

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

Department of the Treasury
Internal Revenue Service

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

2009

For calendar year 2009, or tax year beginning **January 1**, 2009, and ending **December 31**, 20 **09**

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation PenWel Fund	A Employer identification number 26-1424376
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 3126 W Cary St # 614	B Telephone number (see page 10 of the instructions) [REDACTED]
	City or town, state, and ZIP code Richmond, VA 23221-3504	

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ **759,102**

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

C If exemption application is pending, check here ▶

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

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

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

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	90,100			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	0	0		
	4 Dividends and interest from securities	12,590	12,590		
	5a Gross rents	0	0		
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	(67,384)			
	b Gross sales price for all assets on line 6a 158,560				
	7 Capital gain net income (from Part IV, line 2)			0	
	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) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	35,306	12,590	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	24,002			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits	2,540			
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) STATEMENT 2	609			
	24 Total operating and administrative expenses. Add lines 13 through 23	27,151			
	25 Contributions, gifts, grants paid	47,650			47,650
26 Total expenses and disbursements. Add lines 24 and 25	74,801	0	0	47,650	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	(39,495)				
b Net investment income (if negative, enter -0-)		12,590			
c Adjusted net income (if negative, enter -0-)			0		

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	9,714	25,545	25,545
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ 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 (attach schedule) STATEMENT 3	3,000	121,189	122,399
	b	Investments—corporate stock (attach schedule) STATEMENT 4	785,352	612,369	510,226
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶ _____)				
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	798,066	759,103	658,170	
Liabilities	17	Accounts payable and accrued expenses		532	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)			
23	Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	798,066	758,571	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>				
	and complete lines 27 through 31.				
27	Capital stock, trust principal, or current funds				
28	Paid-in or capital surplus, or land, bldg., and equipment fund				
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see page 17 of the instructions)	798,066	758,571		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	798,066	759,103		

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	798,066
2	Enter amount from Part I, line 27a	2	(39,495)
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	758,571
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	758,571

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 Publicly Traded Securities				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a 158,560	b 0	c 225,944	d (67,384)	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) 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				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	0
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8			3	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 page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	60,946	663,259	0.092
2007	0	28,922	0
2006			
2005			
2004			

2 Total of line 1, column (d)	2	.092
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	.046
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	534,701
5 Multiply line 4 by line 3	5	24,596
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	126
7 Add lines 5 and 6	7	24,722
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.	8	47,650

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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 or determination letter: _____ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	125	90
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	00
3	Add lines 1 and 2	3	125	90
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	125	90
6	Credits/Payments:			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	250	00
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7	250	00
8	Enter any penalty for underpayment of estimated tax. Check here <input 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	125	90
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	124	10
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax 124 10 Refunded	11		

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?		<input checked="" type="checkbox"/>
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		<input checked="" type="checkbox"/>
1c Did the foundation file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		<input checked="" type="checkbox"/>
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		<input checked="" type="checkbox"/>
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		<input checked="" type="checkbox"/>
4b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		<input checked="" type="checkbox"/>
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?	<input checked="" type="checkbox"/>	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	<input checked="" type="checkbox"/>	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ VIRGINIA		
8b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	<input checked="" type="checkbox"/>	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? <i>If "Yes," complete Part XIV</i>		<input checked="" type="checkbox"/>
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		<input checked="" type="checkbox"/>

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		✓
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► WWW.PENWEL.ORG	13	✓	
14	The books are in care of ► Kuehl Shepherd & Associates, P.C. CPA's Telephone no. ► 804-592-3465 Located at ► 9030 Stony Point Parkway, Suite 160 / Richmond, VA ZIP+4 ► 23235-1939			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here. ► N/A and enter the amount of tax-exempt interest received or accrued during the year ► 15			

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

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

		Yes	No
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? . . . 1b		✓
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009? 1c		✓
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ► 20____, 20____, 20____, 20____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions.) 2b		N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.</i>) 3b		N/A
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 2009? 4b		✓

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b** No Yes

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? Yes No

If "Yes," attach the statement required by Regulations section 53.4945–5(d). Statement 8

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** No Yes

If "Yes" to 6b, file Form 8870.

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

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

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Thomas Jeffrey Wells 3126 W Cary St # 614 / Richmond, VA 23221	President / 10	18,000	0	0
George M. Pence III 3126 W Cary St # 614 / Richmond, VA 23221	Sec-Treasurer / 10	0	0	0
Janet James 3126 W Cary St # 614 / Richmond, VA 23221	Director / n/a	0	0	0

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

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000				0

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

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

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
.....		
.....		
.....		
.....		
.....		
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 NONE	N/A
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount	
1 NONE	N/A	
2		
3 All other program-related investments. See page 24 of the instructions.		
Total. Add lines 1 through 3 ▶		0

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	523,559
b	Average of monthly cash balances	1b	19,285
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	542,844
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	542,844
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	8,143
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	534,701
6	Minimum investment return. Enter 5% of line 5	6	26,735

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

1	Minimum investment return from Part X, line 6	1	26,735
2a	Tax on investment income for 2009 from Part VI, line 5	2a	126
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	126
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	26,609
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	26,609
6	Deduction from distributable amount (see page 25 of the instructions)	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	26,609

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	47,650
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	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	47,650
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	126
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	47,524

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				26,609
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			0	
b Total for prior years: 20____,20____,20____		0		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				27,245
f Total of lines 3a through e	27,245			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ <u>47,650</u>				
a Applied to 2008, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2009 distributable amount				26,609
e Remaining amount distributed out of corpus	21,041			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	48,286			
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 page 27 of the instructions		0		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	0			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	48,286			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				27,245
e Excess from 2009				21,041

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling **N/A**

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

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	N/A				
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

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

George M. Pence, III

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

N/A

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

a The name, address, and telephone number of the person to whom applications should be addressed:
Jeff Wells, President / 3126 W Cary St # 614 / Richmond, VA 23221-3504 / [REDACTED]

b The form in which applications should be submitted and information and materials they should include:
SEE STATEMENT 5

c Any submission deadlines:
APPLICATIONS ACCEPTED YEAR ROUND

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
SEE STATEMENT 6

Part XV **Supplementary Information** (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p>a <i>Paid during the year</i> SEE STATEMENT 7</p>				
<p>Total ▶</p>				3a
<p>b <i>Approved for future payment</i> N/A</p>				
<p>Total ▶</p>				3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a N/A					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities					
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)					
13 Total. Add line 12, columns (b), (d), and (e)					13 _____

(See worksheet in line 13 instructions on page 28 to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 29 of the instructions.)

N/A

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

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule.

Table with 3 columns: Item description, Yes, No. Rows include 1a(1) Cash, 1a(2) Other assets, 1b(1) Sales of assets, 1b(2) Purchases of assets, 1b(3) Rental of facilities, 1b(4) Reimbursement arrangements, 1b(5) Loans or loan guarantees, 1b(6) Performance of services, and 1c Sharing of facilities.

Schedule table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

- 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?
b If "Yes," complete the following schedule.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Multiple empty rows for scheduling.

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.

Signature section containing: Signature of officer or trustee, Date (April 26, 2010), Title (Treasurer), Preparer's signature, Date, Check if self-employed, Preparer's identifying number, Firm's name (or yours if self-employed), address, and ZIP code, EIN, Phone no.

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

2009

Name of the organization

PenWel Fund

Employer identification number

26 : 1424376

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 an organization 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 990-EZ that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions 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 990-EZ that received from any one contributor, during the year, 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. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization
PenWel Fund

Employer identification number
26 : 1424376

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	George M Pence, III ----- 3126 W Cary St #614 ----- Richmond, VA 23221-3504 -----	\$ 90,000	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.)

2009 FORM 990-PF		CAPITAL GAINS AND LOSSES			STATEMENT 1	
Security	Shares	Bought	Sold	Gross Proceeds	Cost Basis	Realized Gain/Loss
Vanguard Funds and Brokerage Transactions						
VGPMX - Vang Prec Metal	279.95	5/4/09	12/4/09	5,882	3,978	1,904
VGPMX - Vang Prec Metal	0.017	5/4/09	12/4/09	0	0	0
VGPMX - Vang Prec Metal	21.609	5/4/09	12/4/09	454	307	147
VDE - Vanguard Energy ET	73.00	10/13/08	8/17/09	5,233	4,991	242
VDE - Vanguard Energy ET	80	10/24/08	8/17/09	5,735	5,274	461
MACSX - Matt Asian Gr Inc	1797.88	10/6/08	9/25/09	27,220	25,440	1,780
MAPTX - Matthews Pac Tig	1,500.00	12/19/07	5/4/09	19,890	40,455	(20,565)
TCWAX - FrTemp China	1,112.73	12/19/07	6/30/09	31,746	46,957	(15,211)
TCWAX - FrTemp China	500.00	12/19/07	8/17/09	15,355	21,100	(5,745)
TCWAX - FrTemp China	500.00	12/19/07	9/8/09	15,990	21,100	(5,110)
MGU - Macq Global Infr	600.00	5/14/08	12/4/09	9,306	16,818	(7,512)
MGU - Macq Global Infr	54	5/13/08	12/4/09	836	1,523	(687)
MGU - Macq Global Infr	200	5/13/08	12/4/09	3,096	5,636	(2,540)
MGU - Macq Global Infr	500.00	5/13/08	12/4/09	7,740	14,100	(6,360)
MGU - Macq Global Infr	21	5/13/08	12/4/09	325	592	(267)
MGU - Macq Global Infr	100	5/13/08	12/4/09	1,548	2,818	(1,270)
MGU - Macq Global Infr	530	39582	40151	8,204	14,856	(6,652)
TOTAL TO FORM 990-PF, PART I, LINE 6A				158,560	225,944	(67,384)

2009 FORM 990-PF		LEGAL FEES		STATEMENT 2	
DESCRIPTION	(a) Expenses Per Book	(b) Net Invest- ment Income	(c) (d) Adjusted Net Income	Charitable Purposes	
BANK CHARGES	25				
EDUCATION	59				
DUES AND SUBSCRIPTIONS	525				
TO FORM 990-PF, PART I, LINE 23	609	0	0	0	

2009 FORM 990-PF		INVESTMENTS - GOVERNMENT OBLIGATIONS		STATEMENT 3	
DESCRIPTION		Book Value 12/31/08	Book Value 12/31/09	Market Value 12/31/09	
Vanguard TIPS Fund	VIPSX	3,000	121,189	122,399	
TO FORM 990-PF, PART II, LINE 10A		3,000	121,189	122,399	

2009 FORM 990-PF		INVESTMENTS - CORPORATE STOCK		STATEMENT	4
DESCRIPTION		Book Value 12/31/08	Book Value 12/31/09	Market Value 12/31/09	
FRANKLIN TEMPLETON CHINA	TCWAX	89,157			
MACQUARIE INFRASTRUCTURE	MGU	56,342			
MATTH ASIAN GROWTH INCOME	MACSX	25,440			
MATTHEWS PACIFIC TIGER	MPTX	40,455			
3RD AVE REAL ESTATE VALUE	TAREX	56,250	56,250	41,698	
U S GLOBAL EASTERN EUROPE	EUROX	0			
Vanguard Emerging Markets	VEMAX	73,484	74,464	76,041	
Vanguard Precious Metals	VGPMX	56,000	62,964	52,479	
Vanguard Prime MM Fund	VMMXX	8,036	36,280	36,280	
Vanguard REIT Index Fund	VGSIX	62,110	62,110	45,005	
Vanguard Total International	VGTSX	98,277	100,088	77,693	
Vanguard Total Stock Market	VTSAX	143,431	154,108	125,839	
Vanguard Energy ETF	VDE	76,370	66,105	55,191	
\					
TO FORM 990-PF, PART II, LINE 10B		<u>785,352</u>	<u>612,369</u>	<u>510,226</u>	

FORM 990-PF

PART XV, LINE 2B

STATEMENT 5

APPLICATION REQUIREMENTS

PenWel Fund

Application Form

Name of Organization:

Complete Address

Official Contact Person:

Name:

Title:

Phone:

Fax:

e-mail:

Date Organization Formed:

Purpose of Grant:

Please provide as many of the following documents as possible:

1. Evidence of legal status of the organization (organizing documents, bylaws, tax status classification or certifications from local government, articles of incorporation)
2. Annual report or description of organization's goals, history, mission, recent activities and future plans.
3. Recent financial statements (audited if available)
4. List of board of directors and officers.
5. Brief description of recent grants from other organizations or government.

Signature Date

Printed Name

FORM 990-PF**PART XV, LINE 2D****STATEMENT 6**

AWARD LIMITATIONS & RESTRICTIONS

“The foundation will focus on the people and places with the most critical needs, and will provide support to organizations that can best use our funds to make a lasting impact on the lives of those in need. Most grants, approximately 80-90%, will target helping persons in need in the poorest countries. Other grants will target helping LGBT persons. It is our intent to exclusively grant overseas”

2009 FORM 990-PF

PART XV – GRANTS AND PAYMENTS

STATEMENT 7

RECIPIENT AND ADDRESS	INDIVIDUAL / RELATIONS HIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
SIGA Ministry Partners, Inc 3044 Campbell Rd Troy, VA 22974	NO/ NONE	501(c)(3)	For the general purposes of the organization	8,000
Association des Paysans de Vallue 20, Delmas 65 Delmas, Haiti	NO/ NONE	Non-501(c)(3), Expenditure Resp- onsibility, Stmt	Finish construction of four homes for the purpose of economic development	8,250
Fraternidad de Presbiteriales Mayas Diagonal 15, 29-63 Zona 1 Quetzaltenango, Guatemala	NO/ NONE	Guatemalan Charity, Expenditure Resp- onsibility, Stmt	Economic development for Mayan women	8,400
Partners With Purpose PO Box 121 Fergus, Ontario Canada N1M 2W7	NO/ NONE	Canadian Charity, Expenditure Resp- onsibility, Stmt	Operate literacy centers in Haiti.	12,000
Ixtitán Foundation 2771 Old Lynchburg Road North Garden, VA 22959	NO/ NONE	501(c)(3)	For the general purposes of the organization	11,000

2009 FORM 990-PF

SUPPORTING DATA - EXPENDITURE RESPONSIBILITY
PART VII-B - STATEMENT REGARDING ACTIVITIES, LINE 5C

STATEMENT 8

1. Name and Address	Association des Paysans de Vallue (APV) 20, Delmas 65 Delmas, Haiti
2. Date and amount of grant	May 18, 2009 \$8,250
3. Purpose for which grant was made	Complete construction of 4 homes to be given to local families for the purposes of economic development. \$20,000 grant given in 2008 for same purpose; this money was to finish the project.
4. Amount Expended as of 12/31/09	Unkown
5. Whether grantee diverted any portion of funds	Unkown
6. Date report received from grantee	Report not received
7. Date of verification of grant report	This grant was made after a site visit in May 2009, where we inspected the progress on the four homes. Subsequent to the payment of the grant monies, Haiti was hit with a major earthquake, disrupting communications to the extent that we have not received any report on the spending of this money or the accomplishments of the grant. We are continuing to request a report. We believe that Vallue was affected by the earthquake, and the head of APV lives in Port-au-Prince. APV is not under consideration for future grants, and we will send no more grants to APV until we receive a full and complete report on the 2009 grant.

1. Name and Address	Fraternidad de Presbiteriales Mayas Diagonal 15, 29-63 Zona 1 Quetzaltenango, Guatemala
2. Date and amount of grant	August 1, 2009 \$8,400
3. Purpose for which grant was made	Economic Development of Mayan Women
4. Amount Expended as of 12/31/09	\$7,848
5. Whether grantee diverted any portion of funds	No
6. Date report received from grantee	March 23, 2010
7. Date of verification of grant report	We received an incomplete report March 23, 2010. We have requested a completed report, and are waiting for that to be provided. We will distribute 2010 grants only after reviewing the 2009 report once it is received.
	PenWel directors are personally familiar with programs of La Fraternidad, and have visited La Fraternidad numerous times in the last decade. La Fraternidad has a local board of directors, and is audited annually. We received the 2008 audit as a courtesy without requesting it. We performed a PenWel site visit during July 2008, as well as other visits in 2009.

2009 FORM 990-PF

SUPPORTING DATA - EXPENDITURE RESPONSIBILITY
PART VII-B - STATEMENT REGARDING ACTIVITIES, LINE 5C

STATEMENT 8

1. Name and Address	Partners With Purpose PO Box 121 Fergus, Ontario Canada N1M 2W7
2. Date and amount of grant	May 18, 2009 \$12,000
3. Purpose for which grant was made	Support of Literacy Centers in Haiti
4. Amount Expended as of 12/31/09	\$12,000
5. Whether grantee diverted any portion of funds	No
6. Date report received from grantee	January 5, 2010
7. Date of verification of grant report	Report reviewed January 2009. Report was complete and required no further verification.
	A site visit to the Partners with Purpose Literacy Centers in Haiti was conducted in May 2009 as part of our ongoing monitoring of our grantees.