

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

2002

Department of the Treasury
Internal Revenue Service

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

For calendar year 2002, or tax year beginning _____, **2002, and ending** _____

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label otherwise, print or type See Specific Instructions	THOMAS & KATHARINE STONER FOUNDATION 410 SEVERN AVENUE #309 ANNAPOLIS, MD 21403	A Employer identification number 42-1263576
		B Telephone number (see instructions) 410-263-1030

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

I Fair market value of all assets at end of year (from Part II, column c, line 16): \$ **10,013,547.**

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column d must be on cash basis)

C If exemption application is pending, check here

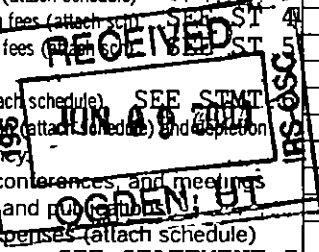
D 1 Foreign organizations, check here
 2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60 month termination under section 507(b)(1)(B), check here

Part I	Analysis of Revenue and Expenses <i>(The total of amounts in columns b, c, and d may not necessarily equal the amounts in column a) (see instructions)</i>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions gifts grants etc received (att sch) Ch <input checked="" type="checkbox"/> if the found is not req to att Sch B				
	2 Distributions from split interest trusts				
	3 Interest on savings and temporary cash investments	260,174	260,174	260,174	
	4 Dividends and interest from securities	64,376	64,376	64,376	
	5a Gross rents	-4,973	-4,973	-4,973	
	b (Net rental income or (loss) _____ -4,973.)				
	6a Net gain/(loss) from sale of assets not on line 10	-625,703	STATEMENT 1		
	b Gross sales prices for all assets on line 6a 5,217,564.				
	7 Capital gain net income (from Part IV line 2)		0		
	8 Net short term capital gain			27,430.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule) SEE STATEMENT 2	439	1,039	1,039		
12 Total. Add lines 1 through 11	-305,687	320,616.	348,046		
ADMINISTRATIVE AND EXPENSES	13 Compensation of officers directors trustees etc	53,892			5,389.
	14 Other employee salaries and wages	20,331			
	15 Pension plans, employee benefits	2,320			162
	16a Legal fees (attach schedule) SEE ST 3	2,512			
	b Accounting fees (attach schedule) SEE ST 4	60,636	54,731		
	c Other prof fees (attach schedule) SEE ST 5	22,474	17,886		
	17 Interest				
	18 Taxes (attach schedule) SEE STMT	8,891	1,747		
	19 Depreciation (attach schedule) and depletion	6,593			
	20 Occupancy	25,958.			
21 Travel, conferences, and meetings	1,255				
22 Printing and publications					
23 Other expenses (attach schedule) SEE STATEMENT 7	35,772.				
24 Total operating and administrative expenses Add lines 13 through 23	240,634	74,364		5,551	
25 Contributions, gifts, grants paid PART XV	642,094			642,094	
26 Total expenses and disbursements Add lines 24 and 25	882,728	74,364	0	647,645	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-1,188,415				
b Net investment income (if negative enter 0)		246,252			
c Adjusted net income (if negative enter 0)			348,046.		

SCANNED JUN 13 2003



25

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end of year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash – non interest bearing		1,003.	23,233	23,233
	2	Savings and temporary cash investments		791,291	1,513,170	1,513,170.
	3	Accounts receivable	999.			
		Less allowance for doubtful accounts		8,026	999	999
	4	Pledges receivable				
		Less allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach sch)				
		Less allowance for doubtful accounts				
	8	Inventories for sale or use		2,029	2,296	2,296
	9	Prepaid expenses and deferred charges		9,562	13,198	13,198
	10a	Investments – US and state government obligations (attach schedule) STATEMENT 8		2,552,677	1,341,370	1,409,275
	b	Investments – corporate stock (attach schedule) STATEMENT 9		1,623,364	1,623,364	299,835
	c	Investments – corporate bonds (attach schedule) STATEMENT 10		2,025,568	959,870	992,958
	11	Investments – land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	Investments – mortgage loans					
13	Investments – other (attach schedule) STATEMENT 11		6,278,136	6,632,430	5,773,545.	
14	Land, buildings, and equipment basis	41,088				
	Less accumulated depreciation (attach schedule) SEE STMT 12	21,169	26,512.	19,919	19,920	
15	Other assets (describe)					
16	Total assets (to be completed by all filers – see instructions Also, see page 1, item I)		13,318,168	12,129,849	10,048,429	
LIABILITIES	17	Accounts payable and accrued expenses		2,608	2,704	
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
	23	Total liabilities (add lines 17 through 22)		2,608	2,704.	
NET ASSETS OR FUND BALANCES		Organizations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31	<input checked="" type="checkbox"/>			
	24	Unrestricted		13,315,560.	12,127,145	
	25	Temporarily restricted				
	26	Permanently restricted				
		Organizations that do not follow SFAS 117, check here and complete lines 27 through 31	<input type="checkbox"/>			
	27	Capital stock, trust principal, or current funds				
	28	Paid in or capital surplus, or land, building, and equipment fund				
29	Retained earnings, accumulated income, endowment, or other funds					
30	Total net assets or fund balances (see instructions)		13,315,560	12,127,145		
31	Total liabilities and net assets/fund balances (see instructions)		13,318,168	12,129,849		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	13,315,560.
2	Enter amount from Part I, line 27a	2	-1,188,415.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	12,127,145.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	12,127,145.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2 story brick warehouse, or common stock, 200 shares MLC Company)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (month day year)	(d) Date sold (month day year)
1a SEE ATTACHED BROWN INV ADVISORY SUMMARY	P	VARIOUS	VARIOUS
b SEE ATTACHED BROWN INV ADVISORY SUMMARY	P	VARIOUS	VARIOUS
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 2,981,143		3,634,276.	-653,133.
b 2,236,421		2,208,991.	27,430
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than 0) or Losses (from column (h))
(j) Fair Market Value as of 12/31/69	(k) Adjusted basis as of 12/31/69	(m) Excess of column (j) over column (k), if any	
a			-653,133
b			27,430
c			
d			
e			

2 Capital gain net income or (net capital loss)	[If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]	2	-625,703
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	[If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8]	3	27,430

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

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

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

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If 'Yes,' the organization does not qualify under section 4940(e) Do not complete this part

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable use assets	(d) Distribution ratio (column (b) divided by column (c))
2001	692,852.	13,215,094.	0 052429
2000	658,061.	14,817,563.	0 044411
1999	407,340.	12,905,950.	0 031562
1998	174,357.	9,063,026.	0 019238
1997	120,966.	3,763,985.	0 032138

2 Total of line 1, column (d)	2	0 179778
3 Average distribution ratio for the 5 year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0 035956
4 Enter the net value of noncharitable use assets for 2002 from Part X, line 5	4	10,409,644
5 Multiply line 4 by line 3	5	374,289
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,463
7 Add lines 5 and 6	7	376,752
8 Enter qualifying distributions from Part XII, line 4	8	647,645

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling letter _____ (attach copy of ruling letter if necessary - see instructions)			
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	2,463
c All other domestic organizations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter 0)		2	0
3 Add lines 1 and 2		3	2,463
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter 0)		4	0
5 Tax based on investment income Subtract line 4 from line 3 If zero or less, enter 0		5	2,463
6 Credits/Payments			
a 2002 estimated tax prmts and 2001 overpayment credited to 2002	6a	9,562	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	9,562	
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	7,099	
11 Enter the amount on line 10 to be Credited to 2003 estimated tax	11	7,099	Refunded

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities</i>		X
c Did the organization file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the organization ▶ \$ 0 (2) On organization managers ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers ▶ \$ 0		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MARYLAND , IOWA		
b If the answer is 'Yes' to line 7, has the organization furnished a copy of Form 990 PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2002 or the taxable year beginning in 2002 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address ▶ N/A	X	
12 The books are in care of ▶ BROWN INVESTMENT ADVISORY & TR Telephone no ▶ 410-637-1880 Located at ▶ 19 SOUTH ST. BALTIMORE MD ZIP + 4 ▶ 21202		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 13	N/A	N/A

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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception Check 'No' if the 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is 'Yes' to 1a(1) (6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d) 3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
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 2002?	1c	X
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 2002, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2002? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <input type="checkbox"/> 20__ , 20__ , 19__ , 19__		
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 statement - see instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="checkbox"/> 20__ , 20__ , 19__ , 19__		
3a	Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If 'Yes,' did it have excess business holdings in 2002 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, Form 4720, to determine if the organization had excess business holdings in 2002)	3b	N/A
4a	Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2002?	4b	X
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))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is 'Yes' to 5a(1) (5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	5b	N/A
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? <input type="checkbox"/> Yes <input type="checkbox"/> No If 'Yes,' attach the statement required by Regulations section 53.4945 5(d) N/A		
6a	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you answered 'Yes' to 6b, also file 8870	6b	X

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions):

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 13		53,892	1,617	0

2 Compensation of five highest-paid employees (other than those included on line 1— see instructions) If none, enter 'None'

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

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

3 Five highest-paid independent contractors for professional services – (see instructions) If none, enter 'None'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

Part IX-A Summary of Direct Charitable Activities

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

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

Describe the two largest program related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total Add lines 1 through 3	0

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes		
a Average monthly fair market value of securities	1a	9,556,315.
b Average of monthly cash balances	1b	986,350
c Fair market value of all other assets (see instructions)	1c	25,502
d Total (add lines 1a, b and c)	1d	10,568,167
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0
3 Subtract line 2 from line 1d	3	10,568,167
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	158,523
5 Net value of noncharitable-use assets Subtract line 4 from line 3 Enter here and on Part V, line 4	5	10,409,644
6 Minimum investment return Enter 5% of line 5	6	520,482

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

1 Minimum investment return from Part X, line 6	1	520,482
2a Tax on investment income for 2002 from Part VI, line 5	2a	2,463.
b Income tax for 2002 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	2,463
3 Distributable amount before adjustments Subtract line 2c from line 1	3	518,019
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	
5 Add lines 3 and 4c	5	518,019
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII line 1	7	518,019

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	647,645
b Program related investments — Total from Part IX B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	647,645.
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 (see instructions)	5	2,463
6 Adjusted qualifying distributions Subtract line 5 from line 4	6	645,182

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2001	(c) 2001	(d) 2002
1 Distributable amount for 2002 from Part XI, line 7				518,019
2 Undistributed income, if any, as of the end of 2001				
a Enter amount for 2001 only			630,508	
b Total for prior years 20__, 19__, 19__		0		
3 Excess distributions carryover, if any, to 2002				
a From 1997				
b From 1998				
c From 1999				
d From 2000				
e From 2001				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2002 from Part XII, line 4 ▶ \$ 647,645				
a Applied to 2001, but not more than line 2a			630,508.	
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 2002 distributable amount				17,137
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2002 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0.
6 Enter the net total of each column as indicated below				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b Taxable amount – see instructions		0		
e Undistributed income for 2001 Subtract line 4a from line 2a Taxable amount – see instructions			0.	
f Undistributed income for 2002 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2003				500,882.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see instructions)	0			
8 Excess distributions carryover from 1997 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2003 Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 1998				
b Excess from 1999				
c Excess from 2000				
d Excess from 2001				
e Excess from 2002				

Part XIV Private Operating Foundations (see instructions and Part VII A, question 9)

N/A

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2002, enter the date of the ruling

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

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
	(a) 2002	(b) 2001	(c) 2000	
b 85% of line 2a				
c Qualifying distributions from Part XII, line 4 for each year listed				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c				
3 Complete 3a, b, or c for the alternative test relied upon				
a 'Assets' alternative test - enter				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b 'Endowment' alternative test - Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
c 'Support' alternative test - enter				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

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

1 Information Regarding Foundation Managers.

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

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

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

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

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

SEE STATEMENT 14

b The form in which applications should be submitted and information and materials they should include
ABAG COMMON GRANT APPLICATION FORM

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p>a Paid during the year SEE STATEMENT 15</p>				
Total				▶ 3a 642,094
<p>b Approved for future payment SEE STATEMENT 16</p>				
Total				▶ 3b 350,310

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

5/20/03

08 30AM

STATEMENT 1
FORM 990-PF, PART I, LINE 6
NET GAIN (LOSS) FROM NONINVENTORY SALES

PUBLICLY TRADED SECURITIES

GROSS SALES PRICE 5,217,564.
 COST OR OTHER BASIS 5,843,267.

TOTAL GAIN (LOSS) PUBLICLY TRADED SECURITIES \$ -625,703.

TOTAL NET GAIN (LOSS) FROM NONINVENTORY SALES \$ -625,703.

STATEMENT 2
FORM 990-PF, PART I, LINE 11
OTHER INCOME

K-1 ORD INC BIA INV 2001	\$	-600
K-1 ORD INCOME BENNETT FD		1,912
K-1 ORD INCOME COMMON SEN		-840.
K-1 SECTION 1256 LOSS		-33.
TOTAL	\$	<u>439</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
HARRISON WEATHERALL	\$ 2,512			
TOTAL	\$ <u>2,512</u>	\$ <u>0.</u>	\$ <u>0</u>	\$ <u>0</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BIA -PARTNERSHIPS	\$ 433	\$ 433		
BROWN ADVISORY AGCY ACCT	54,298	54,298		
KUPSTAS & KUPSTAS	5,905			
TOTAL	\$ <u>60,636</u>	\$ <u>54,731</u>	\$ <u>0</u>	\$ <u>0.</u>

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

5/20/03

08 30AM

STATEMENT 5
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMPUTER CONSULTING FEES	\$ 1,169			
CONSULTING FEES	3,419			
INVESTMENT FEES	17,886	\$ 17,886.		
TOTAL	\$ 22,474	\$ 17,886.	\$ 0	\$ 0

STATEMENT 6
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	\$ 1,747	\$ 1,747		
PAYROLL TAXES	7,144			
TOTAL	\$ 8,891	\$ 1,747	\$ 0	\$ 0.

STATEMENT 7
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVERTISING	\$ 18,940.			
DUES & SUBSCRIPTIONS	694			
INSURANCE	1,609			
MISC CHARITABLE SUPPLIES	50			
OFFICE EXPENSES	4,574			
OFFICE MAINTENANCE	4,907			
POSTAGE & FREIGHT	873			
PROJECT ART	701			
TELEPHONE	1,790			
TKF LIBRARY	472			
UTILITIES	1,162.			
TOTAL	\$ 35,772.	\$ 0	\$ 0	\$ 0

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

6/05/03

10 19AM

**STATEMENT 8
FORM 990-PF, PART II, LINE 10A
INVESTMENTS - U S AND STATE GOVERNMENT OBLIGATIONS**

<u>U S GOVERNMENT OBLIGATIONS</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
FHLMC POOL G10690	COST	\$ 180,319	\$ 179,792
FNMA POOL #254089	COST	186,426	192,920.
FNMA POOL #368990	COST	232,664	242,172
FNMA 7 125 DUE 2/15/05	COST	124,075	138,711
US TREASURY NOTE 6 25 DUE 2/15/07	COST	150,116	172,125.
FNMA POOL #433646	COST	243,167	252,799.
FNMA POOL #539082	COST	67,615	69,369.
FNMA POOL #572448	COST	156,988	161,387.
		<u>\$ 1,341,370</u>	<u>\$ 1,409,275.</u>
	TOTAL	<u>\$ 1,341,370.</u>	<u>\$ 1,409,275</u>

**STATEMENT 9
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS**

<u>CORPORATE STOCKS</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
AMERICAN TOWER CORP CLASS B	COST	\$ 1,347,764.	\$ 264,535
AMERICAN TOWER CORP CLASS A	COST	275,600.	35,300.
	TOTAL	<u>\$ 1,623,364</u>	<u>\$ 299,835.</u>

**STATEMENT 10
FORM 990-PF, PART II, LINE 10C
INVESTMENTS - CORPORATE BONDS**

<u>CORPORATE BONDS</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
FIRST MD BANCORP 7.2 DUE 7/01/07	COST	\$ 154,555.	\$ 166,899
FORD MOTOR CREDIT 6 875 DUE 2/01/06	COST	251,180.	250,438
GENL ELEC CAP CORP 6 875 DUE 11/15/10	COST	274,137.	283,880
ROUSE CO DUE 3/28/05	COST	78,453.	81,489
TEXTRON FINL CORP 5 875 DUE 6/01/07	COST	201,545.	210,252
	TOTAL	<u>\$ 959,870.</u>	<u>\$ 992,958</u>

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

6/05/03

10 19AM

STATEMENT 11
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	VALUE	FAIR MARKET VALUE
<u>OTHER PUBLICLY TRADED SECURITIES</u>			
BIA VALUE EQUITY FUND LP	COST	\$ 652,978	\$ 645,101
BIA SMALL CAP GRWTH FUND LP	COST	635,790	460,087.
BIA GROWTH EQUITY FUND	COST	1,292,581	946,206.
BIA VENTURE INVESTORS - JMI IV	COST	46,099	48,220.
BIA INVESTORS - TRIDENT CAPITAL	COST	19,641	19,640.
BIA VENTURE PARTNERS - GROSVENOR	COST	41,609	41,610.
BIA VENTURE PARTNERS - BAKER COMM	COST	23,793.	23,790
BIA VENTURE PARTNERS - INTERSOUTH	COST	25,376.	25,370.
BIA INVESTORS LP ACCEL VIII	COST	67,801	67,800
TMSHE TR 95-C-A5	COST	207,937	199,869
BROWNSIA INV - CHARLESBANK	COST	35,266	33,585
DODGE & COX STK FD	COST	570,324	490,578
GLENMEDE FD INC - INT'L PORTFOLIO	COST	901,255	699,514
WASATECH SMALL CAP GRWTH FD	COST	511,980	437,293.
BENNETT RESTRUCTURING FD	COST	400,000	423,688.
BROWN IA ROBINSON CROSSING	COST	200,000	200,000.
COMMON SENSE PARTNERS, LP	COST	1,000,000.	1,011,194.
	TOTAL	\$ 6,632,430.	\$ 5,773,545

STATEMENT 12
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	\$ 4,800.	\$ 1,859.	\$ 2,941.	\$ 2,941
MACHINERY AND EQUIPMENT	31,730	18,803.	12,927	12,928
IMPROVEMENTS	4,558	507	4,051	4,051.
TOTAL	\$ 41,088.	\$ 21,169	\$ 19,919	\$ 19,920.

STATEMENT 13
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
THOMAS H. STONER 3065 RUNDELAC RD ANNAPOLIS, MD 21403	PRESIDENT 10	\$ 0	\$ 0	\$ 0
KATHARINE E STONER 3065 RUNDELAC RD. ANNAPOLIS, MD 21403	VICE PRESIDENT 10	0.	0	0.
MARY E. WYATT	SECRETARY	53,892.	1,617	0

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

5/20/03

08 30AM

STATEMENT 13 (CONTINUED)
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED</u>	<u>COMPEN- SATION</u>	<u>CONTRI- BUTION TO EBP & DC</u>	<u>EXPENSE ACCOUNT/ OTHER</u>
119 GREENSPRING AVE ANNAPOLIS, MD 21403	30			
TOTAL \$			<u>53,892</u>	<u>\$ 1,617</u>
				<u>\$ 0</u>

STATEMENT 14
FORM 990-PF, PART XV, LINE 2A
NAME AND ADDRESS OF PERSON TO WHOM APPLICANTS SHOULD BE ADDRESSED

MARY WYATT
 C/O TKF FOUNDATION
 410 SEVERN AVENUE #309
 ANNAPOLIS, MD 21403

STATEMENT 15
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

<u>NAME AND ADDRESS</u>	<u>DONEE RELATIONSHIP</u>	<u>FOUND- ATION STATUS</u>	<u>PURPOSE OF GRANT</u>	<u>AMOUNT</u>
GOVANS PRESBYTERIAN CHURC BALTIMORE, MD 52-9031052	NONE		OUTDOOR LABYRINTH IMPROVEMENTS	\$ 22,860.
GARDEN RESOURCES OF WASH WASHINGTON, DC 52-1276560	NONE		COMMUNITY GREENING PROJECTS	57,500
PARKS & PEOPLE BALTIMORE MD 52-1349346	NONE		COMM GREENING PROGRAM	58,800
ASSOC OF BALT AREA GRANTM BALTIMORE, MD 52-1326863	NONE		GENERAL SUPPORT	1,750
CITY OF ANNAPOLIS ANNAPOLIS, MD 52-6000764	NONE		ART IN PUBLIC PLACES	60,000.
ANNE ARUNDEL MED CTR ANNAPOLIS, MD 53-1002547	NONE		HEALING GARDEN	50,000

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

5/20/03

08 30AM

STATEMENT 15 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
AMERICAN COMMUNITY GARDEN PHILADELPHIA , PA	NONE		MEMBERSHIP	\$ 100.
ARC OF ANNE ARUNDEL CTY ANNAPOLIS, MD 52-6047882	NONE		ARC GARDEN IMPROVEMENTS	8,238
MARIAN HOUSE BALTIMORE, MD 52-1243849	NONE		OUTDOOR SCULPTURE GARDEN	21
SEVERN RIVER ASSOCIATION INC ANNAPOLIS, MD 21401 52-1180841	NONE		UNITY GARDENS OF ANNE ARUNDEL CNTY	75,000
ST LUKES EPISCOPAL CHURCH BETHESDA, MD 52-0681145	NONE		LABYRINTH	2,960
BARGE HOUSE MUSEUM ANNAPOLIS, MD 21403 52- 1664577	NONE		WETLANDS & PARK PROJECT ENHANCEMENTS	1,075
FREDERICK DOUGLAS GARDENS SE WASHINGTON, DC 20020 52- 2265923	NONE		BUTTERFLY GARDEN & MUSEUM	15,500
MARYLAND HALL FOR CREATIVE AR ANNAPOLIS, MD 21401 52- 1164469	NONE		LABYRINTH & GARDEN	16,847
MT WASHINGTON PRESERVATION TR BALTIMORE, MD 21209 52-1645819	NONE		COMMUNITY ARBORETUM ENHANCEMENTS	3,550.
VILLAGE LEARNING PLACE INC BALTIMORE, MD 21218 52-2109848	NONE		EDUCATIONAL GARDEN	13,890
AMAZING GRACE EVANGELICAL LUT BALTIMORE, MD 52-1994645	NONE		SACRED COMMONS LABYRINTH	8,205.
EPIPHANY CHAPEL & CHURCH HOUS ODENTON, MD 52-2325126	NONE		PEACE GARDEN	15,400
FOUR RIVERS GARDEN CLUB ANNAPOLIS, MD 52-0608004	NONE		ANNAP GARDENS PARK PROJ III	4,882.

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

5/20/03

08 30AM

STATEMENT 15 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
ST ANTHONY OF PADUA BALTIMORE, MD 52-9039151	NONE		SANCTUARY GARDEN PROJECT	\$ 7,500.
EARTH CONSERVATIONS CORP 52-1683270	NONE		BENCHES	1,783
FRIENDS OF PATTERSON PARK BALTIMORE, MD 52-2094989	NONE		RESTORE FOUNTAIN & OUTDOOR FURNITURE	90,150.
UNIV OF MARYLAND BALT CO CATONSVILLE, MD 52-6002033	NONE		BENCH TALK	6,000
FRIENDS OF WYMAN PARK DELL, IN BALTIMORE, MD 52-1413466	NONE		POCKET PARK	3,150.
NORTH ARUNDEL HOSPITAL FOUND GLEN BURNIE, MD 52-1813656	NONE		HEALING GARDEN	66,000
STADIUM PLACE INC BALTIMORE, MD 52-2197537	NONE		COMMUNAL GREEN SPACE	33,000.
MEDSTAR MANOR @ LAMOND-RIGGS WASHINGTON, DC 52-1489097	NONE		DESIGN FOR HEALING GARDEN	6,690
BALTIMORE CLAYWORKS BALTIMORE, MD 52-1409133	NONE		POCKET PARKS	10,000.
DIGNITY/WASHINGTON WASHINGTON, DC 52-1154012	NONE		MISC CONTRIBUTION	100
NEIGHBORHOOD DESIGN CENTER WASHINGTON, DC 31-047013	NONE		BENCHES	1,143.

TOTAL \$ 642,094

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

5/20/03

08 30AM

STATEMENT 16
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
GARDEN RESOURCES OF WASHINGTO WASHINGTON, DC 52-1276560	NONE		COMMUNITY GREENING	\$ 23,500
CITY OF ANNAPOLIS ANNAPOLIS, MD 21401 52-6000764	NONE		ART IN PUBLIC PLACES	50,000
FRIENDS OF PATTERSON PARK BALTIMORE, MD 52-2094989	NONE		FOUNTAIN RESTORATION	19,850
NORTH ARUNDEL HOSPITAL FDN GLEN BURNIE, MD 52-1813656	NONE		HEALING GARDEN	34,000
PARKS & PEOPLE WASHINGTON, MD 52-1349346	NONE		COMMUNITY GRANTS PROGRAM	16,800
SEVERN RIVER ASSOCIATION INC ANNAPOLIS, MD 52-1180841	NONE		UNITY GARDENS	25,000
STADIUM PLACE, INC BALTIMORE, MD 52-2197537	NONE		LABYRINTH AT STADIUM PLACE	117,000
WASHINGTON PARKS & PEOPLE WASHINGTON, DC 52-1681110	NONE		HERITAGE PARK PROJECT	50,000.
PEOPLE'S HOMESTEADING GROUP I WASHINGTON, DC 52-1317246	NONE		GROWING COMMUNITY AT 22ND ST	14,160.
TOTAL \$				<u>350,310</u>

Underpayment of Estimated Tax by Corporations

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

2002

Name **THOMAS & KATHARINE STONER FOUNDATION** Employer identification number **42-1263576**

Note In most cases the corporation does not need to file Form 2220 (See Part I below for exceptions) The IRS will figure any penalty owed and bill the corporation If the corporation does not need to file Form 2220, it may still use it to figure the penalty Enter the amount from line 34 on the estimated tax penalty line of the corporation's income tax return but do not attach Form 2220

Part I Reasons for Filing — Check the boxes below that apply to the corporation If any boxes are checked, the corporation must file Form 2220, even if it does not owe the penalty If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty

- 1 The corporation is using the annualized income installment method
- 2 The corporation is using the adjusted seasonal installment method
- 3 The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax

Part II Figuring the Underpayment

4 Total tax (see instructions)	4	2,463.
5a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4	5 a	
b Look back interest included on line 4 under section 460(b)(2) for completed long term contracts or section 167(g) for depreciation under the income forecast method	5 b	
c Credit for Federal tax paid on fuels (see instructions)	5 c	
d Total Add lines 5a through 5c	5 d	
6 Subtract line 5d from line 4 If the result is less than \$500, do not complete or file this form The corporation does not owe the penalty	6	2,463
7 Enter the tax shown on the corporation's 2001 income tax return (see instructions) Caution If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 6 on line 8	7	3,636.
8 Enter the smaller of line 6 or line 7 If the corporation is required to skip line 7, enter the amount from line 6	8	2,463

	(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	5/15/02	6/15/02	9/15/02	12/15/02
10 Required installments. If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 40 If the box on line 3 (but not 1 or 2) is checked, see instructions for the amounts to enter If none of these boxes are checked, enter 25% of line 8 above in each column	615	616.	616.	616
11 Estimated tax paid or credited for each period (see instructions) For column (a) only, enter the amount from line 11 on line 15 Complete lines 12 through 18 of one column before going to the next column	9,562			
12 Enter amount, if any, from line 18 of the preceding column		8,947	8,331	7,715
13 Add lines 11 and 12		8,947	8,331	7,715
14 Add amounts on lines 16 and 17 of the preceding column				
15 Subtract line 14 from line 13 If zero or less, enter 0	9,562	8,947	8,331	7,715
16 If the amount on line 15 is zero, subtract line 13 from line 14 Otherwise, enter -0		0	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				
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	8,947	8,331	7,715	

Complete Part III on page 2 to figure the penalty If there are no entries on line 17, no penalty is owed

Part III Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions) (Form 990-PF and Form 990-T filers Use 5th month instead of 3rd month)	19			
20 Number of days from due date of installment on line 9 to the date shown on line 19	20			
21 Number of days on line 20 after 4/15/2002 and before 1/1/2003	21			
22 Underpayment on line 17 $\times \frac{\text{Number of days on line 21}}{365} \times 6\%$	22			
23 Number of days on line 20 after 12/31/2002 and before 4/1/2003	23			
24 Underpayment on line 17 $\times \frac{\text{Number of days on line 23}}{365} \times 5\%$	24			
25 Number of days on line 20 after 3/31/2003 and before 7/1/2003	25			
26 Underpayment on line 17 $\times \frac{\text{Number of days on line 25}}{365} \times \text{ } \%$	26			
27 Number of days on line 20 after 6/30/2003 and before 10/1/2003	27			
28 Underpayment on line 17 $\times \frac{\text{Number of days on line 27}}{365} \times \text{ } \%$	28			
29 Number of days on line 20 after 9/30/2003 and before 1/1/2004	29			
30 Underpayment on line 17 $\times \frac{\text{Number of days on line 29}}{365} \times \text{ } \%$	30			
31 Number of days on line 20 after 12/31/2003 and before 2/16/2004	31			
32 Underpayment on line 17 $\times \frac{\text{Number of days on line 31}}{366} \times \text{ } \%$	32			
33 Add lines 22, 24, 26, 28, 30, and 32	33			
34 Penalty Add columns (a) through (d), of line 33 Enter the total here and on Form 1120, line 33, Form 1120-A, line 29, or the comparable line for other income tax returns	34			0.

***For underpayments paid after March 31, 2003** 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 Web Site at www.irs.gov. You can also call 1 800-829 1040 to get interest rate information.

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
20% MAX RATE LONG-TERM CAPITAL GAINS (LOSSES)					
100000 CHEMICAL MASTER CREDIT CARD TR SER 1995-3 CL A	03/21/2001	08/15/2002	100,000.00	102,050.00	-2,050.00
1594 192 DODGE & COX STK FD	05/14/2001	10/07/2002	123,055.69	163,309.03	-40,253.34
1289 687 DODGE & COX STK FD	05/14/2001	10/21/2002	111,300.00	132,115.53	-20,815.53
1496 359 DODGE & COX STK FD	05/14/2001	10/31/2002	127,400.00	153,287.01	-25,887.01
17690 14 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	01/15/2002	17,690.14	17,690.14	
11897 33 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	02/15/2002	11,897.33	11,897.33	
9530 02 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	03/15/2002	9,530.02	9,530.02	
10065 26 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	04/15/2002	10,065.26	10,065.26	
7656 62 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	05/15/2002	7,656.62	7,656.62	
7407 19 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	06/17/2002	7,407.19	7,379.42	27.77
5364 06 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	07/15/2002	5,364.06	5,343.95	20.11
480 37 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	07/23/2002	480.37	478.57	1.80
6018 7 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	08/15/2002	6,018.70	5,996.13	22.57
8369 57 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	09/15/2002	8,369.57	8,328.23	41.34
11908 56 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	10/15/2002	11,908.56	11,863.91	44.65
14168 64 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	11/15/2002	14,168.64	14,115.52	53.12
12171 69 FHLMC POOL G10690 DTD 06/01/97 7 000% DUE 07/01/12	08/13/1999	12/16/2002	12,171.69	12,126.05	45.64
100000 FHLB DTD 09/15/98 5 125% DUE 09/15/03	10/28/1998	03/13/2002	102,656.25	101,133.00	1,523.25
125000 FEDERAL NATL MTG ASSN DTD 02/14/00 7 125% DUE 02/15/05	05/16/2000	10/31/2002	138,808.59	124,028.54	14,780.05
3410 4 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	01/25/2002	3,410.40	3,410.40	
2032 91 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	02/25/2002	2,032.91	2,032.91	
2126 64 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	03/25/2002	2,126.64	2,126.64	
2222 23 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	04/25/2002	2,222.23	2,222.23	
14 79 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	04/25/2002	14.79	14.79	
2537 14 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	05/28/2002	2,537.14	2,537.14	
10811 49 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	11/25/2002	10,811.49	10,936.71	-125.22
11662 88 FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	12/25/2002	11,662.88	11,797.97	-135.09
3255 23 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	10/28/1998	01/25/2002	3,255.23	3,255.23	
3516 26 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	10/28/1998	02/25/2002	3,516.26	3,516.26	
3044 95 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	10/28/1998	03/25/2002	3,044.95	3,044.95	
3135 59 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	10/28/1998	04/25/2002	3,135.59	3,135.59	
3378 11 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	10/28/1998	05/28/2002	3,378.11	3,378.11	
Totals					

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
3331 95 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	06/25/2002	3,331 95	3,401 07	-69 12
3035 85 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	07/25/2002	3,035 85	3,098 83	-62 98
3531 54 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	08/26/2002	3,531 54	3,604 80	-73 26
2966 55 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	09/25/2002	2,966 55	3,028 09	-61 54
3361 978 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	10/25/2002	3,361 98	3,431 72	-69 74
13913 252 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	11/25/2002	13,913 25	14,201 86	-288 61
2904 711 FNMA 6TD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	12/25/2002	2,904 71	2,964 97	-60 26
7576 9 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	01/25/2002	7,576 90	7,576 90	
4838 54 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	02/25/2002	4,838 54	4,838 54	
10746 54 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	03/25/2002	10,746 54	10,746 54	
6625 47 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	04/25/2002	6,625 47	6,625 47	
4637 35 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	05/28/2002	4,637 35	4,637 35	
2558 09 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	06/25/2002	2,558 09	2,585 55	-27 46
12136 94 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	07/25/2002	12,136 94	12,267 23	-130 29
5921 06 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	08/26/2002	5,921 06	5,984 62	-63 56
1787 6 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	09/25/2002	1,787 60	1,806 79	-19 19
18247 27 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	10/25/2002	18,247 27	18,443 18	-195 91
4266 07 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	11/25/2002	4,266 07	4,311 87	-45 80
13078 01 FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	12/25/2002	13,078 01	13,218 40	-140 39
11920 46 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	01/25/2002	11,920 46	11,920 46	
13853 65 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	02/25/2002	13,853 65	13,853 65	
5677 54 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	03/25/2002	5,677 54	5,677 54	
5409 78 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	04/25/2002	5,409 78	5,409 78	
4197 58 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	05/28/2002	4,197 58	4,197 58	
8457 56 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	06/25/2002	8,457 56	8,696 04	-238 48
102 85 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	08/26/2002	102 85	105 75	-2 90
113 58 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	09/25/2002	113 58	116 78	-3 20
2951 34 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	10/25/2002	2,951 34	3,034 03	-82 69
4497 13 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	11/25/2002	4,497 13	4,623 13	-126 00
2397 69 FNMA POOL 539082 7 000% DUE 08/01/28	05/11/2001	12/25/2002	2,397 69	2,465 30	-67 61
41290 36 FNMA POOL 572448 7% DUE 3/11/2027	03/23/2001	01/25/2002	41,290 36	41,290 36	
21486 75 FNMA POOL 572448 7% DUE 3/11/2027	03/23/2001	02/25/2002	21,486 75	21,486 75	
419 29 FNMA POOL 572448 7% DUE 3/11/2027	03/23/2001	03/25/2002	419 29	419 29	
421 9 FNMA POOL 572448 7% DUE 3/11/2027	03/23/2001	04/25/2002	421 90	421 90	
20077 67 FNMA POOL 572448 7% DUE 3/11/2027	03/23/2001	05/28/2002	20,077 67	20,077 67	
Totals					

Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II (on page 2 of this form)

Note Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time — Only submit original (no copies needed)

Note Form 990-T corporations requesting an automatic 6 month extension — check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066 or 1041

Type or print File by the due date for filing your return See instructions	Name of Exempt Organization THOMAS & KATHARINE STONER FOUNDATION	Employer identification number 42-1263576
	Number street and room or suite number If a P O box see instructions 410 SEVERN AVENUE #309	
	City town or post office For a foreign address see instructions ANNAPOLIS, MD 21403	

Check type of return to be filed (file a separate application for each return)

- | | | |
|---|--|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990 T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (Section 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990 T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole** group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3 month (6-month, for **990-T corporation**) extension of time until 8/15, 20 03, to file the exempt organization return for the organization named above The extension is for the organization's return for

- ▶ calendar year 20 02 or
- ▶ tax year beginning _____, 20 _____, and ending _____, 20 _____

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ 2,480

b If this application is for Form 990 PF or 990 T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit \$ 9,562.

c **Balance Due** Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions. \$ 0

Signature and Verification

Under penalties of perjury I declare that I have examined this return including accompanying schedules and statements and to the best of my knowledge and belief it is true correct and complete and that I am authorized to prepare this form

Signature ▶ Thomas Kyrtas Title ▶ CPA Date ▶ 5/14/03

BAA For Paperwork Reduction Act Notice, see instructions

Form 8868 (12-2000)