

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

2006

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 , 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.	Name of foundation <b>CHARIS FOUNDATION, INC.</b>		A Employer identification number <b>62-1867423</b>
	C/O STEINER & ELLIS, PLLC		B Telephone number <b>(865) 212-3800</b>
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	
	<b>5516 LONAS DRIVE</b>	<b>260</b>	
	City or town, state, and ZIP code <b>KNOXVILLE, TN 37909</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ <b>15,492,390.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(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	2,660,000.		N/A	
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	315,738.	315,738.		STATEMENT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	736,029.			
b	Gross sales price for all assets on line 6a <b>5,704,265.</b>				
7	Capital gain net income (from Part IV, line 2)		736,029.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total. Add lines 1 through 11	3,711,767.	1,051,767.		
13	Compensation of officers, directors, trustees, etc	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees				
c	Other professional fees				
17	Interest				
18	Taxes <b>STMT 2</b>	13,642.	5,642.		0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses <b>STMT 3</b>	97,091.	97,091.		0.
24	Total operating and administrative expenses. Add lines 13 through 23	110,733.	102,733.		0.
25	Contributions, gifts, grants paid	814,683.			814,683.
26	Total expenses and disbursements. Add lines 24 and 25	925,416.	102,733.		814,683.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	2,786,351.			
b	Net investment income (if negative, enter -0-)		949,034.		
c	Adjusted net income (if negative, enter -0-)			N/A	

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

Form 990-PF (2006)

**CHARIS FOUNDATION, INC.**  
**C/O STEINER & ELLIS, PLLC**

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<b>Part II Balance Sheets</b> <small>Attached schedules and amounts in the description column should be for end-of-year amounts only</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing	38,943.	120,518.	120,518.
	2 Savings and temporary cash investments	622,054.	1,930,609.	1,930,609.
	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			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock <b>STMT 4</b>	9,278,660.	9,945,689.	10,658,098.
	c Investments - corporate bonds			
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other <b>STMT 5</b>	1,615,000.	2,344,192.	2,783,165.	
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 <b>Total assets</b> (to be completed by all filers)	11,554,657.	14,341,008.	15,492,390.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.	
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	11,554,657.	14,341,008.		
30 <b>Total net assets or fund balances</b>	11,554,657.	14,341,008.		
31 <b>Total liabilities and net assets/fund balances</b>	11,554,657.	14,341,008.		

**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	11,554,657.
2 Enter amount from Part I, line 27a	2	2,786,351.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	14,341,008.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	14,341,008.

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**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE STATEMENT 10	P		
b CAPITAL GAINS DIVIDENDS			
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 5,698,019.		4,968,236.	729,783.
b 6,246.			6,246.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			729,783.
b			6,246.
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	736,029.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 }	3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2005	512,146.	11,808,758.	.043370
2004	508,401.	10,486,080.	.048483
2003	494,612.	9,208,641.	.053712
2002	430,157.	9,250,277.	.046502
2001	0.	448,414.	.000000

2 Total of line 1, column (d)	2	.192067
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	.038413
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5	4	14,079,158.
5 Multiply line 4 by line 3	5	540,823.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	9,490.
7 Add lines 5 and 6	7	550,313.
8 Enter qualifying distributions from Part XII, line 4	8	814,683.

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.

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

1a 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)		1	9,490.
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			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	9,490.
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	9,490.
6 Credits/Payments:			
a 2006 estimated tax payments and 2005 overpayment credited to 2006	6a	8,662.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	6,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	14,662.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	5,172.	
11 Enter the amount of line 10 to be: Credited to 2007 estimated tax <input checked="" type="checkbox"/> 5,172. Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a 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)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		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? If "Yes," attach a conformed copy of the changes		X
4a 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?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> TN		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	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)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

N/A

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**Part VII-A Statements Regarding Activities** *Continued*

11a	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)	11a		X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	11b		N/A
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Web site address ► N/A	13	X	
14	The books are in care of ► STEINER & ELLIS, PLLC Telephone no. ► (865) 212-3800 Located at ► 5516 LONAS DRIVE, STE. 260, KNOXVILLE, TN ZIP+4 ► 37909			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year		15	N/A

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A	1b
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?		1c
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years ►		
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	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
3a Did the 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	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a
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?		4b

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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)? ☐ 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)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☐

c If the answer is "Yes" to question 5a(4), does the 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

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?

N/A

7b

**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.

(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
WILLIAM E. HASLAM 7112 SHERWOOD DRIVE KNOXVILLE, TN 37919	PRESIDENT & DIRECTOR 0.00	0.	0.	0.
CRISTEN G. HASLAM 7112 SHERWOOD DRIVE KNOXVILLE, TN 37919	VICE PRESIDENT & DIRECTOR 0.00	0.	0.	0.
J. TODD ELLIS 5516 LONAS DRIVE, STE. 260 KNOXVILLE, TN 37909	SECRETARY, TREASURER & DIR 0.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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
NO COMPENSATED EMPLOYEES				

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. 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** NO DIRECT CHARITABLE ACTIVITIES IN 2006**2****3****4****Part IX-B** Summary of Program-Related Investments

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

Amount

**1** NO PROGRAM RELATED INVESTMENTS IN 2006**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	14,269,117.
b	Average of monthly cash balances	1b	24,444.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	14,293,561.
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	14,293,561.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	214,403.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	14,079,158.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	703,958.

**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	703,958.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	9,490.
b	Income tax for 2006. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	9,490.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	694,468.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	694,468.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	694,468.

**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	814,683.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	814,683.
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	5	9,490.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	805,193.

**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.

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**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				694,468.
2 Undistributed income, if any, as of the end of 2005				
a Enter amount for 2005 only			59,410.	
b Total for prior years:		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: ▶ \$ 814,683.				
a Applied to 2005, but not more than line 2a			59,410.	
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				694,468.
e Remaining amount distributed out of corpus	60,805.			
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	60,805.			
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 instr.			0.	
f Undistributed income for 2006. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2007				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	60,805.			
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	60,805.			

▶

4942(1)(3) or ☐ 4942(1)(5)

**(4) Gross investment income**

[illegible]

17131113 130770 CHARISFOUNDA 2006.05000 CHARIS FOUNDATION, INC. C/O CHARISF1

**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
<p><i>a Paid during the year</i></p> <p>SEE STATEMENT 11</p>				814,683.
<b>Total</b>				▶ 3a 814,683.
<p><i>b Approved for future payment</i></p> <p>NONE</p>				
<b>Total</b>				▶ 3b 0.



<b>Part XVII</b>	<b>Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations</b>
------------------	--

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

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule.


(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.


**Sian Here**

**Paid  
Preparer's  
Use Only**Preparer's  
signature

Firm's name (or yours  
if self-employed),  
address, and ZIP code

Preparer's signature 

---

Firm's name (or yours if self-employed), address, and ZIP code  JIM R. SHELBY, CPA  
P.O. BOX 789  
KNOXVILLE, TN 37901

**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

CHARIS FOUNDATION, INC.  
C/O STEINER & ELLIS, PLLC

Employer identification number

62-1867423

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 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).

LHA 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

CHARIS FOUNDATION, INC.  
C/O STEINER & ELLIS, PLLC

## Employer identification number

62-1867423

**Part I Contributors** (See Specific Instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	WILLIAM E. & CHRISTEN G. HASLAM 7112 SHERWOOD DRIVE KNOXVILLE, TN 37919	\$ 2,660,000.	Person <input checked="" 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.)
			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.)

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FORM 990-PF .	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MORGAN STANLEY	321,984.	6,246.	315,738.
TOTAL TO FM 990-PF, PART I, LN 4	321,984.	6,246.	315,738.

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FORM 990-PF	TAXES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	5,622.	5,622.		0.
FEDERAL TAXES	8,000.	0.		0.
TENNESSEE ANNUAL REPORT FEE	20.	20.		0.
TO FORM 990-PF, PG 1, LN 18	13,642.	5,642.		0.

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FORM 990-PF	OTHER EXPENSES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	91,369.	91,369.		0.
BANK CHARGES	235.	235.		0.
PROFESSIONAL FEES	5,487.	5,487.		0.
TO FORM 990-PF, PG 1, LN 23	97,091.	97,091.		0.

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FORM 990-PF	CORPORATE STOCK	STATEMENT	4
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
STATEMENT 9	9,945,689.	10,658,098.
TOTAL TO FORM 990-PF, PART II, LINE 10B	9,945,689.	10,658,098.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	5
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORGAN STANLEY LIQUID MARKETS FUND	544,192.	715,688.
SELECTINVEST ARBITRAGE/RELATIVE VALUE LTD	600,000.	805,310.
TORREY INTERNATIONAL FUND	600,000.	632,073.
MORGAN STANLEY OPPORTUNISTIC FUND	600,000.	630,094.
TOTAL TO FORM 990-PF, PART II, LINE 13	2,344,192.	2,783,165.

FORM 990-PF	LIST OF SUBSTANTIAL CONTRIBUTORS PART VII-A, LINE 10	STATEMENT	6
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NAME OF CONTRIBUTOR	ADDRESS
WILLIAM E. & CRISTEN G. HASLAM	7112 SHERWOOD DRIVE, KNOXVILLE, TN 37919

FORM 990-PF	PART XV - LINE 1A LIST OF FOUNDATION MANAGERS	STATEMENT	7
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NAME OF MANAGER
WILLIAM E. HASLAM
CRISTEN G. HASLAM

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FORM 990-PF .	GRANT APPLICATION SUBMISSION INFORMATION	STATEMENT	8
	PART XV, LINES 2A THROUGH 2D		

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NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

---

J. TODD ELLIS  
P.O. BOX 52206  
KNOXVILLE, TN 37950-2206

---

TELEPHONE NUMBER

---

865-212-3800

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FORM AND CONTENT OF APPLICATIONS

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WRITTEN REQUEST STATING AMOUNT AND PURPOSE OF REQUEST, MOST RECENT AUDITED  
FINANCIAL STATEMENTS, AND COPY OF TAX EXEMPT RULING

---

ANY SUBMISSION DEADLINES

---

JUNE 30, DECEMBER 31

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RESTRICTIONS AND LIMITATIONS ON AWARDS

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ONLY TO TAX EXEMPT 501(C)(3) ORGANIZATIONS; PREFERENCE GIVEN TO  
ORGANIZATIONS IN THE EAST TENNESSEE AREA.

## CHARIS FOUNDATION

## STATEMENT 9

FEIN: 62-1867423

FORM 990-PF, PART II

DECEMBER 31, 2006

<u>Description</u>	<u>Book Value</u>	<u>FMV</u>
Abercrombie & Fitch Co Cl A Com (ANF)	15,637.99	17,407.50
Acom Co	57,202.43	33,400.16
Activision Inc New Com (ATVI)	7,654.44	9,688.88
Adobe Sys Inc Com (ADBE)	39,509.68	54,401.76
Aegon NV	14,573.72	19,366.90
Aetna Inc	32,135.04	41,927.78
Affiliated Computer Services	5,166.14	4,639.80
Agilent Technologies	19,916.17	31,365.00
Albemarle Corporation	3,949.79	7,898.00
Alleghany Corp Del New Com (Y)	7,590.00	8,362.80
Altria Group Inc.	70,794.61	96,461.68
Alumina Ltd	31,743.53	34,526.50
Amazon Com Inc Com Stk (AMZN)	17,688.28	19,138.10
American Electric Power Co.	6,710.28	7,238.60
American Standard Companies	5,596.52	6,189.75
Ametek Inc.	5,128.15	6,208.80
Amphenol Corp	3,025.53	4,656.00
Anglo American PLC ADR	21,857.22	36,737.05
Anglogold Ltd Ads	41,624.45	50,103.76
Aon Corp.	39,368.37	53,858.16
Apache Corp	25,792.73	26,803.53
Apollo Group Inc Cl A Com (APOL)	10,377.60	7,482.24
Applebees Intl Inc	7,268.72	7,277.65
Arrow Electronics	5,267.00	5,679.00
Assurant Inc	8,389.25	15,193.75
AT&T Inc	36,064.65	54,626.00
Autonation Inc.	5,044.90	5,649.80
Autozone Inc.	8,317.09	10,978.20
Ball Corporation	8,238.73	8,938.00
Barrick Gold Corp	120,154.11	148,710.80
Berkley W R Corp	5,208.97	5,003.95
Brookfield Pptys	6,390.73	9,321.21
Brown & Brown Inc Com Stk (BRO)	6,567.76	5,980.52
Brown Forman Corp	5,644.81	5,961.60
C H Robinson Worldwide Inc (CHRW)	13,464.13	12,062.55
CA Inc.	98,504.64	77,168.55
Cablevision NY Group Class A	2,112.60	4,272.00
Cabot Oil & Gas Corp	6,762.85	6,840.49
Calamos Asset Management-A Com (CLMS)	13,102.21	10,329.55
Carlisle Co Inc	4,987.13	6,280.00
CBS Corp	32,888.47	37,603.08
Centurytel Inc	7,952.70	10,041.80
Choice Hotels Intl Inc	9,894.44	7,914.80
Choicepoint Inc	10,172.00	9,372.44
Chunghwa Telecom	69,750.16	74,776.70
Cincinnati Financial Ohio	6,441.49	6,932.43
Cisco Sys	18,489.24	28,532.52
Citigroup Inc	66,980.55	78,035.70
Clear Channel Comm Inc	38,237.11	47,588.06
Clear Channel Outdoor	2,151.15	3,070.10
Clorox Co	6,432.86	7,377.25
CLP Holdings Ltd	32,896.94	40,683.68
Columbia Sportswear Co	5,219.97	5,013.00

## CHARIS FOUNDATION

FEIN: 62-1867423

FORM 990-PF, PART II

DECEMBER 31, 2006

STATEMENT 9

<u>Description</u>	<u>Book Value</u>	<u>FMV</u>
Comcast Corp	39,684.31	60,349.08
Commerce Bancorp Inc N J Com (CBH)	86,315.26	82,073.29
Community Health Systems Inc.	6,739.27	6,938.80
Conocophillips	37,471.69	53,027.15
Constellation Energy	7,207.31	8,270.70
Corporate Executive Board Co (EXBD)	25,130.32	20,872.60
Costco Wholesale	85,826.91	102,885.02
Countrywide Financial Corp	72,877.71	89,145.00
Coventry Health Care Inc	11,683.90	14,514.50
Crane Co	3,908.63	4,946.40
Crown Castle International Corp Com Stk (CCI)	14,882.52	14,082.80
Cullen Frost Bankers Inc	4,682.27	5,302.90
Currency Shares Euro Trust Euro Shs (FXE)	47,691.01	53,056.31
Dade Behring Holdings	15,509.41	16,043.43
Dai Nippon Prtg Ltd	50,032.12	48,806.29
Dean Foods Co	4,519.21	6,342.00
Del Monte Foods Company	3,034.31	3,198.70
Dell	140,777.50	113,933.69
Desarrolladora Homex Sab De Cv (HXM)	8,243.37	12,877.26
Devon Energy Corp	6,737.75	10,062.00
Dover Corp	6,121.39	6,372.60
E Trade Grp Inc	3,883.07	4,371.90
Eastman Kodak Co Com USD2.5 (EK)	6,288.22	5,934.00
Ebay	108,890.00	101,546.39
EDP_Electricade De	10,454.00	19,098.82
Electronic Arts	113,098.21	97,144.44
Enel Societa Per Azioni ADR (EN)	48,250.17	58,514.40
Energen Corp	4,706.89	7,275.70
Energy East Corp	4,355.31	4,216.00
Eni Spa Amer Dep	49,935.77	57,793.52
Estee Lauder Cos Inc	4,619.58	4,898.40
Everest RE Group Ltd	5,008.21	4,905.50
Expedia, Inc (EXPE)	6,258.09	7,070.26
Expeditors Intl Wash Inc	94,093.08	129,559.50
Fannie Mae	87,974.29	80,829.79
Federated Dept Stores	1,917.10	2,135.28
First Energy Corp	4,813.40	5,427.00
Florida Rock Industries Inc	10,553.66	7,275.45
Focus Media Holding (FMCN)	5,233.89	5,908.71
Forest CY Enterprise	3,503.82	5,840.00
Fortune Brands	9,328.51	10,673.75
Fujifilm Holdings Corp.	59,244.91	73,378.50
Gen-Probe Inc (GPRO)	10,863.57	10,997.70
Genuine Parts	9,786.54	10,671.75
Genworth Financial Inc.	53,695.83	62,877.98
Grupo Televisa SA ADR (TV)	13,408.08	17,718.56
Harsco Corp	2,124.62	3,044.00
Hartford Financial	59,958.41	77,633.92
Helix Energy Solutions Gp Inc	3,852.66	3,764.40
Henry Schein Inc	2,288.92	2,449.00
Hilton Hotels	11,773.94	15,705.00
Impala Platinum Holdings	6,512.83	13,830.88
Ingersoll Rand	32,626.58	32,164.86
Intel Corp	59,013.85	46,230.75

STATEMENT 9

## CHARIS FOUNDATION

FEIN: 62-1867423

FORM 990-PF, PART II

DECEMBER 31, 2006

STATEMENT 9

<u>Description</u>	<u>Book Value</u>	<u>FMV</u>
Interactive Data Corp	3,175.32	3,606.00
Intercontinental Htls Plc New (IHG)	13,648.11	19,215.25
International Paper	36,075.86	30,485.40
IPC Holdings LTD	4,413.89	3,145.00
Iron Mountain Inc Delaware Com (IRM)	12,817.20	13,642.20
Istar Financial Inc.	7,949.62	8,607.60
ITT Edl Svcs Inc Com (ESI)	7,509.52	7,831.66
Ivanhoe Mines Limited Com (IVN)	17,533.45	23,287.27
J Sainsbury Plc	17,504.17	26,911.92
Jabil Circuit Inc.	4,549.01	4,296.25
Jarden Corp	2,535.74	2,435.30
Johnson & Johnson	75,935.56	78,893.90
JP Morgan Chase & Co	44,718.30	57,911.70
Julius Baer Intl Equity II Cl I (JETIX)	1,593,170.56	1,781,095.45
Kimberly Clark Corp	51,450.21	53,816.40
Kinder Morgan Inc	7,448.33	10,575.00
Kirin Brewery Co Ltd	41,802.90	61,912.98
Korea Electric Power Corp	28,677.08	38,107.38
KT Corp Spon	55,211.34	67,633.80
Lamar Advertising Co Cl A Com (LAMR)	9,360.20	11,116.30
Leucadia Natl Corp Com (LUK)	7,659.08	8,149.80
Liberty Capital	9,536.08	12,345.48
Liberty Interactive	13,154.55	13,675.38
Lihir Gold Ltd	9,625.31	22,813.56
Limited Brands Inc.	5,854.30	7,379.70
Lockheed Martin Corp	29,335.10	44,930.16
Lonmin Plc	15,195.59	42,179.56
Lowes Companies	92,141.64	89,961.20
M&T Bank Corp	8,897.00	10,383.60
Magna Intl Inc Cad Cl-A Com NPV (MGA)	30,820.56	35,039.25
Marvell Technology Group Ltd (MRVL)	9,622.14	10,113.13
Matsushita El Indl	13,706.61	15,549.66
Maxim Integrated Products	59,546.62	43,357.92
Mcclatchy Co-Class A	5,264.05	4,979.50
Meadwestvaco Corp	5,022.19	5,591.16
Mechel Oao ADR (MTL)	7,945.20	10,192.00
MGIC Invst Corp	33,732.74	32,020.48
Microsoft Corp	44,721.08	52,165.42
Monster Worldwide Inc Com (MNST)	21,838.41	18,049.68
Moody's Corp	51,579.82	69,612.48
Morgan Stanley Instl Fund	2,496,611.71	2,393,878.23
Motorola Inc	54,027.10	59,932.40
Mueller Series B	5,100.77	4,306.10
NCR Corp	5,512.37	6,841.60
Nec Electronics	26,972.96	24,708.28
Newcrest Minint Ltd Sponsored ADR (NCMGY)	16,291.11	23,157.44
NII Holdings Inc Cl-B Com (NIHD)	17,268.41	18,623.16
Nippon Telegraph & Telephone	48,531.06	53,620.77
Noble Energy Inc.	46,724.91	69,286.84
Norfolk Southern Corp	5,270.44	6,034.80
Northern Trust Corp	4,819.50	5,765.55
NVR Inc Com (NVR)	7,257.65	6,450.00
Old Republic Intl	8,176.08	9,731.04
Omnicare Inc	5,485.61	5,021.90

STATEMENT 9

## CHARIS FOUNDATION

FEIN: 62-1867423

FORM 990-PF, PART II

DECEMBER 31, 2006

STATEMENT 9

<u>Description</u>	<u>Book Value</u>	<u>FMV</u>
Onebeacon Insurance Group Ltd Cl-A (OB)	2,133.16	2,240.00
OSI Restaurant Partners, Inc.	5,965.24	5,292.00
Patterson Companies	61,832.38	53,336.02
Pentair Inc Com (PNR)	11,476.00	9,482.80
Peoples United Financial	10,450.12	10,396.46
Petsmart Inc Com (PETM)	5,765.29	5,367.96
PG&E Corporation	5,025.71	6,389.55
Pitney Bowes Inc	42,843.73	43,557.17
Plum Creek Timber Co Inc Com REIT (PCL)	1,839.68	1,992.50
Posco Ads	11,470.39	21,907.55
PPG Industries Inc	6,821.19	6,742.05
PPL Corporation	4,750.91	5,734.40
Principal Finl Group Inc	5,081.27	6,750.50
Promise Co ADR	61,786.10	37,076.09
Quest Diagnostics Inc.	6,002.00	6,360.00
Questar Corp	11,862.97	12,955.80
Radian Group Inc.	36,773.39	38,599.56
Rayonier Incorporated	4,579.73	5,623.85
Raytheon Co	35,252.80	47,361.60
Realogy Corp (H)	6,042.83	6,943.28
Republic Services Inc	4,576.83	5,490.45
Rio Tinto Plc Spon Adr	10,764.65	20,186.55
Royal Dutch Shell Plc	49,760.74	53,006.75
Safeco Corp	2,593.82	3,127.50
Salesforce Com (CRM)	6,313.74	5,467.50
Scana Corp New	5,181.93	5,483.70
Sega Sammy ADR (SGAMY)	9,246.61	9,563.70
Sekisui House Ltd	9,147.09	12,042.43
Shiseido Ltd Spon.	23,768.71	35,942.32
Sigma Aldrich Corp	6,396.85	7,772.00
Southwestern Energy Co	15,515.11	14,545.75
Sprint CP (Fon GP) Sers 1	32,668.75	28,202.77
St Joe Corporation Com (JOE)	5,301.12	5,142.72
Starbucks	58,060.68	81,607.68
Station Casinos Inc Com (STN)	7,364.40	7,758.65
Stericycle Inc	13,044.88	15,100.00
Stora Enso Sp	45,013.27	52,296.48
Suncor Energy Inc.	17,551.20	24,383.19
Supervalu Inc.	6,182.78	7,328.75
Swisscom Ag	51,147.48	58,452.48
Synovus Financial	8,604.75	8,940.70
T Rowe Price Group	2,780.26	3,939.30
TCF Financial	5,343.79	5,346.90
Techne CP	4,698.60	4,546.90
Technip (EX-Technip-Coflexip)ADR (TKP)	16,734.97	20,239.95
Telecom Italia Spa	71,146.57	69,274.80
Telephone & Data Systems Inc	5,622.88	6,944.00
Tessera Technologies Inc Com (TSRA)	6,251.93	8,027.66
Teva Pharmaceuticals	82,456.01	78,539.16
Tiffany & Company	7,507.70	8,829.00
TJX Cos Inc	5,970.05	6,844.80
Tomkins Plc	36,447.45	35,521.40
Total S.A. ADR (TOT)	32,929.22	36,823.04
Tyson Foods Inc	32,351.86	33,804.75

STATEMENT 9

CHARIS FOUNDATION  
 FEIN: 62-1867423  
 FORM 990-PF, PART II  
 DECEMBER 31, 2006

STATEMENT 9

<u>Description</u>	<u>Book Value</u>	<u>FMV</u>
UGI Corporation	4,628.08	5,456.00
Ultra Petroleum Corp Com (UPL)	35,977.49	26,495.70
Union Pacific Corp	32,964.43	48,126.46
United Sts Stl Cp	19,780.13	26,403.54
United Utilities	28,652.94	37,877.76
Varian Inc	56,925.24	70,689.02
Verizon Communications	36,013.79	35,750.40
VF Corporation	10,126.97	15,595.20
Viacom Inc B	86,350.61	85,752.70
Vodafone Group PLC	55,876.23	62,866.14
Vornado Realty Trust	5,466.87	7,897.50
Vulcan Materials Co	7,696.73	10,784.40
Wachovia Corp	35,268.50	37,700.90
Wacoal CP ADR	15,990.41	16,019.68
Walgreen Co	139,702.58	142,947.35
Walter Ind. Inc	5,509.55	4,733.75
Warner Chilcott Ltd-Class A	4,408.52	4,215.10
Webster Financial Corp	3,434.85	3,654.00
Weight Watchers Intl Inc New (WTW)	7,480.74	7,984.56
Wells Fargo Co	53,794.54	61,803.28
Wendys Intl Inc Com (WEN)	12,705.03	13,269.09
Westar Energy Inc	5,399.97	6,230.40
Whole Foods Mkt Inc (WFMI)	91,798.94	79,452.49
Williams Co Inc.	5,893.33	6,791.20
Wilmington Trust Corp	5,505.00	6,325.50
Windstream Corp	7,656.03	8,830.62
Wynn Resorts (WYNN)	8,704.57	10,980.45
Yahoo Inc	112,417.79	82,494.20
Yanzhou Coal Mining Co Ltd American Depoitory Shares (YZC)	8,525.92	9,891.76
Zions Bancorp	6,665.57	7,007.40
 <b>Line 10b Investments - Corporate Stock</b>	 <b>9,945,689</b>	 <b>10,658,098</b>

STATEMENT 9

(a) List and describe the kinds of property sold	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(g) Cost or Other Basis	(h) Gain or (Loss)	
<u>Security</u>	<u>No. Shares</u>	<u>Date Purchased</u>	<u>Date Sold</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/(Loss)</u>
Northstar 4 480% 04/17/06	500,000 000	02/28/06	03/31/06	500,000	500,000	0
Northstar 4 480% 04/17/06	600,000 000	02/28/06	04/13/06	600,000	600,000	0
MSIF International Equity A	1,132 743	12/27/05	04/12/06	24,682	23,108	1,575
MSIF International Equity A	4,859 145	12/27/05	04/12/06	105,881	99,127	6,754
MSIF International Equity A	513 942	12/27/05	04/12/06	11,199	10,484	714
MSIF International Equity A	4,602 572	05/23/03	04/12/06	100,290	69,453	30,837
MSIF International Equity A	3,180 662	07/21/03	04/12/06	69,307	50,000	19,307
MSIF International Equity A	1,208 282	01/06/04	04/12/06	26,328	22,559	3,770
MSIF International Equity A	24,850 895	10/18/04	04/12/06	541,501	500,000	41,501
MSIF International Equity A	883 350	12/28/04	04/12/06	19,248	18,480	769
MSIF International Equity A	661 089	12/28/04	04/12/06	14,405	13,830	575
MSIF International Equity A	2,947 868	12/28/04	04/12/06	64,234	61,669	2,565
MSIF International Equity A	27,688 048	03/10/05	04/12/06	603,323	600,000	3,323
Merge Technologies Inc	210 000	12/23/05	03/01/06	4,097	5,516	(1,419)
Palomar Medical Techs	211 000	04/27/05	04/07/06	6,684	5,074	1,610
Palomar Medical Techs	106 000	08/22/05	04/07/06	3,358	2,872	486
Bright Horizons Family Sol	153 000	06/13/05	04/07/06	5,881	5,704	177
Bright Horizons Family Sol	60 000	02/16/06	04/07/06	2,306	2,309	(3)
Bright Horizons Family Sol	27 000	02/16/06	04/07/06	1,038	1,040	(2)
Gardner Denver Inc	39 000	05/18/05	04/07/06	2,486	1,520	966
Gardner Denver Inc	23 000	06/01/05	04/07/06	1,466	896	570
Gardner Denver Inc	66 000	06/02/05	04/07/06	4,207	2,568	1,639
Gardner Denver Inc	91 000	06/03/05	04/07/06	5,801	3,516	2,285
Gardner Denver Inc	38 000	12/05/05	04/07/06	2,422	1,842	580
Radvision Ltd	97 000	01/23/06	04/07/06	1,722	1,770	(49)
Radvision Ltd	112 000	02/10/06	04/07/06	1,988	2,027	(39)
Radvision Ltd	25 000	02/27/06	04/07/06	444	501	(57)
Radvision Ltd	30 000	03/03/06	04/07/06	532	601	(69)
Radvision Ltd	27 000	03/10/06	04/07/06	479	541	(62)
Haemonetics Corp	95 000	04/21/05	04/07/06	4,731	3,990	741
Haemonetics Corp	132 000	04/25/05	04/07/06	6,573	5,554	1,020
Haemonetics Corp	23 000	01/06/06	04/07/06	1,145	1,116	29
Ins Int'l Inc	54 000	03/02/06	04/07/06	813	1,243	(430)
Ins Int'l Inc	204 000	03/03/06	04/07/06	3,072	4,525	(1,453)
Informatica Corp	475 000	11/28/05	04/07/06	7,719	5,390	2,329
Progress Software	106 000	06/07/05	04/07/06	3,047	3,107	(60)
Progress Software	155 000	06/07/05	04/07/06	4,456	4,539	(83)
Progress Software	107 000	07/29/05	04/07/06	3,076	3,402	(326)
Option Care	87 000	04/19/05	04/07/06	1,215	1,222	(7)
Option Care	141 000	04/20/05	04/07/06	1,970	1,988	(18)
Option Care	27 000	04/20/05	04/07/06	377	381	(4)
Option Care	73 000	04/21/05	04/07/06	1,020	1,027	(8)
Option Care	246 000	05/03/05	04/07/06	3,437	3,469	(33)
Central Garden & Pet Co	11 000	06/20/05	04/07/06	577	529	48
Central Garden & Pet Co	74 000	06/28/05	04/07/06	3,880	3,573	308
Central Garden & Pet Co	23 000	06/30/05	04/07/06	1,206	1,105	101
Central Garden & Pet Co	17 000	07/18/05	04/07/06	891	825	67
Central Garden & Pet Co	38 000	07/21/05	04/07/06	1,993	1,837	155
Guitar Center Inc	174 000	08/15/05	04/07/06	8,145	10,811	(2,666)
Hub Group	63 000	04/11/05	04/07/06	2,838	1,955	883
Hub Group	100 000	04/13/05	04/07/06	4,505	3,109	1,396
J2 Global Comm Inc	87 000	09/08/05	04/07/06	3,946	3,227	719
J2 Global Comm Inc	34 000	09/21/05	04/07/06	1,542	1,260	283
J2 Global Comm Inc	12 000	09/22/05	04/07/06	544	444	100
J2 Global Comm Inc	14 000	09/23/05	04/07/06	635	519	116
J2 Global Comm Inc	75 000	10/17/05	04/07/06	3,402	2,903	499
Schick Technologies Inc	15 000	02/16/06	04/07/06	740	576	165
Schick Technologies Inc	43 000	02/17/06	04/07/06	2,122	1,707	415
Matna Healthcare Inc	141 000	09/27/05	04/07/06	5,349	5,362	(12)
Matna Healthcare Inc	94 000	10/04/05	04/07/06	3,566	3,514	52
Matna Healthcare Inc	21 000	03/20/06	04/07/06	797	801	(4)
Petrohawk Energy Corp	151 000	02/08/06	04/07/06	2,084	2,360	(276)
Petrohawk Energy Corp	224 000	02/10/06	04/07/06	3,091	3,528	(437)
Aspect Med Sys Inc	166 000	02/13/06	04/07/06	4,535	5,833	(1,298)
Aquantive Inc	216 000	12/23/05	04/07/06	5,160	5,374	(214)
Aquantive Inc	31 000	02/01/06	04/07/06	741	801	(61)
Aquantive Inc	115 000	02/02/06	04/07/06	2,747	2,990	(243)
Peet's Coffee & Tea	165 000	08/23/05	04/07/06	4,872	5,333	(461)
Symmetry Medical Inc	40 000	08/24/05	04/07/06	832	960	(127)
Symmetry Medical Inc	326 000	09/16/05	04/07/06	6,784	7,857	(1,074)



(a) List and describe the kinds of property sold		(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(g) Cost or Other Basis	(h) Gain or (Loss)
<u>Security</u>	<u>No. Shares</u>	<u>Date Purchased</u>	<u>Date Sold</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/(Loss)</u>
LKQ Corp	332 000	11/28/05	04/07/06	6,640	5,545	1,095
LKQ Corp	127 000	01/26/06	04/07/06	2,540	2,472	68
Healthways Inc	95 000	06/24/05	04/07/06	4,879	3,752	1,127
Micros Systems	139 000	05/03/05	04/07/06	6,345	4,907	1,439
Micros Systems	69 000	07/20/05	04/07/06	3,150	2,965	185
Microsemi Corp	202 000	11/29/05	04/07/06	5,858	5,561	297
Microsemi Corp	94 000	12/01/05	04/07/06	2,726	2,538	188
Microsemi Corp	30 000	12/08/05	04/07/06	870	844	26
Microsemi Corp	75 000	12/18/05	04/07/06	2,175	2,112	63
American Medical Systems Hldgs	26 000	04/26/04	01/11/06	487	334	153
American Medical Systems Hldgs	168 000	05/07/04	01/11/06	3,150	2,205	945
American Medical Systems Hldgs	28 000	05/10/04	01/11/06	525	368	157
Alliance Data Systems Corp	74 000	12/26/03	01/11/06	2,853	2,035	818
Alliance Data Systems Corp	220 000	01/08/04	01/11/06	8,483	6,019	2,464
Alliance Data Systems Corp	44 000	12/22/04	01/11/06	1,697	2,101	(405)
Knight Trans Inc	125 250	02/24/03	01/12/06	2,645	1,059	1,586
Knight Trans Inc	65 750	06/19/03	01/12/06	1,389	716	673
American Medical Systems Hldgs	92 000	05/10/04	01/12/06	1,917	1,207	709
American Medical Systems Hldgs	170 000	06/04/04	01/12/06	3,541	2,548	993
American Medical Systems Hldgs	46 000	06/04/04	01/12/06	961	690	272
American Medical Systems Hldgs	28 000	12/22/04	01/12/06	585	593	(8)
DRS Technologies	0 130	02/04/04	02/03/06	6	6	0
Engineered Support Systems	107 000	02/04/04	02/04/06	3,221	2,066	1,154
Engineered Support Systems	49 000	04/26/04	02/04/06	1,475	1,016	459
Engineered Support Systems	46 500	04/27/04	02/04/06	1,400	970	430
Engineered Support Systems	22 500	04/28/04	02/04/06	677	468	210
DRS Technologies	27 990	02/04/04	02/05/06	1,383	1,324	59
DRS Technologies	12 877	04/26/04	02/05/06	636	657	(21)
DRS Technologies	12 220	04/27/04	02/05/06	604	627	(23)
DRS Technologies	5 913	04/28/04	02/05/06	292	302	(10)
United Natural Foods Inc	310 000	10/03/02	04/07/06	10,574	3,407	7,167
United Natural Foods Inc	60 000	12/22/04	04/07/06	2,047	1,722	325
Dade Behring Holdings	64 000	01/28/04	04/07/06	2,280	1,249	1,032
Dade Behring Holdings	350 000	01/29/04	04/07/06	12,470	6,772	5,698
Dade Behring Holdings	56 000	12/22/04	04/07/06	1,995	1,561	434
East West Bancorp	163 000	07/10/03	04/07/06	6,031	3,033	2,998
East West Bancorp	15 000	09/30/04	04/07/06	555	503	52
Waste Connections	83 000	12/09/02	04/07/06	3,305	2,087	1,218
Waste Connections	67 500	12/10/02	04/07/06	2,688	1,692	996
Waste Connections	39 000	05/21/04	04/07/06	1,553	1,063	490
Waste Connections	10 500	05/25/04	04/07/06	418	287	131
Waste Connections	72 000	12/22/04	04/07/06	2,867	2,400	467
CRA Intl Inc	13 000	12/09/04	04/07/06	637	573	64
CRA Intl Inc	22 000	12/15/04	04/07/06	1,078	968	110
CRA Intl Inc	8 000	12/20/04	04/07/06	392	352	39
CRA Intl Inc	54 000	12/21/04	04/07/06	2,645	2,379	266
CRA Intl Inc	86 000	01/10/05	04/07/06	4,212	3,788	424
HCC Insurance Hldgs Inc	435 000	10/03/02	04/07/06	14,790	6,987	7,803
HCC Insurance Hldgs Inc	129 000	12/22/04	04/07/06	4,386	2,803	1,583
Cognizant Tech Solutions	441 000	10/03/02	04/07/06	26,234	4,071	22,163
Cognizant Tech Solutions	98 000	12/22/04	04/07/06	5,830	3,871	1,959
Stencyl Inc	159 000	10/03/02	04/07/06	10,731	5,492	5,238
Stencyl Inc	42 000	12/22/04	04/07/06	2,834	1,940	894
Knight Trans Inc	440 500	06/19/03	04/07/06	8,810	4,797	4,013
Knight Trans Inc	15 000	09/30/04	04/07/06	300	216	84
Knight Trans Inc	88 500	12/22/04	04/07/06	1,770	1,469	301
Portfolio Recovery Assoc Inc	63 000	06/03/03	04/07/06	2,914	1,780	1,133
Portfolio Recovery Assoc Inc	130 000	06/09/03	04/07/06	6,012	3,586	2,426
Portfolio Recovery Assoc Inc	10 000	09/30/04	04/07/06	462	291	172
Portfolio Recovery Assoc Inc	18 000	12/22/04	04/07/06	832	732	100
Arthrocare Group	27 000	12/20/04	04/07/06	1,262	863	399
Arthrocare Group	253 000	01/03/05	04/07/06	11,827	7,960	3,868
Quicksilver Resources Inc	212 000	11/15/04	04/07/06	8,331	4,301	4,031
Denbury Resources Inc	292 000	10/28/04	04/07/06	9,256	3,640	5,616
Denbury Resources Inc	232 000	11/02/04	04/07/06	7,354	2,929	4,425
Denbury Resources Inc	108 000	12/22/04	04/07/06	3,423	1,497	1,927
Healthextras Inc	3 000	01/12/05	04/07/06	105	49	56
Healthextras Inc	40 000	01/24/05	04/07/06	1,396	640	756
Healthextras Inc	126 000	01/25/05	04/07/06	4,396	2,002	2,394
Healthextras Inc	63 000	01/26/05	04/07/06	2,198	1,003	1,195
Healthextras Inc	25 000	01/27/05	04/07/06	872	399	474

(a) List and describe the kinds of property sold		(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(g) Cost or Other Basis	(h) Gain or (Loss)
<u>Security</u>	<u>No. Shares</u>	<u>Date Purchased</u>	<u>Date Sold</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/(Loss)</u>
Healthextras Inc	60 000	01/28/05	04/07/06	2,093	947	1,146
Global Payment Inc	10 000	09/11/03	04/07/06	514	187	326
Global Payment Inc	340 000	09/25/03	04/07/06	17,469	6,375	11,094
Global Payment Inc	68 000	12/22/04	04/07/06	3,494	1,859	1,635
Vennt Systems Inc	24 000	07/18/03	04/07/06	833	576	258
Vennt Systems Inc	65 000	07/21/03	04/07/06	2,257	1,555	703
Vennt Systems Inc	25 000	07/13/04	04/07/06	868	774	94
Vennt Systems Inc	8 000	07/14/04	04/07/06	278	248	30
Vennt Systems Inc	29 000	07/16/04	04/07/06	1,007	899	108
Vennt Systems Inc	35 000	07/19/04	04/07/06	1,216	1,085	131
Vennt Systems Inc	19 000	07/27/04	04/07/06	660	569	91
Vennt Systems Inc	61 000	12/22/04	04/07/06	2,118	2,153	(35)
SRA Int'l Inc	379 000	08/05/03	04/07/06	14,098	6,371	7,728
SRA Int'l Inc	70 000	12/22/04	04/07/06	2,604	2,193	411
Jarden Corp	169 500	01/11/05	04/07/06	5,371	5,037	334
Jarden Corp	69 000	01/24/05	04/07/06	2,187	2,109	78
Jarden Corp	106 500	01/25/05	04/07/06	3,375	3,265	110
Healthways Inc	124 000	09/30/04	04/07/06	6,368	3,658	2,710
Healthways Inc	47 000	12/22/04	04/07/06	2,414	1,523	891
Airgas Inc	14 000	04/16/03	04/07/06	552	274	279
Airgas Inc	265 000	04/25/03	04/07/06	10,454	5,234	5,220
Airgas Inc	72 000	07/06/04	04/07/06	2,840	1,673	1,168
Airgas Inc	59 000	12/22/04	04/07/06	2,327	1,572	755
Church & Dwight Co Inc	244 000	11/11/02	04/07/06	8,913	4,740	4,173
Church & Dwight Co Inc	53 000	12/22/04	04/07/06	1,936	1,746	190
Ilex Corporation	44 500	04/29/04	04/07/06	2,285	1,401	884
Ilex Corporation	9 000	04/30/04	04/07/06	462	283	179
Ilex Corporation	118 500	05/06/04	04/07/06	6,086	3,726	2,360
Ilex Corporation	74 000	07/06/04	04/07/06	3,801	2,442	1,359
Ilex Corporation	35 000	12/22/04	04/07/06	1,798	1,426	372
Southwestern Energy Co	438 000	08/18/04	04/07/06	14,173	3,668	10,506
Southwestern Energy Co	104 000	12/22/04	04/07/06	3,365	1,334	2,031
Wolverine World Wide	31 000	05/19/03	04/07/06	671	365	306
Wolverine World Wide	90 000	06/18/03	04/07/06	1,948	1,152	796
Wolverine World Wide	270 000	07/18/03	04/07/06	5,843	3,502	2,340
Wolverine World Wide	97 500	07/21/03	04/07/06	2,110	1,267	843
Wolverine World Wide	118 500	12/22/04	04/07/06	2,564	2,475	89
Laureate Education Inc	91 000	06/14/04	04/07/06	4,868	3,496	1,373
Laureate Education Inc	89 000	06/21/04	04/07/06	4,761	3,427	1,335
Laureate Education Inc	24 000	12/22/04	04/07/06	1,284	1,061	223
UTI Worldwide Inc	30 000	08/19/03	04/07/06	908	340	568
UTI Worldwide Inc	480 000	09/04/03	04/07/06	14,534	5,926	8,608
UTI Worldwide Inc	129 000	12/22/04	04/07/06	3,906	2,831	1,075
Genworth Financial Inc	25 000	10/05/05	01/09/06	865	804	61
Pioneer Natural Resources Co	25 000	04/12/05	01/09/06	1,339	1,113	226
Pioneer Natural Resources Co	20 000	04/12/05	01/25/06	1,061	890	170
Pioneer Natural Resources Co	25 000	05/09/05	01/25/06	1,326	967	359
Hughes Supply Inc	25 000	06/30/05	02/01/06	1,150	700	450
Hughes Supply Inc	45 000	07/11/05	02/01/06	2,070	1,292	777
Hughes Supply Inc	45 000	09/12/05	02/01/06	2,070	1,480	589
Dex Media Inc	75 000	05/03/05	02/02/06	923	520	403
Dex Media Inc	5 000	05/10/05	02/02/06	62	35	27
Sherwin Williams Company Ohio	30 000	06/29/05	03/17/06	1,368	1,369	(1)
R H Donnelley	18 116	05/03/05	03/21/06	1,079	1,123	(44)
R H Donnelley	1 208	05/10/05	03/21/06	72	75	(3)
Hormel Foods Corporation	25 000	04/28/05	03/23/06	823	771	51
Genworth Financial Inc	145 000	10/05/05	04/24/06	4,939	4,660	279
Pitney Bowes Inc	35 000	07/12/05	04/24/06	1,491	1,496	(6)
Pitney Bowes Inc	40 000	07/28/05	04/24/06	1,704	1,753	(50)
Pitney Bowes Inc	50 000	10/06/05	04/24/06	2,130	2,100	30
Knight Ridder Inc	20 000	08/02/05	04/24/06	1,222	1,276	(54)
Knight Ridder Inc	5 000	08/03/05	04/24/06	305	318	(13)
Hilton Hotels	55 000	08/05/05	05/05/06	1,463	1,362	100
Meadwestvaco Corp	35 000	06/03/05	05/10/06	1,031	1,011	20
Hilton Hotels	10 000	08/05/05	06/09/06	272	248	24
Hilton Hotels	25 000	08/15/05	06/09/06	680	622	59
CA Inc	60 000	11/08/05	07/19/06	1,142	1,729	(587)
DPL Inc	35 000	10/06/05	07/25/06	950	973	(23)
Federated Dept Stores	9 000	10/06/05	08/17/06	335	298	38
Federated Dept Stores	21 000	10/06/05	08/25/06	787	694	92
Federated Dept Stores	14 000	01/10/06	08/25/06	524	483	42

(a) List and describe the kinds of property sold	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(g) Cost or Other Basis	(h) Gain or (Loss)	
<u>Security</u>	<u>No. Shares</u>	<u>Date Purchased</u>	<u>Date Sold</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/(Loss)</u>
Hanover Insurance Group Inc	25 000	07/26/06	09/05/06	1,097	1,148	(51)
Federated Dept Stores	30 000	01/10/06	09/11/06	1,170	1,034	136
Golden West Financial Corp	20 000	04/28/06	10/05/06	373	79	294
Cooper Industries	15 000	03/08/06	10/11/06	1,303	1,252	51
Henry Schein Inc	5 000	01/10/06	10/19/06	253	222	31
clear channel outdoor	70 000	11/17/05	11/01/06	1,642	1,329	314
clear channel outdoor	20 000	01/10/06	11/01/06	469	391	78
Henry Schein Inc	20 000	01/10/06	11/07/06	1,030	889	141
Safeco Corp	15 000	02/02/06	11/21/06	918	803	115
Wachovia Corp	21 021	04/28/06	12/01/06	1,134	1,280	(146)
Alltel Corp	30 000	03/06/06	12/01/06	1,714	1,800	(86)
Alltel Corp	15 000	05/05/06	12/01/06	857	964	(107)
Mueller Series B	0 178	03/29/06	12/14/06	3	3	(1)
TJX Cos Inc	45 000	12/14/04	01/09/06	1,089	1,119	(31)
Assurant Inc	20 000	12/14/04	01/09/06	895	610	284
Dean Foods Co	45 000	12/14/04	01/09/06	1,707	1,233	474
E W Scripps Company	40 000	12/14/04	01/09/06	1,968	1,832	136
Kinder Morgan Inc	10 000	12/14/04	01/09/06	936	714	222
T Rowe Pnce Group	15 000	12/14/04	01/09/06	1,097	936	160
Crane Co	35 000	12/14/04	01/09/06	1,237	1,013	224
Harsco Corp	15 000	12/14/04	01/09/06	1,048	803	245
Legg Mason Inc	20 000	12/14/04	01/09/06	2,353	1,443	909
North Fork Bancorp	25 000	12/14/04	01/09/06	674	723	(49)
Northern Trust Corp	20 000	12/14/04	01/09/06	1,042	964	78
Vulcan Materials Co	15 000	12/14/04	01/09/06	1,029	803	226
Pactiv Corp	125 000	12/14/04	01/09/06	2,812	3,070	(258)
Pactiv Corp	75 000	01/05/05	01/09/06	1,687	1,846	(159)
Borg Warner Inc	25 000	12/14/04	01/09/06	1,434	1,244	190
IPC Holdings LTD	35 000	12/14/04	01/09/06	965	1,545	(580)
PS Business Parks Inc	45 000	12/14/04	01/09/06	2,261	2,036	225
Crane Co	5 000	12/14/04	01/12/06	182	145	38
Burlington Resources Inc	75 000	12/14/04	02/01/06	6,888	3,236	3,652
Golden West Financial Corp	15 000	12/14/04	02/01/06	1,038	906	132
R H Donnelley	0 139	12/14/04	02/02/06	9	10	(1)
Dex Media Inc	35 000	12/14/04	02/02/06	431	277	153
Dex Media Inc	20 000	12/31/04	02/02/06	246	157	89
Dex Media Inc	85 000	01/26/05	02/02/06	1,046	624	421
Brown Forman Corp	15 000	12/14/04	02/10/06	1,021	742	278
Brookfield Pptys	35 000	12/14/04	02/13/06	1,049	864	185
Hormel Foods Corporation	25 000	12/14/04	02/13/06	856	748	108
Burlington Resources Inc	10 000	12/14/04	02/13/06	875	432	443
Albemarle Corporation	35 000	12/14/04	02/24/06	1,507	1,389	118
Centurytel Inc	80 000	12/14/04	02/27/06	2,912	2,788	124
Sherwin Williams Company Ohio	35 000	12/14/04	02/27/06	1,453	1,549	(97)
Burlington Resources Inc	50 000	12/14/04	03/03/06	4,496	2,158	2,339
Republic Services Inc	15 000	12/14/04	03/08/06	585	503	82
Clorox Co	5 000	12/14/04	03/08/06	306	288	18
Sherwin Williams Company Ohio	10 000	12/14/04	03/08/06	452	443	9
Borg Warner Inc	20 000	12/14/04	03/09/06	1,102	995	107
Sherwin Williams Company Ohio	30 000	12/14/04	03/17/06	1,371	1,328	43
Sherwin Williams Company Ohio	10 000	12/14/04	03/17/06	456	443	13
R H Donnelley	8 315	12/14/04	03/21/06	495	589	(94)
R H Donnelley	4 831	12/31/04	03/21/06	288	339	(52)
R H Donnelley	20 531	01/26/05	03/21/06	1,223	1,349	(127)
Hormel Foods Corporation	40 000	12/14/04	03/23/06	1,316	1,196	120
Assurant Inc	5 000	12/14/04	04/05/06	245	153	92
Manor Care Inc	15 000	12/14/04	04/05/06	668	532	135
Brown Forman Corp	15 000	12/14/04	04/06/06	1,156	742	414
Ashland Incorporated	20 000	12/14/04	04/12/06	1,381	961	419
Vulcan Materials Co	10 000	12/14/04	04/12/06	891	536	355
Gannett Inc	20 000	12/14/04	04/13/06	1,190	1,617	(428)
Harsco Corp	15 000	12/14/04	04/13/06	1,241	803	438
Autonation Inc	65 000	12/14/04	04/19/06	1,495	1,208	287
Manor Care Inc	40 000	12/14/04	04/24/06	1,751	1,419	332
Manor Care Inc	40 000	02/10/05	04/24/06	1,751	1,388	363
Knight Ridder Inc	20 000	12/14/04	04/24/06	1,222	1,337	(116)
Meadwestvaco Corp	10 000	03/14/05	05/03/06	286	331	(45)
Meadwestvaco Corp	25 000	03/23/05	05/03/06	714	821	(107)
Cooper Industries	10 000	12/14/04	05/03/06	910	677	233
Marathon Oil Co	15 000	03/03/05	05/05/06	1,220	695	525
PPL Corporation	25 000	01/18/05	05/09/06	731	660	71

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<u>Security</u>	<u>No.</u> <u>Shares</u>	<u>Date</u> <u>Purchased</u>	<u>Date</u> <u>Sold</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/(Loss)</u>
Meadwestvaco Corp	15 000	03/23/05	05/10/06	442	492	(50)
Marathon Oil Co	20 000	03/03/05	05/15/06	1,613	926	687
DPL Inc	40 000	01/18/05	06/07/06	1,083	1,015	68
DPL Inc	40 000	01/31/05	06/07/06	1,083	1,040	43
Autozone Inc	5 000	12/14/04	06/09/06	444	440	4
Columbia Sportswear Co	35 000	12/14/04	06/09/06	1,645	2,027	(382)
Golden West Financial Corp	10 000	12/14/04	06/09/06	740	604	136
Webster Financial Corp	20 000	12/14/04	06/09/06	955	1,012	(57)
Tuesday Morning Corp	95 000	12/14/04	06/16/06	1,333	2,804	(1,471)
Golden West Financial Corp	20 000	12/14/04	06/28/06	1,435	1,208	227
CA Inc	80 000	12/14/04	07/05/06	1,645	2,475	(830)
Gannett Inc	35 000	12/14/04	07/05/06	1,952	2,830	(878)
Assurant Inc	10 000	12/14/04	07/10/06	476	305	171
Cincinnati Financial Ohio	25 000	12/14/04	07/10/06	1,181	1,059	122
North Fork Bancorp	15 000	12/14/04	07/10/06	450	434	16
VF Corporation	10 000	12/14/04	07/10/06	674	533	141
North Fork Bancorp	70 000	12/14/04	07/18/06	2,097	2,024	72
CA Inc	25 000	12/14/04	07/19/06	476	774	(298)
CA Inc	5 000	12/31/04	07/19/06	95	155	(60)
CA Inc	45 000	07/12/05	07/19/06	857	1,249	(392)
Windstream Corp	0 107	12/14/04	07/19/06	1	1	0
Golden West Financial Corp	20 000	12/14/04	07/20/06	1,456	1,208	248
M&T Bank Corp	5 000	12/14/04	07/24/06	590	524	66
Cooper Industries	15 000	12/14/04	07/24/06	1,321	1,015	306
Gannett Inc	10 000	12/14/04	07/24/06	535	809	(273)
Gannett Inc	15 000	12/20/04	07/24/06	803	1,186	(383)
Gannett Inc	5 000	12/31/04	07/24/06	268	409	(141)
DPL Inc	5 000	01/31/05	07/25/06	136	130	6
DPL Inc	70 000	05/27/05	07/25/06	1,901	1,745	155
Safeco Corp	20 000	12/14/04	07/25/06	1,086	991	95
AGL Resources Inc	35 000	01/18/05	08/03/06	1,367	1,157	210
AGL Resources Inc	5 000	02/16/05	08/03/06	195	179	16
Alltel Corp	25 000	12/14/04	08/03/06	1,382	1,140	242
PPL Corporation	15 000	01/18/05	08/07/06	521	396	125
PPL Corporation	20 000	01/31/05	08/07/06	694	539	156
Cooper Industries	20 000	12/14/04	08/09/06	1,752	1,354	398
Federated Dept Stores	46 000	12/14/04	08/17/06	1,713	1,597	116
Marathon Oil Co	27 000	03/03/05	09/01/06	2,377	1,250	1,126
Family Dollar Stores Inc	65 000	12/14/04	09/07/06	1,660	1,905	(244)
Assurant Inc	10 000	12/14/04	09/11/06	519	305	214
Golden West Financial Corp	20 000	12/14/04	09/11/06	1,528	1,208	320
Safeco Corp	25 000	12/14/04	09/11/06	1,432	1,239	194
VF Corporation	15 000	12/14/04	09/11/06	1,047	800	248
Family Dollar Stores Inc	45 000	12/14/04	09/18/06	1,272	1,319	(46)
T Rowe Price Group	30 000	12/14/04	09/22/06	1,394	936	458
IPC Holdings LTD	45 000	12/14/04	09/28/06	1,318	1,986	(668)
Alltel Corp	20 000	12/14/04	10/02/06	1,127	912	215
Family Dollar Stores Inc	60 000	12/14/04	10/03/06	1,697	1,758	(61)
Cooper Industries	20 000	12/14/04	10/03/06	1,703	1,354	349
Wachovia Corp	0 595	12/14/04	10/05/06	34	32	2
Golden West Financial Corp	55 000	12/14/04	10/05/06	1,026	194	832
Golden West Financial Corp	15 000	12/31/04	10/05/06	280	54	226
Autozone Inc	10 000	12/14/04	10/11/06	1,069	880	189
Estee Lauder Cos Inc	5 000	04/18/05	10/11/06	203	229	(26)
Estee Lauder Cos Inc	15 000	05/03/05	10/11/06	608	577	31
M&T Bank Corp	10 000	12/14/04	10/11/06	1,196	1,048	148
Cooper Industries	5 000	12/14/04	10/11/06	434	339	96
Limited Brands Inc	45 000	08/12/05	10/11/06	1,239	1,098	141
Safeco Corp	15 000	12/14/04	10/11/06	911	743	167
Albemarle Corporation	15 000	12/14/04	10/12/06	834	595	238
VF Corporation	15 000	12/14/04	10/12/06	1,114	800	315
Devon Energy Corp	35 000	12/14/04	10/30/06	2,448	1,378	1,070
Alltel Corp	30 000	12/14/04	10/30/06	1,723	1,368	355
Webster Financial Corp	20 000	12/14/04	11/01/06	960	1,012	(52)
Carlisle Co Inc	5 000	12/14/04	11/01/06	413	312	101
Tiffany & Company	15 000	12/14/04	11/02/06	531	457	74
Tiffany & Company	15 000	12/21/04	11/02/06	531	467	64
Omnicare Inc	30 000	12/14/04	11/02/06	1,141	990	151
Sigma Aldrich Corp	15 000	12/14/04	11/03/06	1,123	898	225
Albemarle Corporation	20 000	12/14/04	11/03/06	1,288	794	494
AGL Resources Inc	35 000	02/16/05	11/03/06	1,317	1,255	63

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AGL Resources Inc	10 000	05/03/05	11/03/06	376	344	33
Meadwestvaco Corp	20 000	06/03/05	11/06/06	551	578	(26)
Meadwestvaco Corp	80 000	08/01/05	11/06/06	2,206	2,325	(120)
Safeco Corp	20 000	12/14/04	11/07/06	1,213	991	222
Ashland Incorporated	15 000	12/14/04	11/09/06	966	721	245
Vulcan Materials Co	10 000	12/14/04	11/09/06	866	536	330
Ashland Incorporated	20 000	12/14/04	11/14/06	1,328	961	367
Ashland Incorporated	5 000	12/20/04	11/14/06	332	232	100
Ashland Incorporated	20 000	12/20/04	11/15/06	1,317	927	391
Ashland Incorporated	25 000	11/10/05	11/15/06	1,647	1,356	291
Tiffany & Company	10 000	12/21/04	11/16/06	365	311	54
Tiffany & Company	10 000	05/04/05	11/16/06	365	301	64
Safeco Corp	10 000	12/14/04	11/21/06	612	496	117
AGL Resources Inc	5 000	05/03/05	11/27/06	187	172	15
AGL Resources Inc	20 000	05/03/05	11/27/06	747	687	59
AGL Resources Inc	5 000	08/26/05	11/27/06	187	182	5
Kinder Morgan Inc	20 000	12/14/04	11/29/06	2,105	1,427	678
OSI Restaurant Partners, Inc	30 000	12/14/04	11/30/06	1,172	1,335	(163)
Wachovia Corp	21 000	12/14/04	12/01/06	1,133	1,136	(3)
Wachovia Corp	16 000	12/14/04	12/01/06	863	866	(2)
Wachovia Corp	20 213	12/14/04	12/01/06	1,091	1,094	(3)
Wachovia Corp	15 766	12/31/04	12/01/06	851	869	(19)
Alltel Corp	5 000	12/14/04	12/01/06	286	228	58
Alltel Corp	5 000	12/31/04	12/01/06	286	226	60
Alltel Corp	5 000	04/12/05	12/01/06	286	216	70
Alltel Corp	5 000	04/12/05	12/01/06	286	216	70
Alltel Corp	5 000	04/12/05	12/01/06	286	216	70
Alltel Corp	30 000	04/12/05	12/01/06	1,714	1,297	417
Alltel Corp	5 000	04/12/05	12/01/06	286	216	70
North Fork Bancorp	10 000	12/14/04	12/01/06	281	289	(8)
North Fork Bancorp	170 000	12/14/04	12/01/06	4,784	4,917	(132)
North Fork Bancorp	10 000	12/31/04	12/01/06	281	288	(7)
North Fork Bancorp	80 000	04/12/05	12/01/06	2,252	2,266	(14)
Vulcan Materials Co	25 000	12/14/04	12/04/06	2,224	1,339	885
AGL Resources Inc	35 000	08/26/05	12/07/06	1,382	1,269	113
VF Corporation	15 000	12/14/04	12/07/06	1,189	800	389
Dean Foods Co	25 000	12/14/04	12/07/06	1,073	685	388
Eni Spa Amer Dep	0 500	08/25/05	01/09/06	30	29	1
Aegon NV	428 000	08/25/05	01/09/06	7,080	6,103	977
Aegon NV	139 000	08/25/05	01/10/06	2,282	1,982	300
Alcan Inc	143 000	10/13/05	01/11/06	6,051	4,424	1,627
Alcan Inc	74 000	10/18/05	01/11/06	3,131	2,322	809
Alcan Inc	155 000	10/18/05	01/12/06	6,603	4,864	1,739
Shiseido Ltd Spon	485 000	08/29/05	01/13/06	9,476	6,944	2,531
Shiseido Ltd Spon	160 000	08/29/05	01/17/06	3,064	2,291	773
Sekisui House Ltd	228 000	08/29/05	01/17/06	2,979	2,519	460
Shiseido Ltd Spon	130 000	08/29/05	01/18/06	2,520	1,861	658
Sekisui House Ltd	517 000	08/29/05	01/18/06	6,840	5,711	1,129
Shiseido Ltd Spon	304 000	08/29/05	01/19/06	5,860	4,353	1,507
Sekisui House Ltd	656 000	08/29/05	01/19/06	8,673	7,247	1,426
Lihir Gold Ltd	78 000	08/29/05	01/20/06	2,873	1,625	1,248
Shiseido Ltd Spon	272 000	08/29/05	01/20/06	5,043	3,895	1,148
Lihir Gold Ltd	116 000	08/29/05	01/23/06	4,100	2,417	1,683
Placer Dome Inc	732 000	08/25/05	01/26/06	1,713	0	1,713
Barrick Gold Corp	0 876	08/25/05	01/26/06	24	23	1
Barrick Gold Corp	558 000	08/25/05	02/06/06	17,402	14,564	2,838
Nintendo Co	514 000	08/29/05	02/06/06	8,707	6,710	1,996
Lonmin Plc	234 000	08/29/05	02/15/06	8,485	4,966	3,518
Lonmin Plc	161 000	08/29/05	02/16/06	5,730	3,417	2,313
TNT N V Ads	418 000	08/29/05	02/24/06	14,140	10,879	3,260
TNT N V Ads	323 000	08/29/05	02/27/06	10,876	8,407	2,469
Nintendo Co	601 000	08/29/05	03/06/06	11,096	7,846	3,249
Suncor Energy Inc	68 000	08/25/05	03/08/06	5,360	3,862	1,498
Kinn Brewery Co Ltd	532 000	08/29/05	03/10/06	6,905	5,290	1,615
Nintendo Co	193 000	08/29/05	03/14/06	3,465	2,520	946
Nintendo Co	311 000	08/29/05	03/16/06	5,581	4,060	1,521
Impala Platinum Holdings	168 000	08/29/05	04/18/06	8,077	4,129	3,948
Lonmin Plc	98 000	08/29/05	04/21/06	4,626	2,080	2,546
Korea Electric Power Corp	238 000	08/25/05	04/28/06	5,452	3,926	1,526
Korea Electric Power Corp	175 000	08/25/05	05/08/06	4,089	2,886	1,202
Aegon NV	375 000	08/25/05	05/18/06	6,566	5,348	1,219

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Security	No. Shares	Date Purchased	Date Sold	Proceeds	Cost	Gain/(Loss)
J Sainsbury Plc	95 000	08/29/05	05/19/06	2,474	1,980	494
J Sainsbury Plc	235 000	08/29/05	05/22/06	5,912	4,897	1,015
J Sainsbury Plc	360 000	08/29/05	05/24/06	8,920	7,502	1,419
Kinn Brewery Co Ltd	560 000	08/29/05	05/24/06	9,067	5,568	3,498
Nintendo Co	160 000	08/29/05	05/26/06	3,317	2,089	1,228
Arkema	0 800	03/31/06	05/26/06	28	31	(3)
Tomkins Plc	499 000	08/29/05	05/30/06	10,378	10,069	309
Matsushita El Indl	657 000	08/25/05	06/02/06	14,673	11,635	3,038
United Utilities	134 000	08/29/05	06/27/06	3,210	3,114	96
EDP_Electncade De	188 000	08/30/05	06/27/06	6,882	5,213	1,669
EDP_Electncade De	226 000	08/30/05	06/27/06	8,279	6,267	2,012
Nintendo Co	129 000	08/29/05	07/05/06	2,643	1,684	959
Nintendo Co	306 000	08/29/05	07/06/06	6,407	3,995	2,412
Nintendo Co	375 000	08/29/05	07/10/06	8,079	4,896	3,183
TNT N V Ads	251 000	08/29/05	07/11/06	8,938	6,533	2,405
EDP_Electncade De	231 000	08/30/05	07/11/06	8,813	6,405	2,408
EDP_Electncade De	228 000	08/30/05	07/20/06	8,368	6,322	2,046
Vodafone Group PLC	0 125	02/22/06	07/28/06	3	3	(0)
TNT N V Ads	226 000	08/29/05	07/31/06	7,733	5,882	1,851
Nintendo Co	273 000	08/29/05	08/08/06	6,428	3,564	2,864
Lonmin Plc	103 000	08/29/05	08/08/06	5,286	2,186	3,100
Anglo American PLC ADR	281 000	10/05/05	08/18/06	6,257	4,247	2,010
Nintendo Co	229 000	08/29/05	08/22/06	5,574	2,990	2,584
Nintendo Co	305 000	08/29/05	08/23/06	7,361	3,982	3,379
Arkema	12 000	03/31/06	09/18/06	512	470	42
Kyocera CP	213 000	06/23/06	09/26/06	18,183	15,897	2,287
Ivanhoe Mines Limited Com (IVN)	687 000	02/15/06	10/27/06	6,164	5,364	800
Sekisui House Ltd	978 000	08/29/05	09/05/06	14,405	10,804	3,601
Barrick Gold Corp	214 000	08/25/05	09/07/06	7,138	5,585	1,553
Fujifilm Holdings Corp	256 000	08/25/05	09/26/06	9,381	8,622	759
EDP_Electncade De	160 000	08/30/05	10/03/06	6,828	4,437	2,391
CLP Holdings Ltd	1,653 000	08/29/05	10/03/06	10,013	9,882	131
Sekisui House Ltd	608 000	08/29/05	10/06/06	9,252	6,717	2,535
EDP_Electncade De	110 000	08/30/05	10/10/06	4,832	3,050	1,782
United Utilities	302 000	08/29/05	10/11/06	8,041	7,018	1,023
TNT N V Ads	255 000	08/29/05	10/12/06	9,586	6,637	2,949
United Utilities	152 000	08/29/05	10/13/06	4,066	3,532	534
J Sainsbury Plc	210 000	08/29/05	10/13/06	6,068	4,376	1,692
KT Corp Spon	109 000	08/25/05	10/24/06	2,328	2,236	93
Chunghwa Telecom	0 500	08/25/05	11/10/06	17	9	8
J Sainsbury Plc	311 000	08/29/05	11/15/06	9,550	6,481	3,070
TNT N V Ads	112 000	08/29/05	11/21/06	4,552	2,915	1,637
TNT N V Ads	109 000	10/02/05	11/21/06	4,430	2,645	1,785
KT Corp Spon	329 000	08/25/05	11/24/06	8,052	6,748	1,304
Vanan Inc	435 000	08/25/05	01/26/06	23,025	16,664	6,361
Vanan Inc	6 000	08/25/05	02/10/06	355	230	125
Starbucks	48 000	08/25/05	02/10/06	1,641	1,210	431
Patterson Companies	159 000	08/25/05	02/10/06	5,338	6,546	(1,208)
Dell	77 000	08/25/05	02/10/06	2,290	2,793	(503)
Zimmer Holdings	25 000	08/25/05	02/10/06	1,670	2,052	(382)
Cisco Sys	14 000	08/25/05	02/10/06	254	248	6
Electronic Arts	50 000	08/25/05	02/10/06	2,689	2,930	(241)
Johnson & Johnson	7 000	08/25/05	02/10/06	398	445	(47)
Maxim Integrated Products	9 000	08/25/05	02/10/06	360	378	(18)
Teva Pharmaceuticals	25 000	08/25/05	02/10/06	1,000	816	184
Walgreen Co	19 000	08/25/05	02/10/06	819	886	(67)
Cisco Sys	830 000	08/25/05	03/20/06	17,736	14,699	3,037
Harley Davidson Inc	1,560 000	08/25/05	03/23/06	75,856	78,527	(2,671)
Harley Davidson Inc	60 000	02/10/06	03/23/06	2,918	3,030	(112)
Moody's Corp	887 000	08/25/05	05/10/06	51,919	43,685	8,234
Zimmer Holdings	245 000	08/25/05	05/26/06	14,856	20,107	(5,251)
Amgen Inc	581 000	08/25/05	05/26/06	39,332	45,841	(6,509)
Expeditors Intl Wash Inc	190 000	08/25/05	05/30/06	18,732	10,411	8,321
Zimmer Holdings	722 000	08/25/05	06/07/06	44,244	59,253	(15,009)
Amgen Inc	655 000	08/25/05	06/09/06	44,113	51,679	(7,566)
Amgen Inc	62 000	02/10/06	06/09/06	4,176	4,519	(343)
Cisco Sys	546 000	08/25/05	08/14/06	10,690	9,670	1,021
Maxim Integrated Products	232 000	08/25/05	08/14/06	6,275	9,756	(3,481)
Moody's Corp	377 000	08/25/05	08/16/06	21,558	18,567	2,990
Cisco Sys	626 000	08/25/05	11/03/06	14,881	11,086	3,794
Starbucks	476 000	08/25/05	11/22/06	17,220	11,995	5,225

(a) List and describe the kinds of property sold	(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(g) Cost or Other Basis	(h) Gain or (Loss)	
Security	No. Shares	Date Purchased	Date Sold	Proceeds	Cost	Gain/(Loss)
Cisco Sys	669 000	08/25/05	11/22/06	18,006	11,848	6,158
Ebay	714 000	08/25/05	11/27/06	23,250	27,775	(4,525)
Davita Inc	101 000	05/04/06	05/09/06	5,104	5,683	(580)
Global Payment Inc	111 000	05/04/06	05/09/06	5,209	5,278	(70)
TD Ameritrade	169 000	05/04/06	05/18/06	2,944	3,123	(179)
TD Ameritrade	80 000	05/04/06	05/19/06	1,374	1,478	(104)
Checkfree Corp	106 000	05/04/06	05/24/06	5,239	5,746	(507)
American Eagle Outfitters	364 000	05/04/06	05/25/06	11,604	11,783	(179)
Salesforce Com (CRM)	255 000	05/04/06	06/14/06	6,672	8,905	(2,232)
Salesforce Com (CRM)	11 000	06/09/06	06/14/06	288	304	(16)
Autozone Inc	95 000	05/04/06	07/03/06	8,749	8,886	(137)
Brookfields Asset Mgmt Inc CI ALTD VT (BAM)	77 000	05/04/06	07/03/06	2,999	3,249	(250)
Crown Castle International Corcom Stk (CCI)	97 000	05/04/06	07/03/06	3,201	3,314	(113)
International Game TechnologyCom (IGT)	82 000	05/04/06	07/03/06	2,881	3,106	(225)
NII Holdings Inc CL-B COM (NIHD)	37 000	05/04/06	07/03/06	1,929	2,218	(289)
NVR Inc Com (NVR)	7 000	05/04/06	07/03/06	3,390	5,249	(1,859)
Questar Corp	38 000	05/04/06	07/03/06	2,949	3,075	(126)
Stencycle Inc	41 000	05/04/06	07/03/06	2,558	2,674	(116)
Medicis Pharm Corp	160 000	05/04/06	07/05/06	3,813	5,280	(1,467)
Autozone Inc	84 000	05/04/06	07/17/06	7,145	7,857	(712)
Getty Images	195 000	05/04/06	07/31/06	9,177	12,053	(2,876)
Getty Images	40 000	07/03/06	07/31/06	1,882	2,546	(664)
Red Hat Inc	361 000	05/04/06	08/21/06	8,389	10,842	(2,453)
Red Hat inc	34 000	06/09/06	08/21/06	790	917	(127)
Netease Com Inc	202 000	05/04/06	09/27/06	3,185	4,361	(1,176)
Tim Hortons Inc	0 667	05/04/06	09/29/06	18	16	2
Tim Hortons Inc	258 000	05/04/06	10/10/06	6,616	6,126	491
Akamai Tech Com Stk (AKAM)	46 000	05/04/06	10/13/06	2,273	1,608	665
Station Casinos Inc Com (STN)	131 000	05/04/06	10/13/06	7,979	10,155	(2,176)
NII Holdings Inc CI-B Com (NIHD)	43 000	05/04/06	10/13/06	2,725	2,577	148
Tessera Technologies Inc Com (TSRA)	63 000	05/04/06	10/13/06	2,167	1,994	173
MDC Holdings Inc	92 000	07/03/06	10/19/06	4,584	4,741	(157)
CB Richard Ellis Group Inc	315 000	05/04/06	10/25/06	8,069	9,137	(1,068)
Chicago Mercantile Ex Holdings	18 000	05/04/06	10/25/06	8,934	8,135	798
International Game Technology Com (IGT)	185 000	05/04/06	11/07/06	7,603	7,008	595
International Game Technology Com (IGT)	47 000	05/04/06	11/08/06	1,970	1,780	189
Coach Inc Com (COH)	356 000	07/03/06	11/08/06	13,875	10,242	3,632
Brookfields Asset Mgmt Inc CI ALTD VT (BAM)	8 000	05/04/06	11/13/06	369	338	31
Brookfields Asset Mgmt Inc CI ALTD VT (BAM)	257 000	05/04/06	11/13/06	11,850	10,845	1,004
Brookfields Asset Mgmt Inc CI ALTD VT (BAM)	8 000	06/09/06	11/13/06	369	335	34
Akamai Tech Com Stk (AKAM)	18 000	05/04/06	11/15/06	877	629	248
Akamai Tech Com Stk (AKAM)	149 000	05/04/06	11/15/06	7,263	5,208	2,056
Akamai Tech Com Stk (AKAM)	18 000	06/09/06	11/15/06	877	549	328
Akamai Tech Com Stk (AKAM)	136 000	07/03/06	11/15/06	6,630	4,445	2,185
Janus Capital Group Inc (JNS)	271 000	05/04/06	11/15/06	5,450	5,274	176
Activision Inc Com New (ATVI)	366 000	05/04/06	11/16/06	6,065	4,985	1,080
Loews Corp Carolina GP (CG)	216 000	05/04/06	12/18/06	13,479	11,128	2,351
Loews Corp Carolina GP (CG)	47 000	10/13/06	12/18/06	2,933	2,690	243
Cheesecake Factory I NC USD Com (CAKE)	206 000	10/13/06	12/19/06	5,170	5,612	(441)
Cheesecake Factory I NC USD Com (CAKE)	3 000	10/16/06	12/19/06	75	81	(6)
Wngley WM Jr PCS	161 000	10/13/06	12/19/06	8,179	7,391	788
Albertsons Inc	182 000	03/17/05	01/31/06	4,602	3,785	817
Albertsons Inc	449 000	03/17/05	02/01/06	11,343	9,338	2,006
Albertsons Inc	87 000	03/17/05	02/02/06	2,197	1,809	387
Tronox	0 098	05/19/05	03/31/06	2	1	1
Tronox	0 039	06/03/05	03/31/06	1	1	0
Tronox	0 010	04/14/05	03/31/06	0	0	0
Tronox	0 056	05/20/05	03/31/06	1	1	0
Burlington Resources Inc	104 000	04/20/05	04/03/06	4,836	(3,024)	7,860
Burlington Resources Inc	236 000	04/21/05	04/03/06	10,974	3,913	7,061
Conocophillips	0 026	04/20/05	04/05/06	2	2	0
Conocophillips	0 250	04/21/05	04/05/06	16	16	0
Tronox	17 000	06/03/05	04/17/05	307	221	86
Tronox	24 000	05/20/05	04/17/05	434	307	127
Tronox	42 000	05/19/05	04/17/05	759	529	230
Dominion Resources Inc	106 000	04/06/06	12/07/06	8,615	7,463	1,152
Dominion Resources Inc	108 000	04/07/06	12/07/06	8,777	7,676	1,101
CBS Corp	0 500	12/13/04	01/06/06	13	14	(1)
Viacom Inc B	0 500	12/13/04	01/06/06	21	5	15
Rio Tinto Plc Spon Adr	25 000	12/13/04	01/10/06	4,715	2,833	1,882
Albertsons Inc	42 000	12/13/04	01/31/06	1,062	976	86

(a) List and describe the kinds of property sold		(c) Date Acquired	(d) Date Sold	(e) Gross Sales Price	(g) Cost or Other Basis	(h) Gain or (Loss)
Security	No. Shares	Date Purchased	Date Sold	Proceeds	Cost	Gain/(Loss)
Lockheed Martin Corp	39 000	12/13/04	03/14/06	2,880	2,354	525
Lockheed Martin Corp	166 000	12/13/04	03/15/06	12,336	10,021	2,315
Tronox	0 028	03/14/05	03/31/06	1	0	0
Tronox	0 241	12/13/04	03/31/06	4	3	2
Tronox	106 000	12/13/04	04/13/06	1,916	1,086	830
Tronox	12 000	03/14/05	04/17/06	217	171	46
Tronox	4 000	04/14/05	04/17/05	72	62	10
Agilent Technologies	677 000	12/13/04	04/27/06	26,000	16,086	9,914
Agilent Technologies	38 000	03/17/05	04/27/06	1,459	892	567
Liberty Capital	0 493	12/13/04	05/09/06	39	38	1
Liberty Capital	0 307	03/14/05	05/09/06	24	22	2
Embarq	0 550	12/13/04	05/19/06	22	25	(3)
Embarq	0 100	03/17/05	05/19/06	4	4	(0)
Embarq	46 000	12/13/04	06/22/06	1,847	2,128	(281)
Embarq	28 000	03/17/05	06/22/06	1,124	1,198	(73)
Rio Tinto Plc Spon Adr	20 000	12/13/04	07/06/06	4,263	2,266	1,997
Rio Tinto Plc Spon Adr	61 000	12/13/04	07/07/06	12,993	6,912	6,080
Kerr McGee CP	168 000	06/03/05	08/11/06	11,844	5,960	5,884
Kerr McGee CP	120 000	03/14/05	08/11/06	8,460	4,591	3,869
Kerr McGee CP	1,042 000	12/13/04	08/11/06	73,461	29,241	44,220
Kerr McGee CP	44 000	04/14/05	08/11/06	3,102	1,675	1,427
Kerr McGee CP	242 000	05/20/05	08/11/06	17,061	8,268	8,793
Kerr McGee CP	422 000	05/19/05	08/11/06	29,751	14,243	15,508
Northrop Grumman Cp	138 000	12/13/04	08/22/06	9,147	7,851	1,296
Northrop Grumman Cp	44 000	12/13/04	08/23/06	2,905	2,503	402
Northrop Grumman Cp	56 000	12/13/04	08/24/06	3,693	3,186	507
Northrop Grumman Cp	83 000	12/13/04	08/25/06	5,477	4,722	755
Northrop Grumman Cp	15 000	12/13/04	08/28/06	989	853	136
Northrop Grumman Cp	74 000	12/13/04	10/12/06	5,055	4,210	845
Northrop Grumman Cp	192 000	12/13/04	10/13/06	13,142	10,923	2,220
Northrop Grumman Cp	45 000	03/17/05	10/13/06	3,080	2,445	635
Northrop Grumman Cp	202 000	03/17/05	10/26/06	13,932	10,975	2,958
Northrop Grumman Cp	108 000	03/17/05	10/27/06	7,343	5,868	1,476
Vengy Ltd	0 192	03/17/05	10/31/06	3	2	1
Lockheed Martin Corp	72 000	12/13/04	11/06/06	6,307	4,347	1,960
Lockheed Martin Corp	108 000	12/13/04	11/07/06	9,488	6,520	2,969
Vengy Ltd	110 000	03/17/05	11/20/06	1,854	1,220	634
Dominion Resources Inc	87 000	12/13/04	11/21/06	7,044	5,899	1,145
Dominion Resources Inc	162 000	12/13/04	11/22/06	13,118	10,984	2,134
Dominion Resources Inc	51 000	03/17/05	11/22/06	4,130	3,783	347
Idearc Inc	27 550	12/13/04	11/30/06	774	832	(58)
Idearc Inc	20 450	03/17/05	11/30/06	575	538	36
Dominion Resources Inc	52 000	03/17/05	12/07/06	4,226	3,857	369
Morgan Stanley Liquid Markets Fund	46,384 990	03/22/02	04/30/06	600,000	470,808	129,192
Total Gain or Loss to Part IV, Line 1a, Col (h)				5,698,019	4,968,236	729,784



Name and Address	Relationship to Foundation Manager or Substantial Contributor	Status of Recipient	IRS BMF	Purpose of grant or contribution	Amount
Baptist Health System Foundation 101 Blount Avenue, Suite 530 Knoxville, TN 37920	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(2)	To raise charitable resources, and be a worthy steward of those funds, in support of Baptist Health System's endeavors to save lives and improve quality of health	2,000
Beck Cultural Exchange Center 1927 Dandridge Avenue Knoxville, TN 37915	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To preserve African-American historical items and achievements	500
Boys & Girls Club of Greater Knoxville 220 Carnick Street, Suite 318 Knoxville, TN 37921	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To provide tried and true programming aimed at improving the self-esteem and confidence of every child	40,000
Cedar Springs Supporting Foundation 9132 Kingston Pike Knoxville, TN 37923	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(3)	To glorify God by forming followers of Jesus Christ who will love God, love one another, and serve the world	33,333
Congressional Management Foundation 513 Capitol CT NE STE 300 Washington, DC 20002	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To help Congress become a more productive and effective institution through better management	5,000
East Tennessee Children's Hospital 2018 Clinch Avenue Knoxville, TN 37901-5010	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To improve the health of children	25,000
Emerald Youth Foundation 1718 North Central Street Knoxville, TN 37917-5501	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To advance the kingdom of God by serving youth & children	70,000
Fellowship of Christian Athletes 8701 Leeds Road Kansas City, MO 64129	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To reach Junior, Senior High School and College students for Jesus Christ, providing summer camps, school based, and drug prevention programs as alternatives to pressures faced today	1,000
Goodwill Industries - Knoxville, Inc P O Box 11066 Knoxville, TN 37939	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To place people in productive and competitive jobs	5,000
Great Smoky Mountain Council Boy Scouts Trust PO Box 51885 Knoxville, TN 37950	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(3) Type I	To provide educational and fitness programs for boys and young adults	4,000
Helen Ross McNabb Foundation 201 W Springdale Avenue NE Knoxville, TN 37917	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(2)	To provide for the long range needs of the Helen Ross McNabb Center	6,000
Historic Tennessee Theatre Foundation 604 S Gay Street Knoxville, TN 37902	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To preserve, maintain, and operate as a performing arts facility for the benefit and enjoyment of all Tennesseans and visitors to the state of Tennessee	10,000
Knoxville Leadership Foundation 901 East Summit Hill Drive Knoxville, TN 37915	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To connect resources and needs in Knoxville	10,000
Knoxville Symphony Society, Inc The Symphony Bldg PO Box 360 Knoxville, TN 37901	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To develop and maintain a symphony orchestra of the highest artistic standards and to reach East Tennessee audiences of all ages	5,500
Leadership Foundations of America 701 4th Ave S Ste 750 Minneapolis, MN 55415	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To build networks to tackle city's problems	10,000
Literacy Imperative 201 Harriet Tubman Street Knoxville, TN 37915	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To provide books and other literacy tools to underserved communities	5,000
Little League Baseball, Inc Near West Little League 2189 West Bowler Street Chicago, IL 60612	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To help change the lives of children in urban Chicago through baseball	1,600
St. Mary's Episcopal School 60 Perkins Memphis, TN 378117	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To provide college preparatory education for girls	5,000
TN Conference Community Development 2321 E Magnolia Avenue Knoxville, TN 37917	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To be a faith-based conduit to social, cultural, and economic change in the community	5,000
Tribe One Empowerment & Publishing P O Box 478 Knoxville, TN 37801	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To promote anti-violence and mentors for inner city youth	35,000
United Way Of Greater Knoxville PO Box 326 Knoxville, TN 37901	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To bring volunteers and companies together in order to improve people's lives	126,500

Name and Address	Relationship to Foundation Manager or Substantial Contributor	Status of Recipient	IRS BMF	Purpose of grant or contribution	Amount
University of Tennessee Office of the Treasurer Knoxville, TN 37996	N/A	Public Charity - an organization described in section 501(c)(3)	State University	To move forward the frontiers of human knowledge and enrich and elevate society	312,500
Volunteer Ministry Center 103 S Gay Street Knoxville, TN 37902	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To serve the poor and homeless of Knoxville	5,000
Webb School of Knoxville 9800 Webb School Drive Knoxville, TN 37923	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To Maintain educational institution properties	35,000
Wesley House Community Center 923 Dameron Avenue Knoxville, TN 37921	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To provide spiritual leadership & education	10,000
West End Academy 6900 Office Park Circle Knoxville, TN 37909-1161	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To reclaim and help make successful the lives of children	11,250
YMCA Knoxville PO Box 2776 Knoxville, TN 37901-2776	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(2)	To provide cultural, educational, recreational and personal development programs	10,000
YoungLife Russia 1831 N Rock Road Court, Suite 103 Wichita, KS 67206	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To promote spiritual - moral revival of a society by education of nring generation, organizing teenage clubs in each district of Moscow	5,500
YoungLife of Knoxville P O Box 647 Knoxville, TN 37901	N/A	Public Charity - an organization described in section 501(c)(3)	509(a)(1)	To provide youth chrstian education	20,000
<b>Total Contributions</b>					<b>814,683</b>