

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

2006

Department of the Treasury
Internal Revenue Service

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

For calendar year **2006**, or tax year beginning **2006**, 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 #216
ANNAPOLIS, MD 21403

A Employer identification number
42-1263576
B Telephone number (see instructions)
410-268-1376
C If exemption application is pending, check here
D 1 Foreign organizations, check here
2 Foreign organizations meeting the 85% test, check here and attach computation
E If private foundation status was terminated under section 507(b)(1)(A), check here
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation
I Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ **13,099,206.**
J Accounting method Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc. received (att sch)	276,507.			
2 Ck <input type="checkbox"/> if the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	133,905.	133,905.	133,905.	
4 Dividends and interest from securities	173,529.	173,529.	173,529.	
5a Gross rents	-4,659.	-4,659.	-4,659.	
b Net rental income or (loss)	-4,659.			
6a Net gain/(loss) from sale of assets not on line 10	947,560.			
b Gross sales price for all assets on line 6a	4,182,391.			
7 Capital gain net income (from Part IV, line 2)		947,560.		
8 Net short-term capital gain			83,737.	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less. Cost of goods sold				
c Gross profit/(loss) (att sch)				
11 Other income (attach schedule) SEE STATEMENT 1	11,163.			
12 Total. Add lines 1 through 11	1,538,005.	1,250,335.	386,512.	
13 Compensation of officers, directors, trustees, etc	55,986.			33,592.
14 Other employee salaries and wages	81,162.			78,685.
15 Pension plans, employee benefits	617.			617.
16a Legal fees (attach schedule) SEE ST 2	2,789.			2,789.
b Accounting fees (attach sch) SEE ST 3	6,876.	3,759.		
c Other professional fees (attach sch) SEE ST 4	86,274.	83,438.		1,418.
17 Interest	455.	455.		
18 Taxes (attach schedule) SEE STMT 5	23,834.	1,052.		8,685.
19 Depreciation (attach schedule) and depletion	27,245.			
20 Occupancy	34,458.			25,844.
21 Travel, conferences, and meetings	1,306.			1,306.
22 Printing and publications				
23 Other expenses (attach schedule) SEE STATEMENT 6	109,038.	2,115.		97,551.
24 Total operating and administrative expenses. Add lines 13 through 23	430,040.	90,819.		250,487.
25 Contributions, gifts, grants paid PART XV	474,160.			424,160.
26 Total expenses and disbursements. Add lines 24 and 25	904,200.	90,819.	0.	674,647.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	633,805.			
b Net investment income (if negative, enter -0-)		1,159,516.		
c Adjusted net income (if negative, enter -0-)			386,512.	

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Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash – non-interest-bearing	9,385.	21,105.	21,105.
	2 Savings and temporary cash investments	842,124.	791,861.	791,861.
	3 Accounts receivable			
	Less: allowance for doubtful accounts			
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch)			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use	14,689.	21,357.	21,357.
	9 Prepaid expenses and deferred charges	3,628.		
	10a Investments – U.S. and state government obligations (attach schedule) STATEMENT 7	837,822.	1,361,485.	1,365,910.
	b Investments – corporate stock (attach schedule) STATEMENT 8	3,021,686.	2,922,998.	3,490,584.
	c Investments – corporate bonds (attach schedule) STATEMENT 9	669,144.	749,233.	749,637.
	11 Investments – land, buildings, and equipment basis			
Less: accumulated depreciation (attach schedule)				
12 Investments – mortgage loans				
13 Investments – other (attach schedule) STATEMENT 10	5,333,179.	5,541,866.	6,270,183.	
14 Land, buildings, and equipment, basis	444,707.			
Less: accumulated depreciation (attach schedule) SEE STMT 11	56,138.	415,036.	388,569.	
15 Other assets (describe)				
16 Total assets (to be completed by all filers – see instructions Also, see page 1, item I)		11,146,693.	11,798,474.	
LIABILITIES	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe SEE STATEMENT 12)		4,742.	
	23 Total liabilities (add lines 17 through 22)		0.	4,742.
NET FUND ASSETS OR BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>			
	24 Unrestricted	11,146,693.	11,793,732.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations 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)	11,146,693.	11,793,732.		
31 Total liabilities and net assets/fund balances (see instructions)	11,146,693.	11,798,474.		

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	11,146,693.
2 Enter amount from Part I, line 27a	2	633,805.
3 Other increases not included in line 2 (itemize) SEE STATEMENT 13	3	13,234.
4 Add lines 1, 2, and 3	4	11,793,732.
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	11,793,732.

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)
1 a SEE STATEMENT 14			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

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

2 Capital gain net income or (net capital loss)	[If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]	2	947,560.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		3	83,737.
If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8			

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

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

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

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

(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))
2005	721,355.	11,685,230.	0.061732
2004	602,910.	11,605,167.	0.051952
2003	549,509.	10,602,542.	0.051828
2002	645,182.	10,409,644.	0.061979
2001	692,852.	13,215,094.	0.052429

2 Total of line 1, column (d)	2	0.279920
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	0.055984
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4	11,521,999.
5 Multiply line 4 by line 3	5	645,048.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	11,595.
7 Add lines 5 and 6	7	656,643.
8 Enter qualifying distributions from Part XII, line 4	8	674,647.

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 foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	11,595.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-.)		2	0.
3 Add lines 1 and 2		3	11,595.
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	11,595.
6 Credits/Payments:			
a 2006 estimated tax pmts and 2005 overpayment credited to 2006	6 a	7,500.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments Add lines 6a through 6d	7	7,500.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	441.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	SEE STATEMENT 15	4,742.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2007 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?		X
<i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, 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) N/A		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2006 or the taxable year beginning in 2006 (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> SEE STATEMENT 16	X	

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Form 990-PF (2006)

Part VII-A Statements Regarding Activities Continued

11 a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)			X
b	If 'Yes', did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, an annuities described in the attachment for line 11a?		N/A	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address		X	
			N/A	
14	The books are in care of	BROWN INVESTMENT ADVISORY & TR	Telephone no	410-537-5400
	Located at	901 SO BOND ST. SUITE 400, BALTIMORE MD	ZIP + 4	21231-3340
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year		N/A	15

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
1 a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here		N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? If 'Yes,' list the years	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions.)		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.		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If 'Yes,' did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2006)		N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?		X

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

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

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

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

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

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

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

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **5b** Yes No **N/A**

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** Yes No **X**

If you answered 'Yes' to 6b, also file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** Yes No **N/A**

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

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

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 17		54,400.	1,586.	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 **0**

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

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

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

Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	

2	

3	

4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	

2	

All other program-related investments. See instructions	
3	

Total. Add lines 1 through 3	0.

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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	10,001,697.
b	Average of monthly cash balances	1b	1,275,210.
c	Fair market value of all other assets (see instructions)	1c	420,554.
d	Total (add lines 1a, b, and c)	1d	11,697,461.
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	11,697,461.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	175,462.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	11,521,999.
6	Minimum investment return. Enter 5% of line 5	6	576,100.

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	576,100.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	11,595.
b	Income tax for 2006 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	11,595.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	564,505.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	564,505.
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	564,505.

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	674,647.
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	674,647.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	11,595.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	663,052.

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 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				564,505.
2 Undistributed income, if any, as of the end of 2005:				
a Enter amount for 2005 only			286,839.	
b Total for prior years: 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2006:				
a From 2001				
b From 2002				
c From 2003				
d From 2004				
e From 2005				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2006 from Part XII, line 4 ▶ \$ <u>674,647.</u>				
a Applied to 2005, but not more than line 2a			286,839.	
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 2006 distributable amount				387,808.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2006 (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 2005 Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2007				176,697.
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 2001 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2002				
b Excess from 2003				
c Excess from 2004				
d Excess from 2005				
e Excess from 2006				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, enter the date of the ruling ▶

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

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

	Tax year				(e) Total
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test – enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
SEE STATEMENT 18

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

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc, (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 19				
Total				▶ 3a 424,160.
b Approved for future payment SEE STATEMENT 20				
Total				▶ 3b 262,000.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury,
Internal Revenue Service

Schedule of Contributors
Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No 1545-0047

2006

Name of organization

THOMAS & KATHARINE STONER FOUNDATION

Employer identification number

42-1263576

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(____) (enter number) organization
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
 4947(a)(1) nonexempt charitable trust treated as a private foundation
 501(c)(3) taxable private foundation

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

General Rule –

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

Special Rules –

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc. purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc. purpose Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc. contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Name of organization

Employer identification number

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

Part I Contributors (See Specific Instructions)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	THOMAS H STONER ----- 3065 RUNDELAC RD ----- ANNAPOLIS, MD 21403 -----	\$ 276,507. -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ ----- -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ ----- -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ ----- -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ ----- -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ ----- -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

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

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

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

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

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

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

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Department of the Treasury
Internal Revenue Service

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

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

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	11,595.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a	
b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b	
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 complete or file this form. The corporation does not owe the penalty	3	11,595.
4	Enter the tax shown on the corporation's 2005 income tax return (see instructions) Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5	4	12,580.
5	Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3	5	11,595.

Part II Reasons for Filing – Check the boxes below that apply. If any boxes are checked, the corporation must file Form 2220, even if it does not owe a penalty (see instructions).	
6	<input type="checkbox"/> The corporation is using the adjusted seasonal installment method.
7	<input type="checkbox"/> The corporation is using the annualized income installment method
8	<input checked="" type="checkbox"/> The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment		(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	5/15/06	6/15/06	9/15/06	12/15/06
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 are checked, enter 25% of line 5 above in each column. Special rules apply to corporations with assets of \$1 billion or more (see instructions)	2,898.	2,899.	2,899.	2,899.
11	Estimated tax paid or credited for each period (see instructions) For column (a) only, enter the amount from line 11 on line 15				7,500.
Complete lines 12 through 18 of one column before going to the next column.					
12	Enter amount, if any, from line 18 of the preceding column				
13	Add lines 11 and 12				7,500.
14	Add amounts on lines 16 and 17 of the preceding column		2,898.	5,797.	8,696.
15	Subtract line 14 from line 13. If zero or less, enter -0-	0.	0.	0.	0.
16	If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-		2,898.	5,797.	
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	2,898.	2,899.	2,899.	2,899.
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				

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 – no penalty is owed.

Part IV Figuring the Penalty

SEE ATTACHED SCHEDULE

		(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)	12/15/06	12/15/06	5/15/07	5/15/07
20	Number of days from due date of installment on line 9 to the date shown on line 19	214	183	242	151
21	Number of days on line 20 after 4/15/2006 and before 7/1/2006	46	15		
22	Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 21}}{365} \times 7\%$	25.57	8.34		
23	Number of days on line 20 after 6/30/2006 and before 4/1/2007	168	168	197	106
24	Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 23}}{365} \times 8\%$	106.71	106.75	85.61	67.35
25	Number of days on line 20 after 3/31/2007 and before 7/1/2007			45	45
26	Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 25}}{365} \times 8\%$			11.80	28.59
27	Number of days on line 20 after 6/30/2007 and before 10/1/2007				
28	Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 27}}{365} \times \text{*\%}$				
29	Number of days on line 20 after 9/30/2007 and before 1/1/2008				
30	Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 29}}{365} \times \text{*\%}$				
31	Number of days on line 20 after 12/31/2007 and before 2/16/2008				
32	Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 31}}{366} \times \text{*\%}$				
33	Add lines 22, 24, 26, 28, 30, and 32	132.28	115.09	97.41	95.94
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				441.

***For underpayments paid after March 31, 2007:** 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.

Installment Period	Underpayment			Penalty			
	Amount	From	To	Days Late	Interest Rate Periods	Rate	Penalty *
1	2,898.	5/15/06	12/15/06	46	4/15/06 - 6/30/06	7.00%	25.57
				168	7/01/06 - 3/31/07	8.00%	106.71
TOTALS	2,898.						132.28
2	2,899.	6/15/06	12/15/06	15	4/15/06 - 6/30/06	7.00%	8.34
				168	7/01/06 - 3/31/07	8.00%	106.75
TOTALS	2,899.						115.09
3	1,703.	9/15/06	12/15/06	91	7/01/06 - 3/31/07	8.00%	33.97
	1,196.	9/15/06	5/15/07	197	7/01/06 - 3/31/07	8.00%	51.64
				45	4/01/07 - 6/30/07	8.00%	11.80
TOTALS	2,899.						97.41
4	2,899.	12/15/06	5/15/07	106	7/01/06 - 3/31/07	8.00%	67.35
				45	4/01/07 - 6/30/07	8.00%	28.59
TOTALS	2,899.						95.94

Total Underpayment Penalty

441.

* Underpayment x $\frac{\text{Days Late}}{365 \text{ or } 366}$ x Rate

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THOMAS & KATHARINE STONER FOUNDATION

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

K-1 FORM 4797 ORD INC				
K-1 SECTION 1256 LOSS				
K-1'S CURRENCY TRANS INC			\$	1,656.
K-1'S ORD INCOME				-15,441.
K-1'S OTHER INCOME				24,948.
			TOTAL \$	<u>11,163.</u>

STATEMENT 2
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	\$ 2,789.			\$ 2,789.
TOTAL	<u>\$ 2,789.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 2,789.</u>

STATEMENT 3
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	\$ 641.	\$ 641.		
KUPSTAS & KUPSTAS	6,235.	3,118.		
TOTAL	<u>\$ 6,876.</u>	<u>\$ 3,759.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 4
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	\$ 2,836.			\$ 1,418.
INVESTMENT FEES	65,032.	\$ 65,032.		
PARTNERSHIP INVESTMENT FEES	18,406.	18,406.		
TOTAL	<u>\$ 86,274.</u>	<u>\$ 83,438.</u>	<u>\$ 0.</u>	<u>\$ 1,418.</u>

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**STATEMENT 5
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 PAID	\$ 1,052.	\$ 1,052.		
INVESTMENT TAX	12,191.			
PAYROLL TAXES	10,591.			\$ 8,685.
TOTAL	\$ 23,834.	\$ 1,052.	\$ 0.	\$ 8,685.

**STATEMENT 6
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	\$ 345.			\$ 345.
AMORTIZATION	21.	\$ 21.		N/A
AUTO EXPENSES	2,121.			1,061.
BENCH EXPENSES	4,538.			4,538.
BOARD MEETINGS	7,874.			7,874.
DUES & SUBSCRIPTIONS	1,431.			1,073.
ENTERTAINMENT	1,137.			
GATHERING/BOOK/WEB	61,855.			61,855.
HEALTH PLAN	2,460.			2,017.
INSURANCE	2,575.			1,777.
K-1 PARTNERSHIP OTHER EXPENSES	2,094.	2,094.		
OFFICE EXPENSES	4,443.			3,332.
OFFICE MAINTENANCE	9,533.			7,150.
POSTAGE & FREIGHT	595.			446.
TELEPHONE	5,154.			3,866.
TKF LIBRARY	283.			283.
UTILITIES	2,579.			1,934.
TOTAL	\$ 109,038.	\$ 2,115.	\$ 0.	\$ 97,551.

**STATEMENT 7
FORM 990-PF, PART II, LINE 10A
INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS**

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FHLMC POOL G10690	COST	\$ 23,872.	\$ 24,716.
FNMA POOL #254089	COST	29,580.	29,695.
FNMA POOL #368990	COST	39,177.	39,096.
FNMA POOL #433646	COST	33,403.	33,672.
FNMA POOL #539082	COST	6,221.	6,332.
FNMA POOL #572448	COST	15,943.	16,177.
FNMA PASS THRU 4.245 12/1/33	COST	85,640.	84,210.
FNMA PASS THRU 4.581 11/1/33	COST	147,928.	145,007.
FNMA 7.125% (2/15/05)	COST	0.	0.
U S TREASURY 2% (01/15/14)	COST	127,554.	132,688.

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STATEMENT 7 (CONTINUED)
FORM 990-PF, PART II, LINE 10A
INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FHLMC POOL A40782 5%	COST	\$ 92,996.	\$ 93,229.
FHLMC POOL G11649 4.5%	COST	77,874.	75,231.
FNMA POOL 871084 5.5% 11/01/36	COST	123,580.	123,334.
FED FARM CREDIT BKS 5.2% 3/20/13	COST	101,927.	101,297.
U S TREASURY NOTE 5.125% 5/15/16	COST	74,555.	77,276.
U S TREASURY NOTE 2.5% TIPS 7/15/16	COST	101,338.	100,740.
FNMA POOL #831413 5.5% 4/1/36	COST	140,695.	142,376.
FREDDIE MAC REF REMIC 5.5% 3/15/16	COST	139,202.	140,834.
		\$ 1,361,485.	\$ 1,365,910.
	TOTAL	\$ 1,361,485.	\$ 1,365,910.

STATEMENT 8
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
1000 COMCAST CORP	COST	\$ 29,589.	\$ 41,880.
275 COSTCO WHSLE CORP	COST	0.	0.
975 IAC INTERACTIVE CORP	COST	0.	0.
455 KOHLS CORP	COST	18,910.	31,136.
1230 LOWES CORP	COST	32,700.	38,315.
875 MARRIOTT INT'L INC	COST	20,363.	41,755.
1075 OUTBACK STEAKHOUSE	COST	0.	0.
550 TIFFANY & CO	COST	0.	0.
1820 TIME WARNER INC	COST	31,149.	39,640.
575 VIACOM INC CL B	COST	0.	0.
400 ANHEUSER BUSCH COS	COST	0.	0.
980 CVS CORP	COST	28,876.	30,292.
875 PEPSICO INC	COST	47,610.	54,731.
1900 SYSCO CORP	COST	63,335.	69,844.
1250 WALGREEN CO	COST	50,427.	57,363.
515 EXXON MOBIL CORP	COST	21,514.	39,464.
975 SCHLUMBERGER LTD	COST	26,783.	61,581.
900 AMERICAN EXPRESS CO	COST	42,333.	54,603.
800 AMERICAN INT'L GROUP INC	COST	50,734.	57,328.
1275 CITIGROUP INC	COST	61,479.	71,018.
875 FREDDIE MAC	COST	0.	0.
1225 MELLON FINANCIAL CORP	COST	34,603.	51,634.
700 MORGAN STANLEY GROUP	COST	35,666.	57,001.
1775 MICROSOFT CORP	COST	44,499.	53,002.
1948 PARAMETRIC TECH CORP	COST	27,872.	35,103.
950 QUALCOM INC	COST	32,157.	35,901.
1375 TEXAS INSTRUMENTS INC	COST	32,897.	39,600.
1400 VERITAS SOFTWARE CORP	COST	0.	0.
935 ABBOTT LABS	COST	39,292.	45,544.
650AMGEN INC	COST	36,462.	44,402.
1175 CEPHALON INC	COST	0.	0.
725 FOREST LABS INC	COST	0.	0.
725 LABORATORY CORP OF AMER. HLDGS	COST	28,961.	53,266.

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STATEMENT 8 (CONTINUED)
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
475 ELI LILLY & CO	COST	\$ 0.	\$ 0.
925 MEDTRONICS INC	COST	47,382.	49,497.
1215 MERCK & CO	COST	37,991.	52,974.
1125 PFIZER INC	COST	30,219.	29,138.
925 PHARMACEUTICAL PRODUCT DEVELOPMENT	COST	13,656.	29,804.
800 AMPHENOL CORP CLA	COST	29,137.	49,664.
1820 GENERAL ELECTRIC CO	COST	61,840.	67,722.
500 JACOBS ENGINEERING GRP INC	COST	19,463.	40,770.
225 L-3 COMMUNICATIONS HLDGS INC	COST	13,534.	18,400.
475 AFFILIATED COMPUTER SERVICES INC	COST	0.	0.
1525 ANALOG DEVICES	COST	55,602.	50,127.
3400 BEA SYSTEMS INC	COST	0.	0.
3050 CISCO SYSTEMS INC	COST	60,306.	83,356.
1800 DELL INC	COST	59,080.	45,162.
1853 INTEL CORP	COST	39,622.	37,523.
450 BRUNSWICK CORP	COST	0.	0.
1196 GAP INC	COST	21,630.	23,322.
1330 HOME DEPOT INC	COST	48,965.	53,413.
986 JONES APPAREL GROUP	COST	0.	0.
230 OUTBACK STEAKHOUSE	COST	0.	0.
1990 RPM INT'L INC	COST	36,859.	41,571.
450 AVON PRODUCTS	COST	11,751.	14,868.
465 FORTUNE BRANDS	COST	35,275.	39,706.
365 SAFEWAY INC	COST	0.	0.
2120 UNILEVER N V	COST	47,561.	57,770.
645 CHEVRON CORP	COST	37,163.	47,427.
370 PARTNERRE HOLDINGS LTD	COST	22,771.	26,281.
190 X1 CAPITAL LTD	COST	12,526.	13,684.
965 AMERICAN INT'L GROUP	COST	56,703.	69,152.
1250 BANK OF AMERICA	COST	57,905.	66,738.
445 CHUBB CORP	COST	18,144.	23,545.
290 LINCOLN NATIONAL CORP	COST	13,272.	19,256.
612 MARSH & MCLENNAN COS.	COST	0.	0.
230 MORGAN STANLEY GROUP	COST	0.	0.
790 NORTH FORK BANCORPORATION INC	COST	0.	0.
910 BOSTON SCIENTIFIC CORP	COST	0.	0.
554 FOREST LABS INC	COST	0.	0.
718 HEALTH MANAGEMENT ASSOC	COST	0.	0.
1270 DOVER CORP	COST	54,710.	62,255.
1015 TYCO INT'L LTD	COST	27,432.	30,856.
170 UNION PACIFIC	COST	0.	0.
1035SEAGATE TECHNOLOGY	COST	19,317.	27,428.
475 AFFILIATED COMPUTER SERVICES	COST	22,430.	23,199.
370 HEWLETT PACKARD	COST	0.	0.
1285 MICROSOFT CORP	COST	32,653.	38,370.
1855 NOKIA CORP	COST	33,367.	37,694.
1185 E I DUPONT	COST	48,430.	57,721.
755 VERIZON COMM	COST	22,536.	28,116.
975 BEST BUY CO.	COST	34,092.	47,960.
975 EXPEDIA INC	COST	0.	0.
1025 ALBERTO CULVER CO	COST	0.	0.
800 FMC TECHNOLOGIES	COST	34,124.	49,304.
180 AMERIPRISE FIN'L INC	COST	0.	0.
850 FOREST LABS INC	COST	0.	0.
1150 PFIZER INC	COST	26,786.	29,785.

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STATEMENT 8 (CONTINUED)
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
1225 STRYKER CORP	COST	\$ 57,242.	\$ 67,510.
250 LAUREATE EDUCATION INC	COST	27,910.	27,962.
1625 ACCENTURE LTD BERMUDA	COST	38,523.	60,011.
575 CDW CORP	COST	33,017.	40,434.
525 ELECTRONIC ARTS	COST	28,547.	26,439.
1250 MARTEK BIOSCIENCES CORP	COST	49,375.	29,175.
760 NABOR INDUSTRIES	COST	25,345.	22,633.
284 WEATHERFORD INTERNATIONAL LTD	COST	11,469.	11,868.
430 CONOCOPHILILIPS	COST	26,291.	30,939.
330 BB&T	COST	13,880.	14,497.
350 CAPITAL ONE	COST	26,551.	26,887.
200 CITY NATIONAL CORP	COST	13,346.	14,240.
280 PRUDENTIAL FINANCIAL INC	COST	21,522.	24,041.
355 DAVITA INC	COST	19,627.	20,192.
1110 JOHNSON & JOHNSON	COST	65,798.	73,282.
490 3M COMPANY	COST	38,743.	38,186.
895 LINEAR TECHNOLOGY CORP	COST	27,591.	27,136.
1525 SYMANTEC CORP	COST	24,085.	31,796.
175 TARGET CORP	COST	8,521.	9,984.
450 HYDRIL CO.	COST	34,206.	33,836.
325 LEGG MASON	COST	29,393.	30,891.
325 ALLERGAN INC	COST	33,771.	38,916.
95 INTUITIVE SURGICAL INC	COST	9,573.	9,111.
415 MILLIPORE CORP	COST	26,705.	27,639.
775 UTI WORLDWIDE INC	COST	17,771.	23,172.
1675 GENERAL ELECTRIC	COST	52,750.	62,327.
205 IDEX CORP	COST	9,722.	9,647.
1500 EMC CORP	COST	17,413.	19,800.
665 NAVTEQ CORP	COST	21,108.	23,255.
1050 YAHOO CORP	COST	30,758.	26,817.
TOTAL		\$ 2,922,998.	\$ 3,490,584.

STATEMENT 9
FORM 990-PF, PART II, LINE 10C
INVESTMENTS - CORPORATE BONDS

CORPORATE BONDS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
FIRST MD BANCORP 7.2 DUE 7/01/07	COST	\$ 100,333.	\$ 100,697.
GENL ELEC CAP CORP 6.875 DUE 11/15/10	COST	261,748.	264,320.
ROUSE CO DUE 3/28/05	COST	0.	0.
KRAFT FOODS INC 5.25 6/1/07	COST	50,132.	49,961.
MERRILL LYNCH & CO 4% 9/15/08	COST	50,000.	49,185.
COMCAST CABLE 7.125 06/15/13	COST	0.	0.
DEUTSCHE BANK VAR RATE 04/05/07	COST	50,000.	49,925.
SLM CORP VAR RATE 02/01/10	COST	50,000.	47,442.
AMERICA MOVIL SA DE 5.5%	COST	49,948.	48,876.
COMCAST CORP 6.5% 1/15/17	COST	49,992.	52,176.
WESTO 2003 -4-A4 3.15% 5/20/11	COST	87,080.	87,055.
TOTAL		\$ 749,233.	\$ 749,637.

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STATEMENT 10
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
<u>OTHER PUBLICLY TRADED SECURITIES</u>			
BIA VALUE EQUITY FUND LP	COST	\$ 0.	\$ 0.
BIA SMALL CAP GRWTH FUND LP	COST	0.	0.
BIA VENTURE INVESTORS - JMI IV	COST	54,799.	53,638.
BIA INVESTORS - TRIDENT CAPITAL	COST	29,967.	37,058.
BIA VENTURE PARTNERS - GROSVENOR	COST	39,451.	1,261.
BIA VENTURE PARTNERS - BAKER COMM	COST	29,982.	22,991.
BIA VENTURE PARTNERS - INTERSOUTH	COST	34,892.	27,792.
BIA INVESTORS LP ACCEL VIII	COST	78,840.	74,252.
BROWNSIA INV - CHARLESBANK	COST	60,933.	65,038.
DODGE & COX STK FD	COST	644,211.	947,396.
WASATECH SMALL CAP GRWTH FD	COST	134,916.	175,782.
BENNETT RESTRUCTURING FD	COST	0.	0.
BROWN IA ROBINSON CROSSING	COST	83,942.	223,577.
COMMON SENSE PARTNERS, LP	COST	0.	0.
BROOKWOOD BISCAYNE TOWER INV LLC	COST	4,385.	4,385.
BIA INTERNATIONAL FD INST CL	COST	0.	0.
BROWN ADV SM CAP VALUE FD	COST	241,120.	407,704.
EVERGREEN SELECT ADJ RATE FD CL I	COST	0.	0.
BROWN ADV INTERMED BD FD INST CL	COST	18,126.	18,040.
EVERGREEN SELECT ADJ RATE FD CL I	COST	500,000.	480,849.
BROOKWOOD MT KEMBLE INV LLC	COST	3,100.	3,100.
BRENTON COMMUNITIES FUND VI MEL RAY LLC	COST	50,000.	50,000.
ELEVATION PARTNERS	COST	44,600.	44,600.
SILVER LAKE PARTNERS II	COST	105,626.	107,047.
SYMPHONY CAPITAL VENTURE PARTNERS	COST	132,103.	115,174.
OPPENHEIMER DEVELOPING MKTS FD	COST	350,670.	375,341.
OAKMARK INTERNATIONAL FD	COST	0.	0.
ROYCE TECHNOLOGY VALUE FD	COST	0.	0.
ROYCE PREMIER INVESTMENT FD	COST	0.	0.
CAMPBELL FINANCIAL FUTURES FD LP	COST	500,000.	545,646.
STONE ARCH CAPITAL	COST	53,625.	53,625.
NORTHSTAR MEZZANINE PARTNERS IV	COST	139,820.	139,820.
BRENTON COMMUNITIES FUND VII COUNTRY LIV	COST	0.	0.
BLACKROCK INTERNATIONAL BOND FD	COST	110,000.	111,917.
BROWN ADVISORY REAL ESTATE FD	COST	10,437.	11,600.
OVERLOOK PARTNERS FD LP	COST	250,000.	250,000.
HARRIS ASSOCIATES INVT TRUST OAKMARK INT	COST	1,468,391.	1,555,266.
HLM VENTURE PARTNERS	COST	13,414.	12,896.
BROWN ADVISORY VENTURE GROWTH PRTRS 2006	COST	4,516.	4,388.
BRENTON COMMUNITIES FD VII COUNTRY LV	COST	50,000.	50,000.
FSP PHOENIX TOWER CORP	COST	100,000.	100,000.
BRENTON COMMUNITIES FD VIII BLAIR	COST	100,000.	100,000.
BRENTON COMMUNITIES FD IX SLATER	COST	100,000.	100,000.
	TOTAL	\$ 5,541,866.	\$ 6,270,183.

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**STATEMENT 11
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT**

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
AUTO./TRANSPORTATION EQUIP.	\$ 25,000.	\$ 6,250.	\$ 18,750.	\$ 18,750.
FURNITURE AND FIXTURES	44,197.	14,779.	29,418.	29,418.
MACHINERY AND EQUIPMENT	38,172.	19,197.	18,975.	18,975.
IMPROVEMENTS	337,338.	15,912.	321,426.	321,426.
TOTAL	\$ 444,707.	\$ 56,138.	\$ 388,569.	\$ 388,569.

**STATEMENT 12
FORM 990-PF, PART II, LINE 22
OTHER LIABILITIES**

TAXES PAYABLE	\$ 4,742.
TOTAL	\$ 4,742.

**STATEMENT 13
FORM 990-PF, PART III, LINE 3
OTHER INCREASES**

LIMITED PARTNERSHIP COST BASIS ADJUSTMENTS	\$ 13,234.
TOTAL	\$ 13,234.

**STATEMENT 14
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD				
1	SEE ATTACHED BROWN INVEST SUMMARY	PURCHASED	VARIOUS	VARIOUS				
2	SEE ATTACHED BROWN INVEST SUMMARY	PURCHASED	VARIOUS	VARIOUS				
3	K-1 PASS THROUGH ENTITIES LONG TERM GAIN	PURCHASED	VARIOUS	VARIOUS				
4	K-1 PASS THROUGH ENTITIES SHORT TERM GAI	PURCHASED	VARIOUS	VARIOUS				
5	K-1 PASS THROUGH ENTITIES 1231 GAIN	PURCHASED	VARIOUS	VARIOUS				
6	MUTUAL FUNDS CAPITAL GAIN DISTRIBUTIONS	PURCHASED	VARIOUS	VARIOUS				
ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	2758031.		2147842.	610,189.				\$ 610,189.
2	1155013.		1086989.	68,024.				68,024.
3	1,850.		0.	1,850.				1,850.
4	15,713.		0.	15,713.				15,713.
5	147,779.		0.	147,779.				147,779.
6	104,005.		0.	104,005.				104,005.
							TOTAL	\$ 947,560.

Account Name:

TKF FOUNDATION - INV ADVISORY 617117049



BROWN ADVISORY

Account Number: 617117049

Tax I.D. Number: XX-XXX3576

DETAIL OF SHORT-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
	SHORT-TERM SALES REPORTED ON FORM 1099-B.					

225 000	AFFILIATED COMPUTER SERVICES INC	02/28/2005	01/27/2006	14,157.78	11,621.13	2,536.65
25 000	AFFILIATED COMPUTER SERVICES INC	04/26/2005	03/03/2006	1,574.03	1,177.25	396.78
5.000	AFFILIATED COMPUTER SERVICES INC	04/26/2005	03/03/2006	314.89	235.45	79.44
200 000	ALBERTO CULVER CO CL B CONV	08/10/2005	05/30/2006	9,478.70	8,835.42	643.28
75 000	ALBERTO CULVER CO CL B CONV	11/03/2005	10/20/2006	3,807.60	3,200.25	607.35
200 000	AMERICAN EXPRESS CO.	01/27/2006	05/30/2006	10,754.67	10,658.00	96.67
130 000	AMERIPRISE FINL INC COM	04/26/2005	01/03/2006	5,321.11	4,388.54	932.57
275 000	AMPHENOL CORP - CL A	08/10/2005	05/30/2006	15,123.15	12,136.79	2,986.36
175 000	ANALOG DEVICES INC	07/26/2005	05/30/2006	5,899.94	7,080.50	-1,180.56
95 000	ANHEUSER BUSCH COS INC.	03/17/2005	02/03/2006	3,869.88	4,510.48	-640.60
185 000	ANHEUSER BUSCH COS INC	05/30/2006	06/15/2006	8,329.79	8,499.22	-169.43
285.000	AVON PRODUCTS INC	05/30/2006	07/31/2006	8,248.44	9,021.67	-773.23
60 000	AVON PRODUCTS INC	05/30/2006	11/28/2006	1,952.02	1,899.30	52.72
450 000	BEST BUY COMPANY INC	12/23/2005	03/24/2006	24,463.27	21,456.50	3,006.77
150 000	BEST BUY COMPANY INC	12/23/2005	05/30/2006	7,649.01	6,633.00	1,016.01
89 000	BOSTON SCIENTIFIC	07/14/2005	05/16/2006	1,829.58	2,456.98	-627.40
181.000	BOSTON SCIENTIFIC	07/14/2005	05/16/2006	3,718.53	4,996.78	-1,278.25
695 000	BOSTON SCIENTIFIC	02/08/2006	06/23/2006	12,756.05	17,850.61	-5,094.56
142.000	BOSTON SCIENTIFIC	02/08/2006	06/26/2006	2,451.14	3,190.42	-739.28
508 000	BOSTON SCIENTIFIC	05/30/2006	06/26/2006	8,705.89	10,515.06	-1,809.17
180 000	BRUNSWICK CORP	07/22/2005	04/27/2006	7,289.15	8,337.34	-1,048.19
125.000	BRUNSWICK CORP	07/25/2005	04/28/2006	4,982.86	5,748.33	-765.47
203.000	BRUNSWICK CORP	01/26/2006	04/28/2006	7,982.32	7,730.67	251.65
32.000	BRUNSWICK CORP	10/05/2005	05/01/2006	1,242.84	1,176.45	66.39
150.000	CDW CORP	08/10/2005	05/30/2006	8,307.49	9,372.00	-1,064.51
0 202	CAPITAL ONE FINL CORP	05/30/2006	12/11/2006	15.67	16.14	-0.47
275.000	CEPHALON INC	04/26/2005	01/06/2006	18,914.80	12,566.25	6,348.55
175 000	CEPHALON INC	07/26/2005	02/02/2006	13,128.10	7,498.25	5,629.85
325 000	CEPHALON INC	08/10/2005	05/19/2006	18,282.31	13,066.50	5,215.81
125.000	CHUBB CORP	05/30/2006	07/31/2006	6,285.31	6,279.37	5.94
45 000	DOVER CORP	11/04/2005	02/07/2006	2,062.96	1,766.12	296.84
145 000	DOVER CORP.	02/15/2005	02/08/2006	6,483.72	5,632.22	851.50
125 000	ELECTRONIC ARTS	01/31/2006	05/30/2006	5,316.71	6,864.05	-1,547.34
250 000	EXPEDIA INC.	04/26/2005	03/10/2006	4,614.86	4,925.04	-310.18
200.000	FMC TECHNOLOGIES INC	03/10/2006	05/30/2006	13,142.59	9,385.82	3,756.77
886 610	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	01/15/2006	886.61	885.50	1.11
918 670	FHLMC POOL G11649 4 50% DUE 02/01/20	02/15/2005	02/15/2006	918.67	917.52	1.15
105 040	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	01/17/2006	105.04	101.13	3.91
106.220	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	02/17/2006	106.22	102.16	4.06
111 220	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	03/15/2006	111.22	106.97	4.25
110 470	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	04/15/2006	110.47	106.25	4.22
109 970	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	05/15/2006	109.97	105.77	4.20
2,200.880	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	06/15/2006	2,200.88	2,116.80	84.08
106 230	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	07/17/2006	106.23	102.17	4.06
112 660	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	08/15/2006	112.66	108.36	4.30
112 720	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	09/15/2006	112.72	108.41	4.31
113.820	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	10/15/2006	113.82	109.47	4.35
110.870	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	11/15/2006	110.87	106.63	4.24
300 000	FED HOME LOAN MTG CORP	04/26/2005	03/10/2006	19,119.89	18,565.00	554.89
945 920	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	06/15/2006	945.92	937.35	8.57

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

Account Name:

TKF FOUNDATION - INV ADVISORY 617117049



BROWN ADVISORY

Account Number: 617117049

Tax I.D. Number: XX-XXX3576

DETAIL OF SHORT-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
950.260	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	07/17/2006	950.26	941.65	8.61
954.620	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	08/15/2006	954.62	945.97	8.65
958.990	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	09/15/2006	958.99	950.30	8.69
963.390	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	10/15/2006	963.39	954.66	8.73
967.800	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	11/15/2006	967.80	959.03	8.77
972.230	FREDDIE MAC REF REMIC R005 VA 5.5% 3/15/16	05/08/2006	12/15/2006	972.23	963.42	8.81
378.090	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	05/25/2006	378.09	369.23	8.86
580.850	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	06/26/2006	580.85	567.24	13.61
214.500	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	07/25/2006	214.50	209.47	5.03
466.410	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	08/25/2006	466.41	455.48	10.93
431.970	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	09/25/2006	431.97	421.85	10.12
814.500	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	10/25/2006	814.50	795.41	19.09
1,142.360	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	11/25/2006	1,142.36	1,115.59	26.77
1,899.960	FNMA POOL # 831413 5.5% DUE 4/1/2036	04/06/2006	12/26/2006	1,899.96	1,855.43	44.53
197.280	FNMA POOL 871084 5.5% DUE 11/01/2036	11/09/2006	12/25/2006	197.28	195.34	1.94
85.000	FOREST LABORATORIES INC	03/17/2005	01/23/2006	3,721.30	3,146.42	574.88
95.000	FOREST LABORATORIES INC	03/17/2005	02/07/2006	4,418.63	3,516.59	902.04
13.000	FOREST LABORATORIES INC	03/17/2005	02/08/2006	610.07	481.22	128.85
77.000	FOREST LABORATORIES INC	03/17/2005	02/08/2006	3,598.19	2,850.28	747.91
183.000	FOREST LABORATORIES INC	04/07/2005	02/09/2006	8,430.28	6,581.01	1,849.27
101.000	FOREST LABORATORIES INC	04/07/2005	02/09/2006	4,647.70	3,334.80	1,312.90
2,304.435	BROWN ADVISORY INTERNATIONAL FUND INSTITUTIONAL CLASS	12/07/2005	02/16/2006	34,336.08	32,054.69	2,281.39
1,492.880	BROWN ADVISORY INTERNATIONAL FUND INSTITUTIONAL CLASS	12/12/2006	12/20/2006	24,602.66	24,483.23	119.43
5,412.606	BROWN ADVISORY INTERMEDIATE BOND FUND INSTITUTIONAL CLA	01/26/2006	12/04/2006	57,427.75	57,157.12	270.63
9,442.871	BROWN ADVISORY INTERMEDIATE BOND FUND INSTITUTIONAL CLA	01/26/2006	12/11/2006	100,000.00	99,716.71	283.29
5.000	HEALTH MANAGEMENT ASSOCIATES INC	05/30/2006	09/13/2006	104.95	102.57	2.38
335.000	HEALTH MANAGEMENT ASSOCIATES INC	05/30/2006	09/13/2006	7,010.16	6,872.53	137.63
370.000	HEWLETT PACKARD CORP.	04/26/2005	01/25/2006	11,881.56	7,632.10	4,249.46
100.000	HYDRIL CO	04/25/2006	05/30/2006	7,416.60	8,004.25	-587.65
250.000	IAC/INTERACTIVE CORP (NEW)	04/26/2005	02/23/2006	7,210.28	6,194.96	1,015.32
27.000	IDEARC INC	12/27/2005	12/11/2006	735.14	615.54	119.60
650.000	INTEL CORP.	01/12/2006	06/20/2006	11,813.91	16,874.00	-5,060.09
175.000	JACOBS ENGINEERING GROUP INC	04/26/2005	02/10/2006	14,433.92	8,883.63	5,550.29
124.000	JONES APPAREL GROUP INC	02/15/2005	01/10/2006	3,967.01	4,183.76	-216.75
59.000	JONES APPAREL GROUP INC	04/26/2005	04/07/2006	2,068.66	1,890.36	178.30
262.000	JONES APPAREL GROUP INC	08/04/2005	04/24/2006	8,976.13	7,987.90	988.23
325.000	KOHL'S CORP	01/27/2006	05/05/2006	18,742.76	16,978.75	1,764.01
200.000	KOHL'S CORP	01/27/2006	05/30/2006	10,584.67	8,816.00	1,768.67
175.000	KOHL'S CORP	01/27/2006	07/07/2006	10,380.04	7,714.00	2,666.04
75.000	L-3 COMMUNICATIONS HOLDINGS INC	12/22/2005	05/30/2006	5,830.69	5,627.25	203.44
125.000	LAUREATE EDUCATION INC.	03/02/2006	05/30/2006	5,887.94	6,506.71	-618.77
110.000	LINCOLN NATIONAL CORP IND	05/30/2006	07/31/2006	6,229.02	6,127.55	101.47
29.000	LINCOLN NATIONAL CORP IND	05/30/2006	11/01/2006	1,817.45	1,615.44	202.01
33.000	LINCOLN NATIONAL CORP IND	05/30/2006	11/01/2006	2,075.77	1,838.27	237.50
8.000	LINCOLN NATIONAL CORP IND	05/30/2006	11/01/2006	502.71	445.64	57.07
2.000	MARSH & MCLENNAN COMPANIES INC	05/30/2006	11/01/2006	59.78	55.89	3.89
105.000	MARSH & MCLENNAN COMPANIES INC.	05/30/2006	12/08/2006	3,291.51	2,934.22	357.29
163.000	MARSH & MCLENNAN COMPANIES INC	05/30/2006	12/28/2006	4,997.49	4,555.04	442.45
125.000	MARRIOTT INTERNATIONAL INC CLASS-A	11/03/2005	05/30/2006	9,028.26	7,655.94	1,372.32

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TKF FOUNDATION - INV ADVISORY 617117049



BROWN ADVISORY

Account Number: 617117049

Tax I.D. Number: XX-XXX3576

DETAIL OF SHORT-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
300 000	MARRIOTT INTERNATIONAL INC CLASS-A	11/03/2005	07/12/2006	11,239.48	9,187.12	2,052.36
190 000	MERCK & CO INC.	02/28/2005	02/07/2006	6,384.53	6,265.92	118.61
300 000	MERCK & CO INC.	02/28/2005	02/09/2006	10,318.24	9,552.48	765.76
30 000	MERCK & CO INC.	05/30/2006	10/25/2006	1,375.30	1,018.05	357.25
115 000	MERCK & CO INC	05/30/2006	10/25/2006	5,270.94	3,902.53	1,368.41
125 000	MICROSOFT CORP	01/27/2006	12/08/2006	3,612.18	3,454.92	157.26
73 000	MORGAN STANLEY DEAN WITTER DISCOVER & CO	02/28/2005	02/07/2006	4,409.45	4,127.42	282.03
65 000	MORGAN STANLEY DEAN WITTER DISCOVER & CO	05/30/2006	10/10/2006	4,871.33	3,866.53	1,004.80
255 000	NOKIA CORP	02/28/2005	02/17/2006	4,772.89	4,141.20	631.69
70 000	NORTH FORK BANCORPORATION INC	03/18/2005	03/15/2006	2,029.24	1,999.20	30.04
250 000	NORTH FORK BANCORPORATION INC	03/18/2005	03/15/2006	7,240.83	7,134.66	106.17
280 000	OSI RESTAURANT PARTNERS INC	06/15/2006	11/06/2006	11,261.76	10,226.34	1,035.42
210 000	OSI RESTAURANT PARTNERS INC	08/16/2006	11/06/2006	8,496.80	6,024.97	2,471.83
500 000	OUTBACK STEAK	04/26/2005	01/03/2006	20,684.67	21,913.88	-1,229.21
175 000	PEPSICO INC.	09/16/2005	05/30/2006	10,584.54	9,772.00	812.54
250.000	PHARMACEUTICAL PRODUCT DEVELOPMENT INC	04/26/2005	02/23/2006	17,318.12	13,866.75	3,451.37
225.000	QUALCOMM CORP	08/10/2005	05/30/2006	10,110.06	9,042.75	1,067.31
772 486	ROYCE TECHNOLOGY VALUE FUND	12/02/2005	07/12/2006	4,573.12	4,828.04	-254.92
314 436	ROYCE PREMIER INVESTMENT FUND	12/02/2005	07/24/2006	5,269.95	5,276.38	-6.43
97 000	SAFEWAY INC	02/28/2005	02/03/2006	2,272.71	1,792.56	480.15
135 000	SAFEWAY INC	02/28/2005	02/03/2006	3,159.60	2,494.80	664.80
133 000	SAFEWAY INC	02/28/2005	02/03/2006	3,109.23	2,457.84	651.39
75 000	SCHLUMBERGER LTD	04/26/2005	03/02/2006	9,085.53	5,295.00	3,790.53
225 000	STRYKER CORP	08/10/2005	05/30/2006	9,876.07	11,860.89	-1,984.82
135.000	SYMANTEC CORP	03/30/2006	12/08/2006	2,700.59	2,191.94	508.65
165 000	TIME WARNER INC.	05/30/2006	07/12/2006	2,701.25	2,879.36	-178.11
84 000	TYCO INT'L LTD NEW	05/30/2006	12/21/2006	2,612.02	2,294.46	317.56
126.000	TYCO INT'L LTD NEW	05/30/2006	12/21/2006	3,919.55	3,441.69	477.86
30.000	UNION PACIFIC CORP.	02/28/2005	02/24/2006	2,653.65	1,904.10	749.55
25,000 000	U. S. TREASURY NOTE 5 125% 05/15/16	06/27/2006	07/24/2006	25,148.44	24,844.85	303.59
100,000.000	U. S. TREASURY NOTE 5 125% 05/15/16	06/27/2006	10/18/2006	102,625.00	99,394.72	3,230.28
105 000	VERIZON COMMUNICATIONS	11/23/2005	09/27/2006	3,896.88	3,360.05	536.83
100 000	VIACOM INC NEW CL B	12/21/2005	05/30/2006	3,739.38	4,236.36	-496.98
475 000	VIACOM INC NEW CL B	12/21/2005	07/12/2006	16,789.88	20,006.16	-3,216.28
5,047 320	WESTO 2003-4-A4 3 15% DUE 05/20/11	12/01/2006	12/20/2006	5,047.32	4,985.81	61.51
300 000	WALGREEN CO	04/06/2006	05/30/2006	12,127.72	13,112.91	-985.19
400 000	WALGREEN CO.	01/06/2006	09/12/2006	20,501.73	17,475.44	3,026.29
1,318.325	WASATCH SMALL CAP GROWTH FUND	12/29/2005	08/31/2006	47,921.10	48,758.73	-837.63
100 000	PARTNERRE HOLDINGS LTD	12/08/2005	08/16/2006	6,338.83	6,507.28	-168.45
240.000	SEAGATE TECHNOLOGY	08/26/2005	01/10/2006	5,479.66	4,148.04	1,331.62
215.000	SEAGATE TECHNOLOGY	08/26/2005	01/11/2006	4,976.82	3,715.95	1,260.87
175 000	SEAGATE TECHNOLOGY	09/08/2005	01/25/2006	4,490.71	2,877.57	1,613.14
65 000	SEAGATE TECHNOLOGY	09/01/2005	02/24/2006	1,654.80	1,009.61	645.19
	TOTAL SHORT-TERM SALES REPORTED ON 1099-B			1,155,012.53	1,086,989.09	68,023.44
	TOTAL SHORT-TERM SALES			1,155,012.53	1,086,989.09	68,023.44

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DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
	15% MAXIMUM RATE SALES REPORTED ON FORM 1099-B.					
325 000	AFFILIATED COMPUTER SERVICES INC	05/10/2004	01/27/2006	20,432.12	15,672.00	4,760.12
155 000	AFFILIATED COMPUTER SERVICES INC	02/28/2005	03/03/2006	9,758.96	7,899.88	1,859.08
100 000	AFFILIATED COMPUTER SERVICES INC	05/10/2004	05/30/2006	4,941.34	4,753.00	188.34
750 000	ALBERTO CULVER CO CL B CONV	07/15/2005	10/20/2006	38,076.03	32,983.81	5,092.22
8,820.000	AMERICAN TOWER SYSTEMS CORP CL A	05/24/2000	02/22/2006	279,497.20	88,200.00	191,297.20
50 000	AMERIPRISE FINL INC COM	10/05/2004	01/03/2006	2,046.58	1,642.50	404.08
150 000	AMGEN	04/26/2005	05/30/2006	10,119.43	8,775.50	1,343.93
300 000	AMPHENOL CORP - CL A	04/26/2005	08/29/2006	17,288.56	11,975.40	5,313.16
200.000	ANALOG DEVICES INC	09/22/2004	05/30/2006	6,742.79	7,765.05	-1,022.26
105 000	ANHEUSER BUSCH COS INC	03/17/2005	05/26/2006	4,787.04	4,985.28	-198.24
39 000	ANHEUSER BUSCH COS INC	04/26/2005	06/15/2006	1,753.78	1,829.95	-76.17
76 000	ANHEUSER BUSCH COS INC.	04/08/2005	06/15/2006	3,421.97	3,518.99	-97.02
56.000	AVON PRODUCTS INC	11/04/2005	11/28/2006	1,821.89	1,563.75	258.14
104.000	AVON PRODUCTS INC	09/26/2005	11/28/2006	3,376.98	2,872.64	504.34
28 000	AVON PRODUCTS INC	09/26/2005	12/08/2006	944.45	764.26	180.19
98 000	AVON PRODUCTS INC	09/26/2005	12/08/2006	3,299.45	2,674.90	624.55
24.000	AVON PRODUCTS INC	09/26/2005	12/08/2006	807.90	655.08	152.82
1,400 000	BEA SYSTEMS INC	05/10/2004	03/15/2006	16,771.48	14,952.00	1,819.48
2,000.000	BEA SYSTEMS INC	04/26/2005	08/30/2006	27,909.14	17,972.50	9,936.64
75.000	BEST BUY COMPANY INC	02/04/2005	05/30/2006	3,824.51	2,792.64	1,031.87
116 000	CEPHALON INC	07/30/2004	01/06/2006	7,957.39	5,916.79	2,040.60
21 000	CEPHALON INC	07/30/2004	01/06/2006	1,444.86	1,071.14	373.72
173 000	CEPHALON INC	12/22/2004	01/06/2006	11,876.08	8,813.48	3,062.60
14 000	CEPHALON INC	12/22/2004	01/06/2006	961.13	703.32	257.81
61 000	CEPHALON INC	12/22/2004	01/06/2006	4,194.38	3,064.47	1,129.91
15.000	CEPHALON INC	12/22/2004	01/06/2006	1,031.72	753.56	278.16
120 000	CHEVRONTXACO CORP	02/28/2005	12/14/2006	9,003.92	7,372.80	1,631.12
725.000	CISCO SYSTEMS	05/10/2004	05/30/2006	14,423.43	15,645.50	-1,222.07
50,000 000	COMCAST CABLE COMMUNICATIONS 7 125% DUE 06/15/13	08/14/2003	07/11/2006	52,275.50	52,769.82	-494.32
275 000	COMCAST CORP SPECIAL CL A	04/26/2005	05/30/2006	8,779.10	8,807.50	-28.40
125 000	COMCAST CORP SPECIAL CL A	04/26/2005	08/09/2006	4,294.24	3,950.00	344.24
425.000	DELL INC	04/26/2005	05/30/2006	10,618.30	15,468.25	-4,849.95
195 000	DOVER CORP.	02/28/2005	04/07/2006	9,344.23	7,518.51	1,825.72
3,199 458	EVERGREEN SELECT ADJUSTABLE RATE FUND CL I	07/09/2003	06/27/2006	29,499.00	30,778.79	-1,279.79
725.000	EXPEDIA INC.	10/27/2004	03/10/2006	13,383.09	17,311.84	-3,928.75
150 000	EXXON MOBIL CORP	04/26/2005	05/30/2006	9,103.67	8,989.50	114.17
60 000	EXXON MOBIL CORP	05/12/2004	11/17/2006	4,375.24	3,211.20	1,164.04
1,120 390	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	01/15/2006	1,120.39	1,112.03	8.36
1,002 110	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	02/15/2006	1,002.11	994.64	7.47
871 010	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	03/15/2006	871.01	864.51	6.50
812 870	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	04/15/2006	812.87	806.80	6.07
935.850	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	05/15/2006	935.85	928.87	6.98
691 780	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	06/15/2006	691.78	686.62	5.16
777.210	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	07/17/2006	777.21	771.41	5.80
694.850	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	08/15/2006	694.85	689.67	5.18
808.110	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	09/15/2006	808.11	802.08	6.03
768 270	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	10/15/2006	768.27	762.54	5.73
600 910	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	11/15/2006	600.91	596.43	4.48
667 950	FHLMC POOL G10690 DTD 06/01/97 7.000% DUE 07/01/12	05/06/2004	12/15/2006	667.95	662.97	4.98
786 260	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	03/15/2006	786.26	785.28	0.98

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DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
916 700	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	04/15/2006	916.70	915.55	1.15
1,025 130	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	05/15/2006	1,025.13	1,023.85	1.28
1,125 770	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	06/15/2006	1,125.77	1,124.36	1.41
1,018 960	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	07/17/2006	1,018.96	1,017.69	1.27
886 340	FHLMC POOL G11649 4.50% DUE 02/01/20	02/15/2005	08/15/2006	886.34	885.23	1.11
1,087 590	FHLMC POOL G11649 4 50% DUE 02/01/20	02/15/2005	09/15/2006	1,087.59	1,086.23	1.36
909 380	FHLMC POOL G11649 4 50% DUE 02/01/20	02/15/2005	10/15/2006	909.38	908.24	1.14
887.610	FHLMC POOL G11649 4 50% DUE 02/01/20	02/15/2005	11/15/2006	887.61	886.50	1.11
985.450	FHLMC POOL G11649 4 50% DUE 02/01/20	02/15/2005	12/15/2006	985.45	984.22	1.23
111 400	FHLMC POOL A40782 5% DUE 12/1/35	12/13/2005	12/15/2006	111.40	107.14	4.26
25 000	FED HOME LOAN MTG CORP.	01/19/2005	03/10/2006	1,593.32	1,748.50	-155.18
100.000	FED HOME LOAN MTG CORP	04/26/2005	05/30/2006	6,185.31	6,075.00	110.31
450.000	FED HOME LOAN MTG CORP	05/10/2004	09/25/2006	29,228.85	25,875.00	3,353.85
801 560	FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	01/25/2006	801.56	810.33	-8.77
602.480	FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	02/27/2006	602.48	609.07	-6.59
773.580	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	03/27/2006	773.58	782.04	-8.46
760 580	FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	04/25/2006	760.58	768.90	-8.32
621.940	FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	05/25/2006	621.94	628.74	-6.80
617.490	FNMA POOL #254089 6 000% DUE 11/01/16	11/20/2001	06/26/2006	617.49	624.24	-6.75
1,127.970	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	07/25/2006	1,127.97	1,140.31	-12.34
596 220	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	08/25/2006	596.22	602.74	-6.52
628 710	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	09/25/2006	628.71	635.59	-6.88
585 380	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	10/25/2006	585.38	591.78	-6.40
697 980	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	11/27/2006	697.98	705.61	-7.63
533 980	FNMA POOL #254089 6.000% DUE 11/01/16	11/20/2001	12/26/2006	533.98	539.82	-5.84
1,447 670	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	01/25/2006	1,447.67	1,468.51	-20.84
1,471 770	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	02/27/2006	1,471.77	1,492.96	-21.19
1,480.380	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	03/27/2006	1,480.38	1,501.68	-21.30
1,664 590	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	04/25/2006	1,664.59	1,688.54	-23.95
1,321.960	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	05/25/2006	1,321.96	1,340.99	-19.03
6,848.850	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	06/26/2006	6,848.85	6,947.42	-98.57
1,192 650	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6 500% DUE	02/07/2001	07/25/2006	1,192.65	1,209.81	-17.16
1,199 640	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	08/25/2006	1,199.64	1,216.91	-17.27
1,188 320	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	09/25/2006	1,188.32	1,205.43	-17.11
855 870	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	10/25/2006	855.87	868.19	-12.32
860.890	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	11/27/2006	860.89	873.28	-12.39
865 950	FNMA GTD PASS THRU POOL #368990 DTD 12/01/96 6.500% DUE	02/07/2001	12/26/2006	865.95	878.42	-12.47
408.180	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	01/25/2006	408.18	411.24	-3.06
413 750	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	02/27/2006	413.75	416.85	-3.10
402 580	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	03/27/2006	402.58	405.60	-3.02
428 780	FNMA POOL 433646 DTD 10/01/98 6 000% DUE 10/01/13	09/25/1998	04/25/2006	428.78	432.00	-3.22

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DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
425 810	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	05/25/2006	425 81	429.00	-3.19
419 690	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	06/26/2006	419.69	422.84	-3.15
422 000	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	07/25/2006	422.00	425.16	-3.16
417 390	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	08/25/2006	417.39	420.52	-3.13
411 940	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	09/25/2006	411.94	415.03	-3.09
595.410	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	10/25/2006	595 41	599.88	-4.47
3,284.900	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	11/27/2006	3,284.90	3,309.54	-24.64
556 290	FNMA POOL 433646 DTD 10/01/98 6.000% DUE 10/01/13	09/25/1998	12/26/2006	556.29	560.46	-4.17
25 760	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	01/25/2006	25.76	26.13	-0.37
12 190	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	02/27/2006	12.19	12.37	-0.18
12 270	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	03/27/2006	12.27	12.45	-0.18
12.350	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	04/25/2006	12.35	12.53	-0.18
12 430	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	05/25/2006	12.43	12.61	-0.18
12 500	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	06/26/2006	12.50	12.68	-0.18
27 390	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	07/25/2006	27.39	27.79	-0.40
12 760	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	08/25/2006	12.76	12.95	-0.19
12.840	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	09/25/2006	12.84	13.03	-0.19
12 920	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	10/25/2006	12.92	13.11	-0.19
13 000	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	11/27/2006	13.00	13.19	-0.19
13.080	FNMA POOL 539082 7.000% DUE 08/01/28	05/11/2001	12/26/2006	13.08	13.27	-0.19
30 850	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	01/25/2006	30 85	31.39	-0.54
31 040	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	02/27/2006	31.04	31.58	-0.54
31.230	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	03/27/2006	31.23	31.78	-0.55
31 430	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	04/25/2006	31 43	31 98	-0.55
31 630	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	05/25/2006	31.63	32.18	-0.55
31.820	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	06/26/2006	31.82	32.38	-0.56
32.020	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	07/25/2006	32.02	32.58	-0.56
32 220	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	08/25/2006	32.22	32.78	-0.56
32 420	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	09/25/2006	32.42	32.99	-0.57
32.630	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	10/25/2006	32.63	33.20	-0.57
32.830	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	11/27/2006	32 83	33 40	-0.57
33 040	FNMA POOL 572448 7% DUE 3/1/2027	03/23/2001	12/26/2006	33.04	33.62	-0.58
16,100.680	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	01/25/2006	16,100 68	16,305 42	-204 74
2,407 950	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	02/25/2006	2,407.95	2,438 57	-30 62
5,377 020	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	03/25/2006	5,377.02	5,445.39	-68.37
212.080	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	04/25/2006	212 08	214 78	-2.70
2,276 230	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	05/25/2006	2,276 23	2,305 17	-28 94
6,146 830	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	06/26/2006	6,146.83	6,224.99	-78.16
5,184.170	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	07/25/2006	5,184 17	5,250.09	-65.92
5,933.270	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	08/25/2006	5,933.27	6,008 72	-75.45
207.460	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	09/25/2006	207.46	210 10	-2.64
213 490	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	10/25/2006	213.49	216 20	-2.71
194 840	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	11/25/2006	194 84	197 32	-2.48
2,328.640	FNMA PASS-THRU (11/08 ARM) 4.245% DUE 12/01/33	12/16/2003	12/25/2006	2,328 64	2,358 25	-29.61
8,423.390	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	01/25/2006	8,423.39	8,489 49	-66.10
279 280	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	02/27/2006	279 28	281.47	-2.19
14,453 950	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	03/27/2006	14,453.95	14,567 38	-113.43
3,118.610	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	04/15/2006	3,118 61	3,143.08	-24 47
255 770	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	05/25/2006	255.77	257 78	-2.01
269 010	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	06/26/2006	269.01	271 12	-2.11
11,281 540	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	07/25/2006	11,281.54	11,370 08	-88.54
3,815 550	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	08/25/2006	3,815 55	3,845.49	-29.94
247 300	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	09/25/2006	247 30	249.24	-1.94

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

Account Name:

TKF FOUNDATION - INV ADVISORY 617117049



BROWN ADVISORY

Account Number: 617117049

Tax I.D. Number: XX-XXX3576

DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
242.310	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	10/25/2006	242.31	244.21	-1.90
276.380	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	11/27/2006	276.38	278.55	-2.17
4,738.290	FNMA PASS-THRU (10/10 ARM) 4.581% DUE 11/01/33	12/10/2003	12/26/2006	4,738.29	4,775.48	-37.19
150.000	FOREST LABORATORIES INC	05/10/2004	05/30/2006	5,610.57	9,660.00	-4,049.43
700.000	FOREST LABORATORIES INC	04/26/2005	07/12/2006	27,099.66	33,079.00	-5,979.34
4,406.974	BROWN ADVISORY INTERNATIONAL FUND INSTITUTIONAL CLASS	02/04/2003	02/16/2006	65,663.92	44,334.16	21,329.76
42,045.723	BROWN ADVISORY INTERNATIONAL FUND INSTITUTIONAL CLASS	02/04/2003	12/20/2006	692,913.52	422,979.97	269,933.55
9,671.180	BROWN ADVISORY INTERMEDIATE BOND FUND INSTITUTIONAL CLASS	02/15/2005	06/27/2006	100,000.00	104,803.07	-4,803.07
5,687.204	BROWN ADVISORY INTERMEDIATE BOND FUND INSTITUTIONAL CLASS	02/15/2005	11/09/2006	60,000.00	61,592.42	-1,592.42
946.970	BROWN ADVISORY INTERMEDIATE BOND FUND INSTITUTIONAL CLASS	02/15/2005	11/17/2006	10,000.00	10,255.69	-255.69
1,656.197	BROWN ADVISORY INTERMEDIATE BOND FUND INSTITUTIONAL CLASS	02/15/2005	12/04/2006	17,572.25	17,936.61	-364.36
159.000	HEALTH MANAGEMENT ASSOCIATES INC	02/28/2005	09/13/2006	3,340.44	3,729.93	-389.49
26.000	HEALTH MANAGEMENT ASSOCIATES INC	02/28/2005	09/13/2006	548.88	599.30	-50.42
514.000	HEALTH MANAGEMENT ASSOCIATES INC	02/15/2005	09/13/2006	10,822.25	11,752.66	-930.41
19.000	HEALTH MANAGEMENT ASSOCIATES INC	02/15/2005	09/13/2006	398.79	427.69	-28.90
725.000	IAC/INTERACTIVE CORP (NEW)	10/27/2004	02/23/2006	20,909.80	21,775.70	-865.90
0.750	IDEARC INC	11/23/2005	11/30/2006	20.60	17.60	3.00
10.000	IDEARC INC	10/12/2005	12/11/2006	272.27	224.47	47.80
94.000	INTEL CORP.	05/10/2004	06/20/2006	1,703.70	2,472.20	-768.50
356.000	INTEL CORP.	04/26/2005	06/20/2006	6,470.38	8,728.30	-2,257.92
100.000	JACOBS ENGINEERING GROUP INC	05/10/2004	02/10/2006	8,247.96	4,320.75	3,927.21
125.000	JACOBS ENGINEERING GROUP INC	05/10/2004	05/30/2006	9,710.32	4,925.00	4,785.32
195.000	JONES APPAREL GROUP INC	02/28/2005	03/21/2006	6,761.69	6,408.33	353.36
117.000	JONES APPAREL GROUP INC	02/28/2005	03/22/2006	4,056.60	3,749.85	306.75
88.000	JONES APPAREL GROUP INC	02/28/2005	03/22/2006	3,042.51	2,820.40	222.11
141.000	JONES APPAREL GROUP INC	02/28/2005	04/07/2006	4,943.76	4,519.05	424.71
250.000	KOHL'S CORP	01/19/2005	05/05/2006	14,417.51	12,270.66	2,146.85
50.000	KOHL'S CORP	05/10/2004	07/07/2006	2,965.72	2,078.00	887.72
145.000	KOHL'S CORP	05/10/2004	11/03/2006	10,147.86	6,026.20	4,121.66
50.000	L-3 COMMUNICATIONS HOLDINGS INC	05/20/2005	05/30/2006	3,887.13	3,512.51	374.62
275.000	L-3 COMMUNICATIONS HOLDINGS INC	05/10/2004	06/13/2006	20,272.71	18,408.29	1,864.42
175.000	LABORATORY CORP OF AMER. HLDGS	04/26/2005	05/30/2006	10,332.55	8,526.00	1,806.55
100.000	ELI LILLY & CO.	05/10/2004	05/30/2006	5,185.34	7,618.00	-2,432.66
375.000	ELI LILLY & CO.	01/26/2005	11/13/2006	20,104.45	22,430.50	-2,326.05
57.000	LINCOLN NATIONAL CORP IND	02/28/2005	11/01/2006	3,581.80	2,707.14	874.66
23.000	LINCOLN NATIONAL CORP IND	02/28/2005	11/01/2006	1,443.38	1,081.46	361.92
100.000	LOWES COS INC	04/26/2005	05/30/2006	6,101.31	5,213.40	887.91
185.000	MARSH & MCLENNAN COMPANIES INC	05/04/2005	11/01/2006	5,544.80	5,791.68	-246.88
107.000	MARSH & MCLENNAN COMPANIES INC	04/26/2005	11/01/2006	3,197.99	3,107.76	90.23
320.000	MARSH & MCLENNAN COMPANIES INC.	06/22/2005	12/28/2006	9,811.03	8,899.68	911.35
50.000	MARRIOTT INTERNATIONAL INC CLASS-A	04/26/2005	05/30/2006	3,611.30	3,282.00	329.30
275.000	MARRIOTT INTERNATIONAL INC CLASS-A	05/10/2004	11/06/2006	11,674.77	6,768.07	4,906.70
225.000	MEDTRONIC INC	04/26/2005	05/30/2006	11,295.77	11,567.25	-271.48
300.000	MELLON FINANCIAL CORPORATION	05/10/2004	05/30/2006	10,726.16	8,698.10	2,028.06
35.000	MERCK & CO INC.	02/28/2005	04/21/2006	1,218.70	1,114.46	104.24
50.000	MERCK & CO INC	02/28/2005	04/21/2006	1,742.45	1,592.08	150.37
1,025.000	MICROSOFT CORP.	05/10/2004	07/12/2006	23,343.66	26,527.00	-3,183.34

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

Account Name:

TKF FOUNDATION - INV ADVISORY 617117049



BROWN ADVISORY

Account Number: 617117049

Tax I.D. Number: XX-XXX3576

DETAIL OF LONG-TERM CAPITAL GAINS AND LOSSES

Units	Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
95 000	MICROSOFT CORP.	08/02/2005	12/08/2006	2,745.25	2,519.15	226.10
200 000	MICROSOFT CORP	08/02/2005	12/21/2006	5,994.14	5,303.48	690.66
150 000	MORGAN STANLEY DEAN WITTER DISCOVER & CO	04/26/2005	05/30/2006	8,899.97	7,806.47	1,093.50
108 000	MORGAN STANLEY DEAN WITTER DISCOVER & CO	06/15/2005	10/10/2006	8,093.91	5,957.43	2,136.48
49.000	MORGAN STANLEY DEAN WITTER DISCOVER & CO	06/15/2005	10/10/2006	3,654.69	2,481.85	1,172.84
80 000	NOKIA CORP.	02/28/2005	05/05/2006	1,834.54	1,299.20	535.34
189 000	OSI RESTAURANT PARTNERS INC	10/14/2005	11/06/2006	7,601.68	6,702.31	899.37
41 000	OSI RESTAURANT PARTNERS INC	10/14/2005	11/06/2006	1,658.90	1,447.77	211.13
575.000	OUTBACK STEAK	05/12/2004	01/03/2006	23,787.36	24,173.25	-385.89
25 000	PEPSICO INC	04/26/2005	05/30/2006	1,512.08	1,382.25	129.83
1,050 000	PFIZER INC.	05/12/2004	06/14/2006	24,270.00	37,804.75	-13,534.75
183 000	PFIZER INC	05/10/2004	06/23/2006	4,116.75	6,609.96	-2,493.21
59.000	PFIZER INC	05/10/2004	06/23/2006	1,337.39	2,131.08	-793.69
575 000	PFIZER INC.	02/28/2005	06/23/2006	12,951.59	17,725.80	-4,774.21
188 000	PFIZER INC.	02/28/2005	06/23/2006	4,257.26	4,985.76	-728.50
30.000	PFIZER INC	02/28/2005	06/23/2006	680.83	795.60	-114.77
325 000	PFIZER INC.	02/28/2005	07/19/2006	7,417.08	8,619.00	-1,201.92
121 000	PFIZER INC	02/28/2005	10/20/2006	3,339.13	3,208.92	130.21
149.000	PFIZER INC	09/22/2005	10/20/2006	4,111.04	3,935.28	175.76
105 000	PFIZER INC	02/15/2005	10/25/2006	2,837.54	2,662.10	175.44
210 000	PFIZER INC.	02/15/2005	11/15/2006	5,554.01	5,315.10	238.91
300 000	PHARMACEUTICAL PRODUCT DEVELOPMENT INC	04/26/2005	05/30/2006	10,662.06	6,790.50	3,871.56
325 000	PHARMACEUTICAL PRODUCT DEVELOPMENT INC	05/10/2004	08/15/2006	12,497.49	5,585.62	6,911.87
10,380 623	ROYCE TECHNOLOGY VALUE FUND	04/21/2005	07/12/2006	61,453.29	60,000.00	1,453.29
6,306 938	ROYCE PREMIER INVESTMENT FUND	04/21/2005	07/24/2006	105,704.28	90,000.00	15,704.28
125.000	SCHLUMBERGER LTD	05/12/2004	03/02/2006	15,142.56	7,714.66	7,427.90
225 000	SCHLUMBERGER LTD	05/10/2004	05/30/2006	14,629.21	6,180.75	8,448.46
50 000	STRYKER CORP	04/26/2005	05/30/2006	2,194.68	2,455.00	-260.32
350 000	SYSCO CORP	11/19/2004	05/30/2006	10,798.91	12,515.74	-1,716.83
325 000	TEXAS INSTRUMENTS INC	05/10/2004	05/30/2006	10,167.31	8,274.25	1,893.06
320.000	TIME WARNER INC.	02/15/2005	06/15/2006	5,443.64	5,808.00	-364.36
285.000	TIME WARNER INC.	04/26/2005	07/12/2006	4,665.79	5,063.40	-397.61
533 000	TYCO INT'L LTD NEW	08/18/2005	12/21/2006	16,629.25	15,169.87	1,459.38
118 000	TYCO INT'L LTD NEW	12/08/2005	12/21/2006	3,662.25	3,318.05	344.20
144 000	TYCO INT'L LTD NEW	11/15/2005	12/21/2006	4,477.76	4,015.81	461.95
40 000	UNION PACIFIC CORP.	02/28/2005	03/28/2006	3,695.72	2,538.80	1,156.92
62 000	UNION PACIFIC CORP	02/15/2005	03/30/2006	5,752.14	3,823.78	1,928.36
38 000	UNION PACIFIC CORP	02/15/2005	03/30/2006	3,524.71	2,279.62	1,245.09
241 000	VERIZON COMMUNICATIONS	07/27/2005	09/27/2006	9,103.81	8,278.24	825.57
319 000	VERIZON COMMUNICATIONS	08/04/2005	09/27/2006	11,839.10	10,902.02	937.08
552.377	WASATCH SMALL CAP GROWTH FUND	06/28/2002	08/31/2006	20,078.90	17,189.72	2,889.18
2,620 545	WASATCH SMALL CAP GROWTH FUND	06/28/2002	10/18/2006	100,000.00	74,685.53	25,314.47
2,516 356	WASATCH SMALL CAP GROWTH FUND	06/28/2002	11/17/2006	100,000.00	71,716.14	28,283.86
375.000	ACCENTURE LIMITED	01/14/2005	05/30/2006	10,370.30	9,941.25	429.05
	TOTAL 15% MAXIMUM RATE SALES REPORTED ON 1099-B			2,758,030.64	2,147,842.38	610,188.26
	TOTAL LONG-TERM SALES			2,758,030.64	2,147,842.38	610,188.26

IMPORTANT TAX RETURN DOCUMENT ENCLOSED

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/08/07

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**STATEMENT 15
FORM 990-PF, PART VI, LINE 9
TAX DUE**

TAX DUE	\$	4,536.
LATE PAYMENT PENALTY		123.
LATE INTEREST		83.
TOTAL	\$	4,742.

**STATEMENT 16
FORM 990-PF, PART VII-A, LINE 10
SUBSTANTIAL CONTRIBUTORS DURING THE TAX YEAR**

<u>NAME OF SUBSTANTIAL CONTRIBUTOR</u>	<u>ADDRESS OF SUBSTANTIAL CONTRIBUTOR</u>
THOMAS STONER	3065 RUNDELAC RD ANNAPOLIS, MD 21403

**STATEMENT 17
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>
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.
MARY E. WYATT 21 WAINWRIGHT AVENUE ANNAPOLIS, MD 21403	SECRETARY 35	54,400.	1,586.	0.
TOTAL		\$ 54,400.	\$ 1,586.	\$ 0.

**STATEMENT 18
FORM 990-PF, PART XV, LINE 1A
FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS**

THOMAS H. STONER
KATHARINE E. STONER

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/08/07

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**STATEMENT 19
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>
PARKS & PEOPLE BALTIMORE MD 52-1349346,	NONE		COMM GREENING PROGRAM	\$ 30,000.
ASSOC OF BALT AREA GRANTM BALTIMORE, MD 52-1326863,	NONE		GENERAL SUPPORT	2,200.
PROVIDENCE HEALTH FOUNDATION N E WASHINGTON, DC. 20017 52-1275583,	NONE		IRRIGATION FOR HEALING GARDEN	4,000.
ST ANTHONY OF PADUA CATH CHUR FALLS CHURCH , VA. 54-0550102,	NONE		SANCTUARY GARDEN PROJECT	6,070.
FRIENDS OF PATTERSON PARK BALTIMORE, MD 52-2094989,	NONE		FOUNTAIN ENHANCEMENT	2,500.
WASHINGTON PARKS & PEOPLE WASHINGTON, DC 52-1681110,	NONE		HERITAGE PARK PROJECT	182.
GREEN SPACES FOR D C WASHINGTON, D C 52-2283772,	NONE		SEPTEMBER 11 MEMORIAL GARDEN	1,224.
LEAGUE FOR PEOPLE W/ DISABILI BALTIMORE, MD. 52-0591579,	NONE		ENHANCEMENT GRANT	2,500.
WESTERN CORRECTIONAL INSTITUT CUMBERLAND, MD 52-6002033,	NONE		GAZEBO FOR PEACE GARDEN	5,000.
KIDS ON THE HILL INC BALTIMORE, MD. 52-2071821,	NONE		TRIUMPHAL ARCH FOR GARDEN ENTRANCE	5,000.
ST ANTHONY OF PADUA BALTIMORE, MD 52-9039151,	NONE		HEALING SANCTUARY GARDEN AND CREATION OF FRIENDS OF THE LABYRINTH	10,000.
UNITY GARDENS CROWNSVILLE, MD 43-2026301,	NONE		COMMUNITY GREENING	30,000.

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/08/07

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STATEMENT 19 (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
CITY OF ANNAPOLIS ANNAPOLIS, MD 52-6000764,	NONE		4TH STREET CITY PARK	\$ 40,046.
CRISPUS ATTUCKS DEVELOPMENT C WASHINGTON, DC 52-1084840,	NONE		SACRED SPACE	61,391.
ST PHILIP THE EVANGELIST CHUR WASHINGTON, DC 53-0196608,	NONE		REVITALIZATION OF 14TH ST. PARK	4,000.
AMERICAN COMM GARDENING ASSOC PHILADELPHIA, PA 23-2161919,	NONE		DUES	100.
MARYLAND HALL FOR CREATIVE AR ANNAPOLIS, MD 52-1164469,	NONE		ENHANCEMENT GRANT	500.
AMAZING GRACE EVANGELICAL CHC BALTIMORE, MD 52-1994645,	NONE		CHALLENGE GRANT FOR COMMUNITY MURAL ON BACK OF CHURCH	15,000.
WSHG TN REGIONAL ASSOC GRANTMA WASHINGTON, DC 52-1756853,	NONE		GRANT LEADERSHIP FUND	2,575.
DC PUBLIC SCHOOLS WASHINGTON, DC 53-6001131,	NONE		SACRED SPACES	182.
ARUNDEL COMM DEV SERVICES ANNAPOLIS, MD 52-1817557,	NONE		WILEY BATES MEMORIAL COURTYARD	26,362.
STADIUM PLACE BALTIMORE, MD 52-2197537,	NONE		THANKSGIVING PLACE	61,142.
MARIAN HOUSE BALTIMORE, MD 52-1243849,	NONE		OUTDOOR COURTYARD SCULPTURE GARDEN	11,000.
ANNE ARUNDEL MEDICAL CTR. FDN ANNAPOLIS MD 31-002547,	NONE		BENCH FOR GARDEN	644.

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/08/07

11:37AM

STATEMENT 19 (CONTINUED)
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>
THE ASSOC FOR THE PRESERVATIO WASHINGTON , DC 52-1071828,	NONE		ENHANCE PORTAL AND ENTRANCE NODE TO 911 MEMORIAL SPACE	\$ 5,000.
SCHOOL SISTERS NOTRE DAME BALTIMORE, MD 20-3875448,	NONE		ROSEMARY GARDEN	900.
SETON HILL NEIGHBORHOOD BALTIMORE, MD 52-1155543,	NONE		SACRED SPACE	25,000.
AMERICAN PSYCHOLOGICAL ASSOC. WASHINGTON, DC 53-0205890,	NONE		GREEN ROOF LANBYRINTH GARDEN	54,000.
THE EPISCOPAL DIOCESE BALTIMORE, MD 52-0591545,	NONE		ST. JAMES PARK	16,150.
METROPLOTAIN TRANSITION CENTE BALTIMORE, MD 52-6002033,	NONE		BENCH FOR GARDEN	1,492.
TOTAL				\$ <u>424,160.</u>

STATEMENT 20
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

<u>NAME AND ADDRESS</u>	<u>DONEE RELATIONSHIP</u>	<u>FOUND- ATION STATUS</u>	<u>PURPOSE OF GRANT</u>	<u>AMOUNT</u>
FRANKLIN SQUARE HOSPITAL BALTIMORE, MD 52-0608007,	NONE		GARDEN OF LITTLE ANGELS	\$ 50,000.
KIDS ON THE HILL, INC BALTIMORE, MD. 52-2071321,	NONE		MADISON AVENUE SCULPTURE GARDEN	4,500.
UNIV OF MD COLLEGE PARK FDN COLLEGE PARK, MD 52-2197313,	NONE		GARDEN OF REMEMBRANCE	200,000.
WASHINGTON PARKS & PEOPLE WASHINGTON, DC 52-1681110,	NONE		PEACE GARDEN & EARTH CONCERT	6,000.

CLIENT 35

THOMAS & KATHARINE STONER FOUNDATION

42-1263576

11/08/07

11:37AM

STATEMENT 20 (CONTINUED)
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

<u>NAME AND ADDRESS</u>	<u>DONEE RELATIONSHIP</u>	<u>FOUND- ATION STATUS</u>	<u>PURPOSE OF GRANT</u>	<u>AMOUNT</u>
AMAZING GRACE EVANGELICAL WASHINGTON, DC 52-1994645,	NONE		MURAL PROJECT	\$ 1,500.
			TOTAL \$	<u>262,000.</u>

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).

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).

Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICS, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	THOMAS & KATHARINE STONER FOUNDATION	42-1263576
	Number, street, and room or suite number If a P O box, see instructions	
	410 SEVERN AVENUE #216	
	City, town or post office For a foreign address, see instructions	state ZIP code
	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 |

● The books are in the care of **BROWN INVESTMENT ADVISORY & TR**

Telephone No **410-537-5400** FAX No. _____

- 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 months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until 8/15, 2007, to file the exempt organization return for the organization named above. The extension is for the organization's return for

- ▶ calendar year 2006 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	3a	\$	0.
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	3b	\$	0.
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	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you 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. You must file original and one copy.

Name of Exempt Organization: THOMAS & KATHARINE STONER FOUNDATION
Employer identification number: 42-1263576
Number, street, and room or suite number: 410 SEVERN AVENUE #216
City, town or post office, state, and ZIP code: ANNAPOLIS, MD 21403

Check type of return to be filed (File a separate application for each return):
Form 990, Form 990-BL, Form 990-EZ, Form 990-PF, Form 990-T, Form 1041-A, Form 4720, Form 5227, Form 6069, Form 8870

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

The books are in care of: BROWN INVESTMENT ADVISORY & TR
Telephone No. 410-537-5400
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)

I request an additional 3-month extension of time until 11/15, 2007.
For calendar year 2006, or other tax year beginning 2006, and ending 2006.
If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period
State in detail why you need the extension: TAXPAYER RESPECTFULLY REQUESTS ADDITIONAL TIME TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX RETURN.

Table with 3 rows: 8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. 8a \$ 0.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. 8b \$ 0.
8c Balance Due. Subtract line 8b from line 8a. 8c \$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, 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 Kupstas, Title: EXECUTIVE DIRECTOR CPA, Date: 8-2-07

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 have granted a 10-day grace period from the later of the date shown below or the due date of 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 extension of time to file. We are not granting a 10-day grace period.
We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
Other

Director: By: Date:

Alternate Mailing Address. Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: KUPSTAS & KUPSTAS, LLC
Number and street (include suite, room, or apartment number) or a P.O. box number: 1833-F FOREST DRIVE
City or town, province or state, and country (including postal or ZIP code): ANNAPOLIS, MD 21401