-20-20-20-20-20-20-20-20-20- | | | 3 | | | | | |
| 12-06-05 500.00 BOTTOMLINE TECH 8,251.00 12 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 1000.00 PFIZER INC 10,738.00 6 12-19-05 200.00 INTEL CORP 3,694.50 2 12-19-05 100.00 INTEL CORP 3,654.00 18 12-19-05 500.00 INTEL CORP 14,247.00 18 12-19-05 1,000.00 EMC CORP MASS 10,551.00 13 12-20-05 1,000.00 EMC CORP INDS LTD 6,145.00 6,145.00 6,145.00 11-14-05 500.00 ALLTEL CORP 6,145.00 6,145.00 11-14-05 500.00 HSBC HLDGS PLC 15,283.00 16,450.13 501-24-05 500.00 MICROSOFT CORP 13,992.00 12,00-21 | 02-14-02 | 1-23-0 | _ | GRP HL | 47,502.00 | 000 | | 2,498.00 |
| 12-06-05 500.00 BOTTOMLINE TECH 4,266.00 6 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12-15-05 1,000.00 PFIZER INC 3,694.50 200.00 PFIZER INC 12-19-05 200.00 PTIZER INC 12-19-05 100.00 INTEL CORP 3,053.40 22-12-19-05 100.00 INTEL CORP 14,247.00 18 12-19-05 1,000.00 EMC CORP MASS 10,551.00 13-12-20-05 1,000.00 EMC CORP INDS LTD 6,145.00 6,145.00 601-07-05 100.00 COOPER INDS LTD 6,145.00 601-14-05 500.00 ALLTEL CORP 5,000.00 EVA PHARM 6,450.13 500.00 MICROSOFT CORP 13,992.00 12-14-05 500.00 MICROSOFT CORP 13,992.00 12-14-05 500.00 TEVA PHARM 6,450.13 501-24-05 800.00 TEVA PHARM 25,800.50 21 | | | | .910% Due 11-23-05 | | | | |
| 12-14-05 1,000.00 BOTTOMLINE TECH 8,251.00 12 12-15-05 100.00 PFIZER INC 3,694.50 2 12-15-05 300.00 PFIZER INC 10,738.00 6 12-19-05 200 00 INTEL CORP 5,841.80 2 12-19-05 100.00 INTEL CORP 13,055.40 2 12-19-05 1,000.00 FLUM CRK TIMBER 14,247.00 18 12-20-05 1,000.00 EMC CORP MASS 10,551.00 13 12-20-05 1,000.00 EMC CORP INDS LTD 6,145.00 6 01-07-05 200.00 COOPER INDS LTD 6,145.00 6 01-10-05 500.00 ALLTEL CORP 25,062.00 27 01-14-05 200.00 TEVA PHARM 6,450.13 5 01-24-05 500.00 TEVA PHARM 6,450.13 5 01-24-05 500.00 TEVA PHARM 25,800.50 21 01-24-05 500.00 TEVA PHARM 25,800.50 21 | 11-12-01 | 9 | 8 | OTTOMLINE TECH | 4,266.00 | w | | 1,881.34 |
| 12-15-05 100.00 PFIZER INC 12-15-05 300.00 PFIZER INC 12-19-05 200 00 INTEL CORP 12-19-05 100.00 INTEL CORP 12-19-05 500 00 PLUM CRK TIMBER 12-20-05 1,000.00 EMC CORP MASS 12-20-05 1,000.00 EMC CORP MASS 12-20-05 1,000.00 EMC CORP INDS LTD 01-07-05 200.00 COOPER INDS LTD 01-07-05 100.00 COOPER INDS LTD 01-10-05 500.00 ALLTEL CORP 01-14-05 200.00 HSBC HLDGS PLC 01-14-05 200.00 TEVA PHARM 01-24-05 500.00 MICROSOFT CORP 01-24-05 800 00 TEVA PHARM 01-24-05 200.00 TEVA PHARM 01-24-05 200.00 TEVA PHARM 01-24-05 200.00 TEVA PHARM 01-24-05 500 00 MICROSOFT CORP 01-24-05 200.00 TEVA PHARM | 08-13-04 | 6 | | OTTOMLINE TECH | 51 | 2,407 | | 4,156.52 |
| 12-15-05 300:00 PFIZER INC 12-19-05 12-19-05 100:00 INTEL CORP 12-19-05 100:00 INTEL CORP 12-19-05 100:00 INTEL CORP 12-19-05 100:00 PLUM CRK TIMBER 12-20-05 1,000:00 EMC CORP MASS 10,551:00 13-20-05 1,000:00 EMC CORP INDS LTD 01-07-05 01-07-05 01-07-05 01-10-05 01-10-05 01-14-05 01-14-05 01-14-05 01-18-05 01-24-05 0 | 04-27-04 | 50 | | FIZER INC | 3,694.50 | | | 22. |
| 12-19-05 200 00 INTEL CORP 5,841.80 5 12-19-05 100.00 INTEL CORP 3,055.40 2 12-19-05 500 00 PLUM CRK TIMBER 14,247.00 18 12-20-05 1,000.00 EMC CORP MASS 10,551.00 13 01-07-05 1,000.00 EMC CORP INDS LTD 1,158,811.49 1,320 01-07-05 100.00 COOPER INDS LTD 6,145.00 6 01-10-05 500.00 ALLTEL CORP 25,062.00 27 01-14-05 200.00 TEVA PHARM 6,450.13 5 01-24-05 500.00 MICROSOFT CORP 13,992.00 11 01-24-05 800 00 TEVA PHARM 25,800.50 21 | 06-02-04 | 2-15-0 | | FIZER INC | 10,738.00 | 4 | | 923.0 |
| -01 12-19-05 100.00 INTEL CORP 3,055.40 2 -02 12-19-05 500 00 PLUM CRK TIMBER 14,247.00 18 -03 12-20-05 1,000.00 EMC CORP MASS 10,551.00 13 -04 01-07-05 200.00 COOPER INDS LTD 12,026.44 12,026.00 12,026.00 12,026.44 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12,026.00 12 | 03-23-01 | 2-19-0 | | ATEL CORP | 5,841.80 | 5,233.11 | | • |
| -02 12-19-05 500 00 PLUM CRK TIMBER 14,247.00 18 -03 12-20-05 1,000.00 EMC CORP MASS 10,551.00 13 -04 01-07-05 200.00 COOPER INDS LTD 12,026.44 12 -04 01-07-05 100.00 COOPER INDS LTD 6,145.00 6 -04 01-10-05 500.00 ALLTEL CORP 25,062.00 27 -04 01-14-05 200.00 HSBC HLDGS PLC 15,283.00 16 -04 01-18-05 500.00 TEVA PHARM 6,450.13 5 -04 01-24-05 500.00 MICROSOFT CORP 13,992.00 12 -04 01-24-05 800.00 TEVA PHARM 25,800.50 21 | 1-14 | -19-0 | 8 | VTEL CORP | .055 | 2,616.56 | | 438.84 |
| -03 12-20-05 1,000.00 EMC CORP MASS 10,551.00 1320 -04 01-07-05 200.00 COOPER INDS LTD 12,026.44 12,026.44 12,026.44 12,026.00 -04 01-07-05 100.00 COOPER INDS LTD 6,145.00 6 -04 01-10-05 500.00 ALLTEL CORP 25,062.00 27 -04 01-14-05 200.00 HSBC HLDGS PLC 15,283.00 16 -04 01-18-05 200.00 TEVA PHARM 6,450.13 5 -04 01-24-05 500.00 MICROSOFT CORP 13,992.00 12 -04 01-24-05 800.00 TEVA PHARM 25,800.50 21 | 7-31 | -19-0 | 8 | CRK | 4,247 | 18,474.22 | | 4 227 22 |
| 1,158,811.49 1,320,284. 04 01-07-05 200.00 COOPER INDS LTD 12,026.44 12,819. 04 01-10-05 100.00 COOPER INDS LTD 6,145 00 6,409. 04 01-10-05 500.00 ALLTEL CORP 25,062 00 27,253. 04 01-14-05 200 00 HSBC HLDGS PLC 15,283 00 16,418. 04 01-24-05 500 00 MICROSOFT CORP 13,992.00 12,797. 04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913. | 6-10 | -20-0 | 00.00 | \circ | 0,551 | LJ. | | 7.8 |
| -04 01-07-05 200.00 COOPER INDS LTD 12,026.44 12,819 -04 01-07-05 100.00 COOPER INDS LTD 6,145 00 6,409 -04 01-10-05 500.00 ALLTEL CORP 25,062 00 27,253 -04 01-14-05 200 00 HSBC HLDGS PLC 6,450.13 5,532 -04 01-18-05 200.00 TEVA PHARM 6,450.13 5,532 -04 01-24-05 500 00 MICROSOFT CORP 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | | | | | 8,811 | ,320,284. | | 161,473.19 |
| -04 01-07-05 200.00 COOPER INDS LTD 12,026.44 12,819 -04 01-07-05 100.00 COOPER INDS LTD 6,145 00 6,409 -04 01-10-05 500.00 ALLTEL CORP 25,062 00 27,253 -04 01-14-05 200 00 HSBC HLDGS PLC 15,283 00 16,418 -04 01-18-05 200 00 TEVA PHARM 6,450.13 5,532 -04 01-24-05 500 00 MICROSOFT CORP 13,992.00 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | short | | | | | | | |
| -04 01-07-05 100.00 COOPER INDS LTD 6,145 00 6,409 -04 01-10-05 500.00 ALLTEL CORP 25,062 00 27,253 -04 01-14-05 200 00 HSBC HLDGS PLC 15,283 00 16,418 -04 01-18-05 200.00 TEVA PHARM 5,532 -04 01-24-05 500 00 MICROSOFT CORP 13,992.00 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | 10-14-04 | 979 | | PER INDS | 2,026 | 2,819 | 793.18 | |
| -04 01-10-05 500.00 ALLTEL CORP 25,062 00 27,253 -04 01-14-05 200 00 HSBC HLDGS PLC 15,283 00 16,418 -04 01-18-05 200.00 TEVA PHARM 6,450.13 5,532 -04 01-24-05 500 00 MICROSOFT CORP 13,992.00 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | -25 | 97-0 | | PER INDS | | 6,409.81 | 264.81 | |
| -04 01-14-05 200 00 HSBC HLDGS PLC 15,283 00 16,418 -04 01-18-05 200.00 TEVA PHARM 6,450.13 5,532 -04 01-18-05 500 00 MICROSOFT CORP 13,992.00 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | 05-20-04 | 1-10-0 | 8 | 띘 | 5,062 | 7,253 | 2,191.20 | |
| -04 01-18-05 200.00 TEVA PHARM 6,450.13 5,532 -04 01-24-05 500 00 MICROSOFT CORP 13,992.00 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | 06-07-04 | 1-14-0 | 8 | HLDGS | 5,283 | 6,418 | 35 | |
| -04 01-24-05 500 00 MICROSOFT CORP 13,992.00 12,797 -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913 | 02-03-04 | 1-18-0 | 8 | EVA PHARM | ,450.1 | N | 17 | |
| -04 01-24-05 800 00 TEVA PHARM 25,800.50 21,913. | 10-12-04 | 1-24-0 | 8 | 1ICROSOFT CORP | 3,992 | 2,797 | -1,194.43 | |
| | 02-03-04 | 1-24-0 | 8 | EVA PHARM | 5,800.5 | 1,913. | 886.8 | |

Morse, Williams & Company
REALIZED GAINS AND LOSSES
THE STEPPING STONES FOUNDATION

R2514
From 01-01-05 Through 12-31-05

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|---|----------|------------|------------------|-----------|-----------|------------|-----------|
| Open | Date | Quantity | Security | Basis | Proceeds | Short Term | Long Term |
| \$ | 01-24-05 | 200.00 J | TEVA PHARM | 5.633.00 | 5.478.42 | -154.58 | |
| 4 | 1-26-0 | 8 | RE MICRODEVICES | Ğν | .53 | 58. | |
| \$ | 01-27-05 | 8 | RE MICRODEVICES | ,981. | 7.8 | 73. | |
| 4 | S | 8 | AIC INC | 12,262.27 | | -2,975.01 | |
| 4 | 02-01-05 | 500.00 V | W P CAREY & CO | 15,175.50 | 16,122 46 | _ | |
| 40 | 02-03-05 | 1,000.00 ₽ | VAYA INC | _, | 13,877.54 | 4.4 | |
| 4 | | \$00.00 | NAYA INC | 7,732.00 | ,538 | 932 | |
| \$ | 02-09-05 | ₹ 00 005 | VAYA INC | 7,742.00 | ,538.7 | | |
| \$ | 02-11-05 | 000 000 | 3ROCADE COMM | 14,522.00 | _ | 359 | |
| \$ | 02-11-05 | 000 000 | 3ROCADE COMM | 6,742.00 | 5,919 30 | -822 7 | |
| 40 | 02-18-05 | 00.00 | VIC INC | 12,602.00 | ,33 | 692 | |
| 40 | 02-22-05 | 500.00 | CADIOSHACK | 16,572.00 | 42.5 | 0 | |
| 06-24-04 | 02-25-05 | 8 | MAZON INC | 10,285.80 | ,973. | ,312.7 | |
| 40 | 02-25-05 | 8 | RIVATE BUSINESS | 2,381.40 | 2,133.92 | 47. | |
| \$ | 03-01-05 | 8 | SIOGEN IDEC INC | 18,198.94 | 11,921.11 | -6,277.83 | |
| 40 | 03-02-05 | 8 | EDEX CORP | 7,497.40 | 89.089,6 | | |
| 40 | 03-02-05 | 600.00 F | REPUBLIC SVCS | • - | 27. | 697. | |
| 4 | 03-04-05 | 8 | SON ED INC | 49 | ,563. | 65.6 | |
| 40 | 03-04-05 | 8 | SON ED INC | 11,719.00 | ,845. | ,126. | |
| 4 | 03-06-05 | 8 | VID TECH INC | 10,420.53 | 13,280.96 | 88, | |
| 4 | 03-11-05 | 8 | W P CAREY & CO | 15,187.00 | 16,454.95 | ,267. | |
| -05 | 03-21-05 | 8 | SAFENET INC. | 17,697.95 | ,582. | ,115 | |
| 9 | Ϋ́ | 8 | SIOGEN IDEC INC | 13,164.98 | 7,585.94 | -5,579.04 | |
| \$ | 3-28 | 00.00 | ST JUDE MED | | ,667. | 464 18 | |
| 9 | 3-29-0 | 90.00 | AVID TECH INC | 5,210.26 | Ğ | 84.78 | |
| 40- | 3-29-0 | 9 | AVID TECH INC | 10,916.19 | 10,590.08 | 26.1 | |
| 40- | 3-29-0 | 8 | HUMANA INC | _ | 9,328 69 | 23 | |
| 40 | 3-29-0 | 8 | PRIVATE BUSINESS | - | 6,233.79 | 10 | |
| 9 | 3-30-0 | 8 | MASCO CORP | | 10,225.66 | 538.66 | |
| 4 | 4-04-0 | 8 | MASCO CORP | 9,687.00 | 10,203.07 | 516.07 | |
| 4 | 4-12-0 | 8 | OSCO SPONS ADR | | ,53 | 2,082.34 | |
| Q | 4-15-0 | 8 | NFOSYS TECH | 18,070.00 | 17,804.92 | -265.08 | |
| 6 | 4-21- | 200.00 | VEXTEL COMM | 4,832. | 5,663.76 | 831.36 | |
| \$ | 4 | 8 | ST JUDE MED | 20,660.27 | 19,772.17 | 88. | |
| \$ | 04-22-05 | 8 | HUMANA INC | 3,869.80 | 6,176.74 | 2,306.94 | |
| | | | | | | | |

Morse, Williams & Company REALIZED GAINS AND LOSSES THE STEPPING STONES FOUNDATION R2514

From 01-01-05 Through 12-31-05

| | į | | | | | Gain Or | r Loss |
|--------------|---------------|-----------|---------------------|---------------|-----------|------------|-----------|
| Open Date | Close Date | Ouantity | Security | Cost Basis | Proceeds | Short Term | Long Term |
| | | 1 | | | | | |
| 10-25-04 | 04-25-05 | 90.009 | LIZCLAIBORNE | 23,707.70 | 22,518.97 | -1,188 73 | |
| 06-24-04 | 04-27-05 | 8 | AMAZON INC | 5,142.90 | 3,053.68 | -2,089.22 | |
| 12-15-04 | 04-27-05 | 8 | AMAZON INC | ,118. | 6,107.37 | -2,011.39 | |
| 06-22-04 | 04-27-05 | 200.00 | DRS TECH INC | ,980. | 8,748.63 | .768. | |
| 10-22-04 | 04-28-05 | 8 | INFOSYS TECH | | .720 | -809.57 | |
| 03-16-05 | 4-28-0 | 8 | INFOSYS TECH | 48 | 11,440.85 | 4,007.22 | |
| 07-15-04 | 9 | 8 | TRANSOCEAN INC | ,106 | 23,521.53 | 8,415.53 | |
| 10-13-04 | 5-0 | 8 | CELGENE CORP | 17 | 85 | 1,667.97 | |
| 01-07-05 | 5-11-0 | 200.00 | WYETH | ,407 | 8,926.12 | 519.12 | |
| 01-10-05 | 5-11-0 | 8 | WYETH | 96 | 389.1 | 693.18 | |
| 01-18-05 | 11-0 | 8 | WYETH | 8,919.00 | | 7.12 | |
| 04-05-05 | 5-13-0 | 8 | CLEVELAND CLIFFS | 14,894.71 | 10,764.54 | 4,130.17 | |
| 01-18-05 | 5-16-0 | 8 | BARNES & NOBLE | 16,473.00 | 17,207.27 | 734 27 | |
| 02-11-05 | 5-16-0 | 8 | PHELPS DODGE CORP | 10 | 23,990.67 | -3,719.39 | |
| 02-01-05 | 5-1 | 8 | PSYCHIATRIC SLNS | 18,409.50 | 9 | 812.69 | |
| 01-24-05 | 05-19-05 | 8 | BLACKBOARD INC | 3,503.01 | 3,659 69 | 156 68 | |
| 03-15-05 | 5-1 | 8 | NVIDIA CORP | 13,019.00 | 12,868.21 | -150 79 | |
| 03-28-05 | 5-1 | 300.00 | NVIDIA CORP | ,633 | 7,720.92 | 87 92 | |
| 03-04-05 | 5-1 | 8 | NICOR INC | 18,910 83 | 19,582.17 | 671.34 | |
| 01-24-05 | 5-2 | 8 | ENGELHARD CORP | 30,055.71 | 29,556.76 | 498 95 | |
| 03-04-05 | 05-25-05 | 100.00 | NICOR INC | 3,782.17 | 3,822 83 | 40.66 | |
| 08-13-04 | ķ | 100 00 | AETNA US HLTHCR | 4,546.25 | 7,656.37 | 3,110.12 | |
| 09-10-04 | Ÿ | 200.00 | NETWORK APPL | 11,156.00 | 14,527.99 | 3,371.99 | |
| 02-18-05 | 6-06-0 | 50,000.00 | US TSY NTS | Ò | Ø. | -257.12 | |
| | | | 3.000% Due 11-15-07 | | | | |
| 03-03-05 | 06-23-05 | 8 | COOPER INDS LTD | 14,337.00 | 13,034.66 | -1,302.34 | |
| | Ó | 8 | BOEING CO | 10,579.36 | 12,514.47 | 1,935.11 | |
| • | Q | 8 | GAP INC | 22,059.24 | | -1,567.65 | |
| 12-09-04 | 7-06-0 | 200.00 | MEDCO HEALTH | | 0,046. | 2,201.91 | |
| | 7-13-0 | 200.00 | COSTCO WHSL | 20,857.00 | N | 1,898.25 | |
| 01-27-05 | 7-18-0 | 200.00 | ARCH COAL | 18,351.38 | 9 | 7,673.85 | |
| 09-09-04 | 7-25-0 | 8 | JB HUNT TRANS | 11,032.00 | | 691.79 | |
| 05-18-05 | 9 | 400 00 | JB HUNT TRANS | 273. | ,815.8 | 457 94 | |
| 09-27-04 | 8-0 | 0 | HUMANA INC | 0 | 80 | 6,997.33 | |
| 09-10-04 | 8-09-0 | 90.00 | NETWORK APPL | _ | 1,833.2 | 77.2 | |

Morse, Williams & Company
REALIZED GAINS AND LOSSES
THE STEPPING STONES FOUNDATION
R2514

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| Date | Date | Ouantity | Security | Racie | Proceeds | Short Torm | [- |
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| 06-23-05 | 08-26-05 | 200.00 DE | EERE & CO | 13,470 33 | 12.669.16 | -801.17 | |
| 03-21-05 | 0-60- | 200.00 USE | SEC INC | .590.1 | 185.3 | -1.404.83 | |
| S. | 09-13-05 | 300.00 USE | SEC INC | 85.2 | 214 | 170 | |
| 3-21-0 | -14-0 | 00.00 | SEC INC | ,975.3 | ,897. | 078 | |
| | 09-15-05 | 8 | ABIGAIL ADAMS NB | ,758 | 411. | -347.27 | |
| 7-13-0 | 09-28-05 | 00.00 | RACLE CORP | .799.3 | 410.9 | -388.42 | |
| 07-13-05 | • | 1,000.00 OR | | 9966, | 78. | -1,717.97 | |
| 10-06-04 | 9-30-0 | | RINT NEXTEL | 5,137.00 | 5,938.42 | 801.42 | |
| 07-08-05 | 9 | 500.00 USE | SEC INC | 7,567.00 | 4,952.79 | -2,614.21 | |
| 08-26-05 | -11-0 | 7 | ≺ | 10,276.00 | 8,563.64 | -1,712.36 | |
| 12-10-04 | 9 | H | UCENT TECH | 3,892.00 | 2,742.82 | -1,149.18 | |
| 4-27 | 11-02-05 | 200.00 CIGN | GNACORP | 18,043.00 | 21,384.10 | 3,341.10 | |
| 12-09-04 | 11-02-05 | 300.00 MED | EDCO HEALTH | 11,767.20 | | 2,325.20 | |
| 11-09-05 | 2-0 | 600.00 PAT | ATTERSON UTI | 20,918.00 | 19,503.18 | 414. | |
| 01-06-05 | 9 | 100.00 AE | ABBOTT LABS | 4,690.00 | 3,784.98 | -905.02 | |
| 11-22-05 | 12-02-05 | \$00.00 MGI | GI PHARMA INC. | 10,666.44 | ,463.1 | 03. | |
| 25 | -02-0 | 500.00 PRO | ROGRESS ENERGY | 21,967.00 | 22,233.06 | 266.06 | |
| 6-01 | -05-0 | 500.00 PRO | ROGRESS ENERGY | 22,351.84 | | -118.77 | |
| 7-18 | 909 | 200.00 FOR | REST LABS INC | 8,596.40 | 7,854.95 | -741.45 | |
| 1-02 | 999 | 1 00: | ANDRY'S REST | 13,940.00 | 13,497.43 | 442.57 | |
| - -8 | -14-0 | \$00.00 GA | Ε | 16,045.64 | 18,366.73 | 2,321.09 | |
| 2-0 | 12-14-05 | \$00.00 GA | ATX CORP | 16,745.00 | ູຕຸ | 21. | |
| 07-18-05 | 12-27-05 | 300.00 FO | REST LABS INC | 12,894.60 | 12,464.92 | -429.68 | |
| | | | | 1,193,032.36 | 1,191,664.55 | -1,367.81 | |
| TALG | 4 | | | | | 83,461.83 | 202,791.37 |
| TOTALIC | OSSES | | Ĭ S | ; | | -84,829.64 | 41,318.18 |
| TOTAL PE | RATIZED GA | A IN/I ORG | | 2,351,843.86 | 2,511,949.23 | 1367.81 | 161,473.19 |
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STMT#12

Morse, Williams & Company PORTFOLIO SUMMARY THE STEPPING STONES FOUNDATION R2514

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| 25,815.84 25,815.84 25,815.84 25,815.84 0.4 21,336.80 0.4 21,336.80 0.4 21,336.80 0.4 21,336.80 0.4 21,336.80 0.4 21,336.80 0.8 | | | |
| ## 474,435.94 | 3.2 | 826.11 | Acer |
| SOUNDS | 3.2 | 826.11 | |
| BONDS 1,239,739.31 507,548.06 BONDS 1,239,739.31 1,224,904.20 BS,279.42 119,868.00 TOCK 85,279.42 29,406.36 TOCK 11,897,872.37 1,969,516.62 E BND 231,906.50 213,687.50 CK 161,874.22 194,855.00 CK 161,874.22 194,855.00 CCK 161,874.20 CCK 161,874.20 CCK 161,874.20 CCK 161,874.20 CCK 161,874.20 CCK 161,874.30 CCK 161,874.30 CCK 17,117.86 3,293,035,32 CCK 17,117.86 132,170.66 CCK 1624,904.20 CCK 111,364.56 132,170.66 CCK 111,364.56 132,170.66 | | | |
| ATE BONDS | 5.8 | 29,593.75 | |
| BONDS BONDS BONDS BONDS BONDS BONDS BONDS BS,279.42 BS,779.00 BS,279.42 BS,779.00 BS,344.00 BS,344.00 BS,344.00 BS,344.00 BS,344.00 BS,344.00 BS,344.00 BS,344.00 BS,340.00 BS,317.15 BS,317.15 BS,317.15 BS,317.15 BS,317.15 BS,317.16 BS,320.20 BS,3 | 6.8 | 83,238.75 | |
| 1,897,872.37 1,969,516.62 1,897,872.37 1,969,516.62 231,906.50 213,687.50 158,344.00 194,855.00 365,817.15 409,990.00 320,920.21 443,211.00 245,302.33 399,855.00 245,302.33 399,855.00 245,302.33 399,855.00 247,391.06 425,061.00 170,706.02 170,302.00 151,299.63 182,822.00 43,345.50 46,500.00 80,463.00 90,299.50 111,364.56 132,170.66 | 6.3 | 7,500 00 | |
| 1,897,872.37 1,969,516.62 1,897,872.37 1,969,516.62 158,344.00 194,855.00 161,574.22 192,854.00 326,817.15 409,990.00 320,920.21 432,304.00 245,302.33 399,855.00 245,302.33 399,855.00 245,302.33 399,855.00 245,302.33 399,855.00 170,706.02 170,302.00 151,299.63 182,822.00 43,345.50 46,500.00 80,463.00 90,299.50 2,677,117.86 3,293,035.32 | 7.6 | 6,641.00 | 1 John 1 |
| 231,906.50 213,687.50 158,344.00 194,855.00 158,344.00 194,855.00 161,574.22 192,854.00 330,578.62 330,578.62 392,304.00 245,302.33 399,855.00 245,302.33 399,855.00 170,706.02 170,706.02 170,706.02 170,706.02 170,302.00 151,299.63 80,463.00 80,463.00 90,299.50 00.00 00.00 10.00 00. | 6.5 | 126,973.50 | 7655 |
| 158,344.00 194,855.00 158,344.00 194,855.00 158,344.00 194,855.00 161,574.22 192,854.00 330,578.62 392,304.00 320,920.21 443,211.00 245,302.33 399,855.00 245,302.33 399,855.00 187,577.16 149,770.82 347,391.06 170,706.02 170,706.02 182,822.00 46,500.00 80,463.00 90,299.50 111,364.56 132,170.66 | | | |
| 158,344.00 194,855.00 161,574.22 192,854.00 365,817.15 409,990.00 320,920.21 443,211.00 245,302.33 399,855.00 272,142.95 399,066.00 187,577.16 149,770.82 347,391.06 425,061.00 170,706.02 170,302.00 151,299.63 182,822.00 43,345.50 46,500.00 80,463.00 90,299.50 111,364.56 132,170.66 | 6.0 | 12,718.75 | 7 |
| STOCK terials foods food | 2.6 | 10,891.00 | |
| terials 161,574.22 192,854.00 loods 365,817.15 409,990.00 r Cyclical 330,578.62 392,304.00 r Staples 320,920.21 443,211.00 245,302.33 399,855.00 272,142.95 390,066.00 187,577.16 149,770.82 gy 347,391.06 425,061.00 lation 170,706.02 170,302.00 151,299.63 182,822.00 46,500.00 sd 43,345.50 46,500.00 rte 80,463.00 90,299.50 rte 80,463.00 90,299.50 re 111,364.56 132,170.66 | | | <u> </u> |
| al Goods and Goods and Cyclical 330,578.62 392,304.00 320,920.21 443,211.00 245,302.33 399,855.00 272,142.95 390,066.00 272,142.95 390,066.00 377,391.06 377,391.06 425,061.00 170,706.02 170,302.00 151,299.63 46,500.00 80,463.00 AL FUNDS 111,364.56 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 132,170.66 | 5.6 | 5,056.40 | . |
| amer Cyclical 330,578.62 392,304.00 amer Staples 320,920.21 443,211.00 xy 245,302.33 399,855.00 xy 272,142.95 390,066.00 xorial 187,577.16 149,770.82 rocs 347,391.06 425,061.00 portation 170,706.02 170,302.00 ries 151,299.63 182,822.00 siffied 443,345.50 46,500.00 Estate 80,463.00 90,299.50 AL FUNDS 111,364.56 132,170.66 ANTS 0.00 0.00 | 1.8 | 7,189.50 | |
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| cial 245,302.33 399,855.00 cial 272,142.95 390,066.00 187,577.16 149,770.82 149,770.82 187,577.16 149,770.82 190,000 170,706.02 170,302.00 151,299.63 182,822.00 45,500.00 43,345.50 46,500.00 90,299.50 111,364.56 132,170.66 132,170.66 132,170.66 132,170.66 | 1.0 | 4,572.00 | |
| cial 272,142.95 390,066.00 187,577.16 149,770.82 149,770.82 187,577.16 149,770.82 187,391.06 425,061.00 170,706.02 170,302.00 170,302.00 151,299.63 182,822.00 46,500.00 81fled 80,463.00 90,299.50 10N STOCK 2,677,117.86 3,293,035.32 111,364.56 132,170.66 | 2.8 | 11,148.00 | |
| res 187,577.16 149,770.82 149,770.82 149,770.82 149,770.82 149,770.82 149,770.82 170.00 170,706.02 170,302.00 170,302.00 151,299.63 182,822.00 151,299.63 182,822.00 151,299.63 182,822.00 151,299.63 182,822.00 151,345.50 182,822.00 170,345.50 170,706.00 170,302.00 | 3.5 | 13,598.20 | |
| ogy 347,391.06 425,061.00 170,706.02 170,302.00 151,299.63 182,822.00 45,345.50 46,500.00 90,299.50 90,299.50 PUNDS 111,364.56 132,170.66 | 0.7 | 992.00 | |
| portation 170,706.02 170,302.00 182,822.00 182,822.00 182,822.00 43,345.50 46,500.00 90,299.50 90,299.50 111,364.56 132,170.66 90.00 | 9.0 | 2,462.50 | |
| ies 151,299.63 182,822.00 46,500.00 43,345.50 46,500.00 90,299.50 90,299.50 10N STOCK 2,677,117.86 3,293,035.32 AL FUNDS 111,364.56 132,170.66 | 3.2 | 00 | |
| sified 43,345.50 46,500.00 Estate 80,463.00 90,299.50 fON STOCK 2,677,117.86 3,293,035.32 AL FUNDS 111,364.56 132,170.66 AL FUNDS 111,364.56 0.00 | 4.2 | | |
| Estate 80,463.00 90,299.50 - 90,299.50 - 10N STOCK 2,677,117.86 3,293,035.32 - 111,364.56 132,170.66 | 2.2 | 1,008.00 | |
| ION STOCK 2,677,117.86 3,293,035.32 AL FUNDS 111,364.56 132,170.66 ANTS 0.00 | 5.4 | 4,884.40 | |
| AL FUNDS 111,364.56 132,170.66 | 2.1 | 68,403.00 | |
| NTA OOO | 1.1 | 1,495.44 | |
| Interpret 7 117 88 | 0.0 | 0.00 | |
| | | 0.000 | |

5,831,198.82

2, 799,674 5.8

697,253.45

5,102,421,13

31,52424

Morse, Williams & Company
PORTFOLIO APPRAISAL
THE STEPPING STONES FOUNDATION
R2514
December 31, 2005

| Quantity | Security | Cost | Cost | Price | Market Value | Assets | Annual Income | Yield. |
|--------------------------|--------------------------------------|--------|------------|--------|---|------------|------------------|--------|
| CASH EQUIV. | CASH ACCOUNT | | 25,815.84 | | 25,815.84 | 0.4 | 826.11 | |
| GOVT BONDS 100,000 00 | | 100.56 | 100,562.50 | 101.32 | 101,324 00 | 1.7 | 7,000 00 | |
| 75,000 00 | 7 000% Due 07-15-06 US TSY NTS | 60.66 | 74,320.31 | 102.65 | 76,986.00 | 13 | 4,593.75 | 6.0 |
| 125,000 00 | 6 125% Due 08-15-07 FED HOME LN BK | 100.00 | 125,000.00 | 99.87 | 124,843.75 | 2.1 | 6,250.00 | |
| 75,000.00 | FED HOME LN BK | 100 00 | 75,000.00 | 98.34 | 73,757.81 | 1.3 | 3,937.50 | |
| 50,000.00 | US TSY BDS | 98.73 | 49,365.63 | 125.61 | 62,804.50 | 1.1 | 3,750.00 | |
| 50,000.00 | US TSY BDS | 100.37 | 50,187.50 | 135.66 | 67,832.00 | 1.2 | 4,062.50 | |
| | Accrued Interest | | | | 9,254.43 | 0.2 | | |
| | | • | 474,435.94 | • | 516,802.49 | 8.9 | 29,593.75 | 1 |
| CORPORATE B 80,000 00 | TE BONDS | 115.10 | 92,080.00 | 103.40 | 82,719.20 | 1 4 | 7,120.00 | |
| | 8.900% Due 12-15-06 | | | | | | | |
| 100,000.00 | GTE CALIF INC 7.650% Due 03-15-07 | 99.75 | 99,750.00 | 102.49 | 102,487.00 | | 7,650.00 | |
| 50,000 00 | AMGEN INC | 97.50 | 48,750.00 | 103.03 | 51,514.00 | 60 | 3,250.00 | |
| | 6.500% Due 12-01-07 | | | | | | | |
| 100,000 00 | BANKBOSTON NA 6.375% Due 03-25-08 | 100.94 | 100,938.00 | 103.17 | 103,168.00 | ~ : | 6,375.00 | |
| 100,000 00 | AT&T CORP | 96.25 | 96,250.00 | 102.15 | 102,150.00 | 1.8 | 6,000.00 | |
| 150,000 00 | FORD MTR CR CO | 100.02 | 150,030.00 | 88.69 | 133,033.50 | 2.3 | 11,062.50 | |
| 50,000.00 | HOUSEHOLD FIN | 100.00 | \$0,000.00 | 97.02 | 48,511.00 | 0.8 | 2,250.00 | |
| 200,000.00 | MOTOROLA INC | 24.97 | 195,937.50 | 111.16 | 222,326.00 | 3.8 | 15,250.00 | |
| 125,000.00 | | 103.44 | 129,306.25 | 105.36 | 131,702.50 | 2.3 | 7,625.00 | 5.8 |
| 50,000.00 | _ | 100.00 | 20,000 00 | 97.13 | 48,564.00 | 0.8 | 2,500.00 | |
| 100,000 00 | | 26 96 | 96.967,78 | 96.62 | 96.624.00 | 1.7 | 2,000,00 | |
| | 5.000% Due 10-01-15 | , i h |) | 1 |)) · · · · · · · · · · · · · · · · · · | • | >>>>> | |

Morse, Williams & Company PORTFOLIO APPRAISAL E STEPPING STONES FOUNDATION R2514 December 31, 2005

| Quantity | Security | Unit | Total | Price | Market Value | Pct. Assets | Annual Income | Cur. Yield |
|--------------------------------------|---|--------|--------------|--------|-----------------|----------------|------------------|----------------|
| 20,000 00 | GE CAP 5.000% Prie 12.18_18 | 99.00 | 49,500.00 | 96.21 | 48,105.00 | 0.8 | 2,500.00 | 5.2 |
| 75,000.00 | FORD MTR CO DEL 8.875% Due 01-15-22 | 107 00 | 80,250.00 | 72.00 | 54,000.00 | 0.9 | 6,656.25 | 12.3 |
| | Accrued Interest | | 1,239,759.51 | • | 18,276.93 | 21.3 | 83,238.75 | 8.9 |
| FOREIGN BONDS 100,000.00 H | DS HYDRO-QUEBEC 7.500% Due 04-01-16 Accrued Interest | 98.40 | 98,397.50 | 119.87 | 119,868.00 | 2.1 | 7,500.00 | 6.3 |
| | | | 98,397.50 | • | 121,743.00 | 2.1 | 7,500.00 | 6.3 |
| PREFERRED ST 1,500 00 5,000.00 | STOCK O AEGON NV PERP CAP SECS O PMA CAP CORP MONTHLY INC SR NT | 25.25 | 37,868.17 | 25.26 | 37,890.00 | 0.6 | 2,391.00 | 6.3 |
| | | | 85,279.42 | | 87,790 00 | 1.5 | 6,641.00 | 7.6 |
| CONVERTIBLE 75,000 00 | S BND VEECO INSTRUMENTS 4.125% Due 12-21-08 | 89.79 | 67,344.00 | 93.87 | 70,406.25 | 1.2 | 3,093.75 | 4.4 |
| 175,000 00 | A A | 94.04 | 164,562.50 | 81.87 | 143,281.25 | 2.5 | 9,625.00 | 6.7 |
| | _ | • | | | 2,117.88 | 0.0 | | |
| | | | 231,906.50 | | 215,805.38 | 3.7 | 12,718.75 | 6.0 |
| CONVERTIBLE 1,000.00 | PFD INT'L SHIPHOLDING | 50.35 | 50,350.00 | 50.13 | 50,130.00 | 0.9 | 3,000.00 | 6.0 |
| 1,500.00 | METLIFE INC 6.375% SER B TXI CAP TR 1 TR PFD | 28.70 | 43,052.00 | 27.55 | 41,325.00 | 0.7 | | 5.8 |
| | | | 158,344.00 | \ ? | 194,855.00 | 3.3 | 10,891.00 | 5.6 |
| COMMON STOCK Basic Materials | CK BHP BH 1 HON 1 HD | 27.46 | | | | | | , |
| | COMMERCL METALS | - (- | 17.005.00 | 27.66 | 27,440,00 | 0 0 | 240.00 | I.7 |
| 700.00 | 1 | 44 33 | 31 031 72 | 42.74 | 20,540.00 | 0. v | 240.00 | 9.0 |
| 1,000.00 | LYONDELLCHEM | 27.73 | 27.150.15 | 72.07 | 32,07,000 | C. C | 938.00 | 3.1 |
| • | POSCO SPONS ADR | 45.54 | 36,433.50 | 49.51 | 39.608.00 | \$ C | 1 394 40 | אי פא אי פא |
| 1,600.00 | RPM INTL INC | 13.64 | 21,822,00 | 17.37 | 27,792.00 | 0.5 | 1,024.00 | 3.7 |
| | | | 161,574.22 | | 192,854.00 | 3.3 | 5,056.40 | 2.6 |
| | | | | | | | | |

Morse, Williams & Company PORTFOLIO APPRAISAL THE STEPPING STONES FOUNDATION R2514

December 31, 2005

| Cur. Yield | , | - C. | 1.7 | 2.0 | 0.9 | 1.0 | | | 2.4 | 2.5 | 1.4 | 1.9 | | 3.0 | 1.8 | | œ | 9 C |) | ? - | 2 - | 6.0 | 2.0 | 2.2 | 0.7 | 8.0 | 2.0 | 9.0 | 1:1 | | 2.8 | 0.0 | 0.7 | 4.9 | 0.0 | 2.7 | ic | 0.0 | - 2 | 0.0 |
|------------------|---------------------------|------------------|-----------|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|-----------------|------------|----------------|-----------|-----------------|-----------|-------------|-----------|--------------|-----------|-----------|-----------|--------------|-----------|-------------------|------------|-----------------|-------------|-----------|-----------|----------------------|-----------|-------------------|-----------|-----------------|-----------|------------|
| Annual Income | 180.00 | 00.009 60.009 | 1,000.00 | • | 180.00 | 216.00 | 372.00 | 496.00 | 712.00 | 792.00 | 342.00 | 600.00 | 200.00 | 00.009 | 7,189.50 | | 300 00 | 00.00 | | 400.00 | 400 00 | 150.00 | 670.00 | 680.00 | 200.00 | 320.00 | 864.00 | | 4,244 00 | | 330.00 | 0.00 | 150.00 | \$60.00 | 00.0 | 396.00 | \sim | | | 0 |
| Pct. Assets |) |) (| 1.0 | 0.5 | 0.3 | 0.4 | 0.4 | 0.5 | 0.5 | 0.5 | 0.4 | 0.5 | 0.5 | 0.3 | 7.0 | | 0.7 | 0.3 | 2 0 | 0.7 | 0.7 | 0.3 | 9.0 | 0.5 | 0.5 | 0.7 | 8.0 | 0.8 | | | 0.2 | 0.7 | 0.4 | 0.2 | 9.0 | 0.3 | 1.2 | 6.0 | 6.0 | 0.7 |
| Market Value | 26 910 00 | 42,144.00 | | 9,6 | 19,960.00 | 21,438.00 | 20,433.00 | 26,836.00 | 29,880.00 | 31,545 00 | 2 | 31,815.00 | 470. | 19,902.00 | 409,990.00 | | 39.108.00 | 18.075.00 | 20,004,00 | 38.880.00 | 40,480.00 | 16,680.00 | 33,720.00 | 31,050.00 | 27.485.00 | 38,290.00 | 44,272.00 | 44,260.00 | 392,304.00 | | 11,829.00 | ,430 | 21,942.00 | 11,490.00 | 32,400.00 | 0 | 70,780.00 | 52,630.00 | 500 | 38,031.00 |
| Price | 17.94 | 70.24 | 57.77 | 59.33 | 19.96 | 35.73 | 68.11 | 62.09 | 74.70 | 35 05 | 40.37 | 63.63 | 27.47 | 66.34 | | | 65.18 | 36.15 | 33.34 | 38.88 | 40.48 | 55.60 | 33.72 | 31.05 | 54.97 | 38.29 | 55.34 | 44.26 | | | 39.43 | 78.86 | 36.57 | 22.98 | 64.80 | 49.32 | 70.78 | 52.63 | 50.50 | 54.33 |
| Total | 27.367.08 | 31,738.07 | 32,029.00 | 27,910.00 | 18,312.00 | 22,502.00 | 20,205.50 | 24,524.00 | 26,902.00 | 34,653 00 | 21,364.00 | 30,809.86 | 27,082.00 | 20,418.64 | 365,817.15 | | 34,728.00 | 20,898.70 | 744 | 294 | 35,405.50 | 16,919.08 | 28,974.00 | 27,070.70 | 22,387.00 | 30,585.75 | 31,125.20 | 33,446.00 | 330,578.62 | | 13,949.00 | 27,587.00 | 21,473.82 | 12,972.00 | 16,267.04 | 14,137.72 | 38,734.35 | 35,751.00 | 45,471.27 | 14,689.80 |
| Unit | 18.24 | 52.90 | 32.03 | 55.82 | 18.31 | 37.50 | 67.35 | 61.31 | 67.25 | 38.50 | 35.61 | 61.62 | 27.08 | 90 89 | | | 57.88 | 41.80 | 29.57 | 31.29 | 35.41 | 56.40 | 28.97 | 27.07 | 44.77 | 30.59 | 38.91 | 33 45 | | | 46.50 | 55.17 | 35.79 | 25.94 | 32.53 | 47.13 | 38.73 | 35.75 | 45.47 | 20.99 |
| Security | APPLIED MATLS INC | OEING CO | (LLAR) | CEMEX SPONS ADR | JBIC CORP | 7 | EERE | RP | ON ELEC | ELECT | | OCKHEED | LOUISIANA PAC | WEYERHAEUSER CO | | cal | ERCRO | BED BATH & BYND | COACHING | DARDEN REST | ME DEP | JC PENNEY CO | | YSCOC | GET CC | TIFFANY & CO | | WALGREEN CO | | 8 | ABBOTT LABS | AMGEN INC | NC | BRISTOL-MYERS SQUIBB | CORP | GENERAL MILLS INC | NZX | GILEAD SCIENCES | HCA INC | HUMANA INC |
| Quantity | Capital Goods 1,500 00 | 90.009 | 1,000 00 | 500.00 | 1,000.00 | 900.00 | 300.00 | 400.00 | 400.00 | 900.00 | 00.009 | | | 200 000 | | Consumer Cycli | 0. | 200.00 | 00.009 | 1,000 00 | 1,000.00 | 300.00 | 1,000.00 | 1,000.00 | | | | 00 000 . I | | Consumer Staple | 300.00 | 500.00 | 00.009 | 500.00 | 500.00 | 300.00 | | | 1,000.00 | |

Morse, Williams & Company
PORTFOLIO APPRAISAL
E STEPPING STONES FOUNDATION
R2514
December 31, 2005

| Quantity | Security | Unit | Total | Price | Market Value | Pct. Assets | Annual Income | Cur. Yield |
|------------|----------------------------------|--------|---|--------|-----------------|----------------|------------------|---------------|
| 1,000.00 | JOHNSON & JOHN MERCK & CO INC | 45.89 | 45,888.25 | 41.81 | 60,100.00 | 1.0 | 1,320.00 | 2.2 |
| \$00.00 | C PHA | 22.80 | 11,397.96 | 27.67 | 13,835.00 | 0.2 | 0.00 | 6.0 8.0 |
| | | | 320,920 21 | | 211 | 7.6 | 4,572.00 | 1.0 |
| Encrgy | | | | | | | | |
| 200 00 | APACHE CORP | 44.13 | 22,066.00 | 68.52 | 34,260.00 | 9.0 | 200.00 | 9.0 |
| 200 | ARCH COAL | 39.28 | 19,642 00 | 79 50 | 39,750.00 | | 160.00 | 0.4 |
| 00 000 1 | \mathbf{x} | 2.01 | 20,136.16 | 2.03 | 20,300.00 | 0.3 | 000 | 0.0 |
| 1,000 00 | CHEVRONIEXACO | 41.84 | 41,837.00 | 26.77 | \$6,770.00 | 1.0 | 1,800.00 | 3.2 |
| 1,000 00 | CKOSS LIMBERS | 26.12 | 26,124.50 | 48.90 | 48,900.00 | 8.0 | 5,220.00 | 10.7 |
| 1,200.00 | EXXON MOBIL | 41.20 | 49,437.00 | 56.17 | 67,404.00 | 12 | 1,392.00 | 2.1 |
| 1,800.00 | MAKATHON OIL | 24.79 | 44,623.67 | 60.97 | 109,746.00 | 1.9 | 2,376.00 | 2.2 |
| 300 00 | NABORS INDS LTD | 71.45 | 21,436.00 | 75.75 | 22,725.00 | 0.4 | 0.00 | 0.0 |
| | | | 245,302.33 | | 399,855.00 | 6.9 | 11,148.00 | 2.8 |
| Financial | | | | | | | | |
| 200 00 | | 48.52 | 24,261.47 | 94.31 | 47,155.00 | 0.8 | 20.00 | 0.0 |
| 700.00 | BP PRUDHOE BAY RYLTY TST | 39.67 | 27,771.57 | 99.99 | 20 | 0.8 | 6.388.20 | 13.7 |
| 800.00 | | 40.69 | 32,549.85 | 51.78 | 41,424.00 | 0.7 | , v | 1.2 |
| 300 00 | HSBC HLDGS PLC | 82.09 | 24,626.00 | 80.47 | 24,141.00 | 0.4 | 1.035.00 | 4.3 |
| 400.00 | | 72.90 | 29,159.55 | 94.85 | 37,940.00 | 0.7 | | 9.0 |
| 00 000°T | UNITEDHEALTH GRP | 24.52 | ∞_ | 62.14 | 62,140.00 | 1.1 | 15.00 | 00 |
| 2,000.00 | US BANCORP | 21.08 | 42,158.18 | 29.89 | 59,780.00 | 1.0 | 2,400.00 | 4.0 |
| 00.009 | WACHOVIA CORP | 52.94 | 31,767.00 | 52.86 | 31,716 00 | | 1,224.00 | 3.9 |
| 900.00 | WASH MUTUAL | 39.26 | 35,331.00 | 43.50 | 39,150.00 | 0.7 | 1,764.00 | 4.5 |
| | | | 272,142.95 | | 390,066.00 | 6.7 | 13,598.20 | 3.5 |
| Services | | | | | | | | |
| 900.009 | CINTAS CORP | 33.20 | 19 923 00 | 41 18 | 24 708 00 | 70 | 102 00 | 0 |
| 200.00 | EBAY INC | 39.16 | 19.580.96 | 43.25 | 21 625 00 | t. 6 | 00.7 | o c |
| 42,289.00 | ELOT INC DEL | 1.90 | 80.500.00 | 0.78 | 12.985.42 | י ס ס | | 2 6 |
| 40.00 | GOOGLE INC | 429.70 | 17,188.20 | 414.86 | 16.594.40 | ? 6 | | 9 6 |
| 1,000.00 | WASTE MGMT | 30.14 | 30,142.00 | 30.35 | 30,350.00 | 0.5 | 800.00 |) c |
| 00 009 | YAHOO INC | 33.74 | 20,243.00 | 39.18 | 23,508.00 | 0.4 | 0.00 | 0.0 |
| | | • | 187,577.16 | • | .770 | 2.6 | 992.00 | 0.7 |
| Technology | AMFRICA MOVII | | | | | 1 | | |
| 1 000 00 | ANATOGRANCE | 11.11 | 0,100 | 29.70 | 43,890.00 | 9. 0 | 151.50 | 0.3 |
| 1 000 00 | ¥ 2 | 31.33 | 40 to 10 to | 35.87 | 35,870.00 | 9.0 | | 1.1 |
| 1,000 00 | 2 | 20.43 | ្ស រូ | 28.98 | 28,980.00 | 0.5 | 000 | 0.0 |
| 1.000 00 | EMC CORP MASS | 11 01 | 11 000 00 | 42.63 | 2 8 | 0.5 | 0.00 | 0.0 |
| | | | Š | 13.02 | 13,020.00 | 0.7 | 0.00 | 0.0 |

Morse, Williams & Company PORTFOLIO APPRAISAL THE STEPPING STONES FOUNDATION R2514 December 31, 2005

| Quantity | Security | Unit | Total | Price | Market Value | Pct. Assets | Annual Income | Cur. Yield |
|----------------|------------------------------|-------|--------------|--------|-----------------|----------------|------------------|---------------|
| 1,000.00 | INTEL CORP | 26.97 | 26,970.01 | 24.96 | 24 960 00 | 6 | 0000 | - |
| 1,000.00 | JUNIPER NET | 25.67 | 25,669.00 | 22.30 | 22,300,00 | 7 | 220.00 | ا ا |
| | MEMC ELEC MAT | 20.87 | 20,873.92 | 22.17 | 22.170.00 | 0.0 | |)) (|
| 00 00/ | | 25.84 | 18,086.00 | 26.15 | 18,305.00 | | 224 00 | |
| 1,000 00 | MOTOROLA INC | 17.61 | 17,612 00 | 22.59 | 22,590 00 | 0.4 | 160.00 | 7.0 |
| 00 000 | QUALCOM | 20.56 | 12,336.00 | 43 08 | 25.848.00 | 0.4 | 216.00 |) o |
| 200.000 | | 39.91 | 19,957.00 | 45.07 | 22,535.00 | 0.4 | 137.00 | 9 Y |
| 7,200.00 | Y (| 18.75 | 41,256.34 | 19.99 | 43.978.00 | 0.8 | . 6 |) (|
| 00 000. | TEXAS INSTR | 23.49 | 35,228.00 | 32.07 | 48,105.00 | 8.0 | 150.00 |) r |
| 1,000.00 | VERISIGN INC | 15.64 | ,638 | 21.92 | 21,920.00 | 0.4 | 00.00 | 0.0 |
| | | | 347,391.06 | I | 425,061.00 | 7.3 | 2,462.50 | 0.6 |
| Transportation | | | | | | | | |
| 300 00 | BURLINGTON NITHRN | 52.07 | 15,622.29 | 70.82 | 21.246.00 | 0.4 | 240 00 | _ |
| | COMMINS INC | 87.77 | 35,109.00 | 89.73 | 35.892.00 | 90 | 480.00 | |
| 2,000 00 | DIANA SHIPPING | 15.77 | 31,542.98 | 12.86 | 25,720.00 | 0.4 | 7 894 00 | |
| 400.00 | FEDEX CORP | 74.97 | 29,989.60 | 103.39 | 41,356.00 | 0.7 | 128 | |
| 800 | SKY WEST INC | 4 | 21,819.94 | 26.86 | 21.488.00 | 0.4 | 00.021 | _ |
| 2,000 00 | TOP TANKERS | 18.31 | 36,622.21 | 12.30 | 24,600.00 | 0.4 | 1.680.00 | t ex |
| | | | 170,706 02 | • | 170,302.00 | • | 5,518.00 | 37 |
| Utilities | | | | | | | | |
| 1,300.00 | ALLIANT ENERGY | 16.40 | 21,326,00 | 28.04 | 26.462.00 | • | | • |
| 1,500 00 | AT & TINC | 22.93 | 34 393 33 | 24.07 | 26,726,00 | 0.0 | 1,365.00 | 3.7 |
| 1,500.00 | LACLEDE GRP INC | 24.22 | 36 374 36 | 20.77 | 70,755.00 | 0.0 | کٽ ر | 5.3 |
| 1,000.00 | NSTAR | 23.80 | 23,801.00 | 78.70 | 20,015,00 | ю ч О | 2,070.00 | 4.7 |
| 1,000.00 | PG & E CORP | 35.45 | 35.454.94 | 37.12 | 37 120 00 | C. C | 1,160.00 | |
| | | | 151,299.63 | | 182,822.00 | 3.1. | 7,730.00 | 4 2 2 4 |
| Diversified | | | | | | | | • |
| 00.009 | 3M CO | 72.24 | 43,345.50 | 77.50 | 46,500.00 | 0.8 | 1.008.00 | 2.2 |
| Real Estate | | | | | | | | |
| 500.00 | PLUM CRK TIMBER | 26.70 | 13,349.00 | 36.05 | 18,025.00 | 0.3 | 760 00 | 4.7 |
| 1,050.00 | KAYONIEK INC | 32.67 | 34,304.00 | 39.85 | 41,842.50 | 0.7 | 1.974.00 | 4.7 |
| 00 007.1 | W P CAREY & CO | 27.34 | 32,810.00 | 25.36 | 30,432.00 | 0.5 | 2,150,40 | 7.1 |
| | | ! | - 1 | | 90,299.50 | 1.5 | 4,884.40 | 5.4 |
| | | | 2,677,117.86 | | 3,293,035.32 | 56.5 | 68,403.00 | 2.1 |
| \square | S | | - | | | | | |
| 1,000.000 | H&Q HEALTHCARE FD SH BEN INT | 18.16 | 18,161.00 | 17.93 | 17,930,00 | 7 | 1 400 00 | • |
| 1,187.590 | TOCQUEVILLE TR | 32.78 | 38,931.56 | 40.80 | 48,453.67 | 0.8 | 15.44 | 0.0 |
| | | | | | | | | <u> </u> |

Morse, Williams & Company PORTFOLIO APPRAISAL THE STEPPING STONES FOUNDATION R2514

December 31, 2005

| Cur. Yield | 0.0 | :: | | 0.0 | |
|------------------|------------------|------------|-------------------|------|--|
| Annual Income | 0.00 | 1,495.44 | | 0.00 | 是第二章22F307.80题 |
| Pct. Assets | 1.1 | 2.3 | | 0.0 | 100.0 |
| Market | 65,786.98 | 132,170.66 | | 0.00 | 3,831,198.82. 5100.0F |
| Price | 8.42 | | 5 | 3. | |
| Total | 54,272.00 | 111,364.56 | | > | 1. 5.102,421)13. |
| Unit | 6.95 | | 00.0 | | CONTRACTOR OF THE STATE OF THE |
| Security | WALL STREET FUND | | WTS ELOT INC | | PORTFOLION TO STATE T |
| Quantity | 7,813.181 | | WARRANTS 8,229 | | TOTAL PORTF |

Form **2220**

Underpayment of Estimated Tax by Corporations

See separate instructions
 Attach to the corporation's tax return.

Form 990-PF

OMB No 1545-0142

2005

Name

Department of the Treasury

THE STEPPING STONES FOUNDATION

Employer identification number 13-3031164

Note: Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 34 on the estimated tax penalty line of the corporation's income tax return, but do not attach Form 2220.

| Part I Required Annual Payment | | | | | |
|---|-----------|----------------------------|---------------------------|----------------------|--|
| 1 Total tax (see instructions) | | | | 1 | 3,477. |
| 2 a Personal holding company tax (Schedule PH (Form 1120), lin | ne 26\ | included on line 1 | 2a | | |
| b Look-back interest included on line 1 under section 460(b)(2) | | | | | |
| | • | _ | 2b | | |
| contracts or of section 167(g) for depreciation under the inco | טו שווויי | iecasi illetilou | - 2 0 | | |
| | | | | | |
| c Credit for Federal tax paid on fuels (see instructions) | | | 2c | | |
| d Total. Add lines 2a through 2c | _ | | _, | 2d | |
| 3 Subtract line 2d from line 1. If the result is less than \$500, do | not co | omplete or file this form | ine corporation | | 2 177 |
| does not owe the penalty | _ | | | 3 | 3,477. |
| 4 Enter the tax shown on the corporation's 2004 income tax ret | | | | | 1 000 |
| or the tax year was for less than 12 months, skip this line a | nd ent | ter the amount from line | 3 on line 5 | 4 | 1,890. |
| | | | | | |
| 5 Required Annual Payment Enter the smaller of line 3 or line | 4 Ift | he corporation is required | d to skip line 4, | | 1 000 |
| enter the amount from line 3 | | | |] 5 | 1,890. |
| Part II Reasons for Filing - Check the boxes below | ow tha | t apply If any boxes are o | checked, the corporation | must file Form 2220 | |
| even if it does not owe a penalty (see instructions) | | . | | | <u> </u> |
| 6 The corporation is using the adjusted seasonal install | ment i | method | | | |
| 7 The corporation is using the annualized income instal | llment | method | | | |
| 8 The corporation is a "large corporation" figuring its fir | st requ | ured installment based or | the prior year's tax | | |
| Part III Figuring the Underpayment | | | | | <u> </u> |
| | | (a) | (b) | (c) | (d) |
| 9 Installment due dates. Enter in columns (a) through | | | | | |
| (d) the 15th day of the 4th (Form 990-PF filers: | | | | | |
| Use 5th month), 6th, 9th, and 12th months of the corporation's tax year | g | 05/15/05 | 06/15/05 | 09/15/05 | 12/15/05 |
| 10 Required installments. If the box on line 6 and/or line 7 | | | | | |
| above is checked, enter the amounts from Schedule A, line | | | | | |
| 38 If the box on line 8 (but not 6 or 7) is checked, see | | | | | |
| instructions for the amounts to enter. If none of these boxes | | | | | |
| | 10 | 473. | 472. | 473. | 472. |
| are checked, enter 25% of line 5 above in each column | 10 | 4/5 | | 1,0. | |
| 11 Estimated tax paid or credited for each period (see | 1 1 | | | | |
| instructions) For column (a) only, enter the amount | | 459. | | 3,000. | |
| from line 11 on line 15 | 111 | 400 | | 3,000. | |
| Complete lines 12 through 18 of one column before | | | | | |
| going to the next column. | | | | | 2 0 1 1 |
| 12 Enter amount, if any, from line 18 of the preceding column | 12 | | | 2 000 | $\frac{2,041}{2,041}$ |
| 13 Add lines 11 and 12 | 13 | | | 3,000. | 2,041. |
| 14 Add amounts on lines 16 and 17 of the preceding column | 14 | | 14. | 486. | 2 0 1 |
| 15 Subtract line 14 from line 13 If zero or less, enter -0- | 15 | 459. | <u> </u> | 2,514. | 2,041. |
| 16 If the amount on line 15 is zero, subtract line 13 from line | | | | | |
| 14 Otherwise, enter -0- | 16 | | 14. | 0. | |
| 17 Underpayment. If line 15 is less than or equal to line 10, | | | | | |
| subtract line 15 from line 10. Then go to line 12 of the next | | | | | |
| column Otherwise, go to line 18 | 17 | 14. | 472. | | ······································ |
| 18 Overpayment. If line 10 is less than line 15, subtract line 10 | | | | | |
| from line 15. Then go to line 12 of the next column | 18 | | | 2,041. | <u>. </u> |
| Go to Part IV on page 2 to figure the penal | | not go to Part IV if there | are no entries on line 17 | - no nenalty is owed | |

For Paperwork Reduction Act Notice, see separate instructions.

Form 2220 (2005)

JWA

Form 2220 (2005)

Part IV Figuring the Penalty

| | | | (a) | (b) | (c) | (d) |
|------------|---|----------|----------------------------|---|---------------|---------------------------------------|
| | | | | | | |
| | after the close of the tax year, whichever is earlier (see | | | | | |
| | Instructions) (Form 990-PF and Form 990-T filers. Use 5th | l | | | | |
| | month instead of 3rd month) | 19 | | | | <u> </u> |
| 20 | Number of days from due date of installment on line 9 to the | 20 | | | | |
| | date shown on line 19 | 20 | | | | - |
| 21 | Number of days on line 20 after 4/15/2005 and before 10/1/2005 | 21 | | | | |
| | | | | | | |
| 22 | Underpayment on line 17 x Number of days on line 21 x 6% 365 | 22 | \$ | <u> </u> | \$ | \$ |
| 23 | Number of days on line 20 after 9/30/2005 and before 4/1/2006 | 23 | <u> </u> | | | |
| 24 | Underpayment on line 17 x Number of days on line 23 x 7% | 24 | \$ | \$ | \$ | S |
| L 7 | 365 | - | Ψ | - | | |
| 25 | Number of days on line 20 after 3/31/2006 and before 7/1/2006 | 25 | · - · · · · · · | | | <u> </u> |
| 26 | Underpayment on line 17 x Number of days on line 25 X *% | 26 | \$ | S | \$ | \$ |
| | 365 | | · Y | | | |
| 27 | Number of days on line 20 after 6/30/2006 and before 10/1/2006 | 27 | Seg | Attached V | orksheet | |
| 28 | Underpayment on line 17 x Number of days on line 27 x *% | 28 | \$ | \$ | \$ | \$ |
| | 365 | | | | | · · · · · · · · · · · · · · · · · · · |
| 29 | Number of days on line 20 after 9/30/2006 and before 1/1/2007 | 29 | | | | - |
| 20 | Underpayment on line 17 x Number of days on line 29 x *% | 30 | • | • | • | • • • • • • • • • • • • • • • • • • • |
| 30 | 365 | 30 | Ψ | Ψ | - Ψ | Ψ |
| 31 | Number of days on line 20 after 12/31/2006 and before 2/16/2007 | 31 | | - <u>-</u> | | |
| 22 | () = -1 = | 32 | & | | • | • |
| 32 | Underpayment on line 17 x Number of days on line 31 x *% 365 | <u> </u> | Ψ | Ψ | Ψ | Ψ |
| 33 | Add lines 22, 24, 26, 28, 30, and 32 | 33 | \$ | \$ | \$ | \$ |
| | | | | | | |
| 34 | | | | line 33, | | 7 |
| | Form 1120-A, line 29, or the comparable line for other incomi | e tax | returns | | 134 | \$. |

^{*} For underpayments paid after March 31, 2006. For lines 26, 28, 30, and 32, use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

JWA

Form **2220** (2005)

Form 990-PF UNDERPAYMENT OF ESTIMATED TAX WORKSHEET

| lame(s) | | | | Identifying Num | ber |
|------------------------|----------------|--------------------------|-----------------------------------|------------------------|----------------|
| THE STEPPIN | IG STONES FOUR | NDATION | | 13-303 | 1164 |
| (A) *Date | (B) Amount | (C) Adjusted Balance Due | (D) Number Days Balance Due | (E) Daily Penalty Rate | (F) Penalty |
| | | -0- | | | |
| 05/15/05 | 473. | 473. | | | |
| 05/15/05 | -459. | 14. | 31 | .000164384 | |
| 06/15/05 | 472. | 486. | 91 | .000164384 | |
| 09/14/05 | -3,000. | -2,514. | | | <u> </u> |
| 9/15/05 | 473. | -2,041. | | | • |
| 09/30/05 | 0. | -2,041. | 76 | .000191781 | |
| 12/15/05 | 472. | -1,569. | | | |
| | | | | | <u> </u> |
| | | _ | | | |
| | | | | | |
| | | | _ | | <u> </u> |
| | | | | | <u> </u> |
| | | | | | |
| | | | <u>-</u> . | | |
| | | | • | | · <u> </u> |
| | | | | | <u> </u> |
| | | | | | |
| | | | <u> </u> | | |
| | | | | | |
| | | | | | |
| | | | | | |
| alty Due (Sum of Colun | nn E\ | | | | |

^{*} Date of estimated tax payment, withholding credit date or installment due date

512511 05-01-05

| Form 886 | 8 (Rev 12-2004) | | Page 2 | |
|---|---|---------------------------|---|--|
| • If you a | are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check the | his box | \triangleright X | |
| • | ly complete Part II if you have already been granted an automatic 3-month extension on a previous | | | |
| | are filing for an Automatic 3-Month Extension, complete only Part I (on page 1). | | | |
| Part II | Additional (not automatic) 3-Month Extension of Time - Must file Origin | nal and One Copy | y | |
| | Name of Exempt Organization | Employer iden | tification number | |
| Type or | | | | |
| print. | THE STEPPING STONES FOUNDATION | 13-303 | 1164 | |
| File by the extended | Number, street, and room or suite no. If a P.O box, see instructions | For IRS use only | | |
| due date for | PO BOX 452 | | | |
| filing the return See | City, town or post office, state, and ZIP code. For a foreign address, see instructions. | | | |
| instructions | BEDFORD HILLS, NY 10507 | | | |
| Check ty | pe of return to be filed (File a separate application for each return): | | | |
| For | m 990 | Form 5227 | Form 8870 | |
| For | m 990-BL X Form 990-PF Form 990-T (trust other than above) Form 4720 | Form 6069 | | |
| | | erierals filed Ferre O | 000 | |
| STOP: Do | not complete Part II if you were not already granted an automatic 3-month extension on a pr | eviously filed Form & | | |
| | ooks are in the care of > THE STEPPING STONES FOUNDATION | | | |
| Telephone No. ► 914-232-4822 FAX No. ► | | | | |
| • If the c | organization does not have an office or place of business in the United States, check this box | | | |
| • If this | s for a Group Return, enter the organization's four digit Group Exemption Number (GEN) | . If this is for the whol | e group, check this | |
| box F If it is for part of the group, check this box F I and attach a list with the names and EINs of all members the extension is for. | | | | |
| 4 I re | quest an additional 3-month extension of time until November 15 , 2006 . | | | |
| 5 For calendar year 2005, or other tax year beginning and ending and ending | | | | |
| 6 If th | us tax year is for less than 12 months, check reason: 🔲 Initial return 🔲 Final return | Change in | accounting period | |
| 7 Sta | te in detail why you need the extension | | | |
| TP | TAXPAYER IS STILL GATHERING INFORMATION TO FILE A COMPLETE AND | | | |
| AC | CURATE RETURN | | | |
| 8a If th | us application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any | | | |
| | refundable credits. See instructions | <u>\$</u> | 5,459. | |
| L 18 AL | | | | |
| | is application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated payments made. Include any prior year overpayment allowed as a credit and any amount paid | | | |
| | viously with Form 8868 | . \$ | 5,459. | |
| c Bal | ance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit | with FTD | | |
| | pon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions | \$ | 0. | |
| | Signature and Verification | | | |
| • | alties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and | to the best of my knowle | dge and belief, | |
| it is true, correct, and complete, and that larp authorized to prepare this form | | | | |
| Signature | Title Title | Date ► | 406 | |
| 7 | Notice to Applicant - To Be Completed by the IRS | | | |
| We have approved this application. Please attach this form to the organization's return. | | | | |
| We have not approved this application. However, we nave granted a 10-day grace period from the later of the date shown below or the due | | | | |
| date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections | | | | |
| otherwise required to be made on a timely return. Please attach this form to the organization's return. | | | | |
| └── We | have not approved this application. After considering the reasons stated in item 7, we cannot grant | your request for an ex | ctension of time to | |
| file | We are not granting a 10-day grace period. | | | |
| We We | cannot consider this application because it was filed after the extended due date of the return for v | which an extension wa | s requested. | |
| Oth | er | | | |
| | | | | |
| | By | | | |
| Director | | Date | | |
| Alternate | Mailing Address - Enter the address if you want the copy of this application for an additional 3-mo | onth extension returne | d to an address | |
| different t | han the one entered above. | F EVIZIADIOIA | 7:1:1:1:1:1:1:1:1:1:1:1:1:1:1:1:1:1:1:1 | |
| | Name | | | |
| | Owen J Flanagan & Co | AUG3 | 1 2006 | |
| Туре | Number and street (include suite, room, or apt. no.) or a P.O. box number | , ,,,,, | T C C C C C C C C C C C C C C C C C C C | |
| or print | 60 East 42nd Street | - | <u>u) nikeciou</u> | |
| P | City or town, province or state, and country (including postal or ZIP code) | SUBMISSION PEUD | ESSING, CGDEN | |
| 523832 05-01-05 | New York, NY 10165 | | · — — · · | |