

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

2009

Department of the Treasury
 Internal Revenue Service

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

For calendar year 2009, or tax year beginning **JUL 1, 2009**, and ending **JUN 30, 2010**

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 BABSON HISTORICAL ASSOCIATION, INC.	A Employer identification number 04-2347130
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 58 MIDDLE STREET	B Telephone number (617) 345-6008
	City or town, state, and ZIP code GLOUCESTER, MA 01930	C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 537,152.	J Accounting method. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	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 <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(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 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	489.	489.	489.	
4 Dividends and interest from securities	13,838.	13,838.	13,838.	
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	442.			
b Gross sales price for all assets on line 6a 70,258.				
7 Capital gain net income (from Part IV, line 2)		442.		
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	14,769.	14,769.	14,327.	
13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
14 Other employee salaries and wages	2,380.	0.	0.	2,380.
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees STMT 1	3,200.	3,200.	3,200.	0.
c Other professional fees				
17 Interest				
18 Taxes STMT 2	132.	0.	0.	0.
19 Depreciation and depletion	227.	0.	0.	
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 3	10,769.	4,989.	4,989.	5,780.
24 Total operating and administrative expenses. Add lines 13 through 23	16,708.	8,189.	8,189.	8,160.
25 Contributions, gifts, grants paid	5,000.			5,000.
26 Total expenses and disbursements. Add lines 24 and 25	21,708.	8,189.	8,189.	13,160.
27 Subtract line 26 from line 12	-6,939.			
a Excess of revenue over expenses and disbursements				
b Net investment income (if negative, enter -0-)		6,580.		
c Adjusted net income (if negative, enter -0-)			6,138.	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

	Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets				
1 Cash - non-interest-bearing	45,296.	53,771.	53,771.	
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				
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 STMT 4	353,877.	338,687.	478,398.	
c Investments - corporate bonds				
11 Investments - land, buildings, and equipment basis ▶ 1,297.				
Less: accumulated depreciation ... ▶ 730.	795.	567.	567.	
12 Investments - mortgage loans				
13 Investments - other				
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ ANTIQUES)	4,416.	4,416.	4,416.	
16 Total assets (to be completed by all filers)	404,384.	397,441.	537,152.	
Liabilities				
17 Accounts payable and accrued expenses	136.	132.		
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 Total liabilities (add lines 17 through 22)	136.	132.		
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	384,764.	377,825.		
25 Temporarily restricted ...	19,484.	19,484.		
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	404,248.	397,309.		
31 Total liabilities and net assets/fund balances	404,384.	397,441.		

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	404,248.
2 Enter amount from Part I, line 27a	2	-6,939.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	397,309.
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	397,309.

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			
b SEE ATTACHED STATEMENT			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e 70,258.		69,816.	442.

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			
b			
c			
d			
e			442.

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	442.
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	0.

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))
2008	14,703.	488,548.	.030095
2007	44,600.	665,920.	.066975
2006	32,766.	654,775.	.050042
2005	36,141.	635,238.	.056894
2004	35,200.	649,205.	.054220
2 Total of line 1, column (d)			2 .258226
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 .051645
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 528,688.
5 Multiply line 4 by line 3			5 27,304.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 66.
7 Add lines 5 and 6			7 27,370.
8 Enter qualifying distributions from Part XII, line 4			8 13,160.

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

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

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 type="checkbox"/> and enter 1% of Part I, line 27b	1	132.
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	132.
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	132.
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	
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	0.
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	132.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input 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 type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
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?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
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>	7	X
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MA		
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? <i>If "No," attach explanation</i>	8b	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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9	X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	X

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 instructions)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► WWW.BABSONHISTORICAL.ORG			X
14	The books are in care of ► KATHERINE L. BABSON, JR. Telephone no ► (617) 345-6008 Located at ► NIXON PEABODY LLP, 100 SUMMER STREET, BOSTON, MA ZIP+4 ► 02110			
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 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> 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 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 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 ►		
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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 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? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

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)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

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). N/A

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? Yes No
 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? Yes No

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
SEE STATEMENT 5		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
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. 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 MAINTENANCE AND OPERATION OF HISTORIC BUILDING. APPROXIMATELY 150 VISITORS FROM THROUGHOUT THE WORLD PASSED THROUGH THE BUILDING DURING THE YEAR	13,160.
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 N/A	
2	
3 All other program-related investments. See instructions	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	518,917.
b	Average of monthly cash balances	1b	17,822.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	536,739.
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	536,739.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	8,051.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	528,688.
6	Minimum investment return. Enter 5% of line 5	6	26,434.

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	26,434.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	132.
b	Income tax for 2009 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	132.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	26,302.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	26,302.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	26,302.

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	13,160.
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	13,160.
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	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	13,160.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				26,302.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			3,470.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 13,160.				
a Applied to 2008, but not more than line 2a			3,470.	
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 2009 distributable amount				9,690.
e Remaining amount distributed out of corpus	0.			
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	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				16,612.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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

N/A

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

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

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

Tax year	Prior 3 years			(e) Total
(a) 2009	(b) 2008	(c) 2007	(d) 2006	

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 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))

NONE

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

NONE

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)**3** Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a <i>Paid during the year</i></p> <p>CAPE ANN HISTORICAL ASSOCIATION 27 PLEASANT STREET GLOUCESTER, MA 01930</p> <p>GLOUCESTER LYCEUM & SAWYER FREE LIBRARY 2 DALE AVENUE GLOUCESTER, MA 01930</p> <p>PROPRIETORS OF OAK GROVE CEMETERY P.O. BOX 798 GLOUCESTER, MA 01930</p> <p>SANDY BAY HISTORICAL SOCIETY & MUSEUMS, INC. P.O. BOX 63 ROCKPORT, MA 01966</p>		PUBLIC	RESEARCH LIBRARY AND ARCHIVES	1,000.
		PUBLIC	HISTORICAL AND GENEALOGICAL NEEDS	2,500.
		PUBLIC	REPAIR OF EXISTING WALLS	1,000.
		PUBLIC	MAINTENANCE OF HISTORICAL OBJECTS	500.
Total			▶ 3a	5,000.
b <i>Approved for future payment</i>				
NONE				
Total			▶ 3b	0.

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
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
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			14	489.	
4 Dividends and interest from securities			14	13,838.	
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					442.
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)		0.		14,327.	442.
13 Total. Add line 12, columns (b), (d), and (e)				13	14,769.

(See worksheet in line 13 instructions 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)
3	INCOME USED EXCLUSIVELY TO PROVIDE FUNDS FOR EXEMPT PURPOSE.
4	INCOME USED EXCLUSIVELY TO PROVIDE FUNDS FOR EXEMPT PURPOSE.
8	PROCEEDS USED EXCLUSIVELY TO PROVIDE FUNDS FOR EXEMPT PURPOSE.

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 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? Yes No [X]

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains '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.

Signature of officer or trustee: Katherine L Babson Jr, Date: 10-12-10, Title: TREASURER. Preparer's signature: Donald E Chalmers, CPA, Date: 09/28/10, Firm's name: CHALMERS & ASSOCIATES, CPA'S, 81 PROSPECT STREET, GLOUCESTER, MA 01930. Phone no: (978) 281-5764.

BABSON HISTORICAL ASSOCIATION, INC.

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 250 SHS. MCGRAW-HILL	P	VARIOUS	07/23/09
b 200 SHS. MEDTRONIC	P	VARIOUS	07/23/09
c 200 SHS. NOKIA CORP.	P	VARIOUS	07/23/09
d 200 SHS. PEPSICO	P	VARIOUS	07/23/09
e 150 SHS. 3M CO.	P	VARIOUS	07/23/09
f 200 SHS. WELLS FARGO	P	VARIOUS	07/23/09
g 150 SHS. PAYCHEX	P	VARIOUS	12/28/09
h 100 SHS. PROCTOR & GAMBLE	P	VARIOUS	12/28/09
i 125 SHS. SCHLUMBERGER LTD.	P	VARIOUS	12/28/09
j 100 SHS. BP PLC SPON ADR	P	VARIOUS	06/04/10
k			
l			
m			
n			
o			

(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 8,177.		9,714.	-1,537.
b 6,816.		8,916.	-2,100.
c 2,628.		7,304.	-4,676.
d 11,254.		5,006.	6,248.
e 10,203.		676.	9,527.
f 4,836.		5,652.	-816.
g 4,595.		7,681.	-3,086.
h 6,095.		2,108.	3,987.
i 8,241.		12,110.	-3,869.
j 7,413.		10,649.	-3,236.
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			-1,537.
b			-2,100.
c			-4,676.
d			6,248.
e			9,527.
f			-816.
g			-3,086.
h			3,987.
i			-3,869.
j			-3,236.
k			
l			
m			
n			
o			

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	442.
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	0.

FORM 990-PF	ACCOUNTING FEES			STATEMENT	1
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
CHALMERS & ASSOCIATES, CPA'S	3,200.	3,200.	3,200.	0.	
TO FORM 990-PF, PG 1, LN 16B	3,200.	3,200.	3,200.	0.	

FORM 990-PF	TAXES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL EXCISE TAX	132.	0.	0.	0.	
TO FORM 990-PF, PG 1, LN 18	132.	0.	0.	0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ADMINISTRATIVE EXPENSES	4,939.	4,939.	4,939.	0.	
FILING FEES	50.	50.	50.	0.	
MAINTENANCE-GROUNDS & BLDG.	3,350.	0.	0.	3,350.	
UTILITIES, TELEPHONE	301.	0.	0.	301.	
INSURANCE	1,291.	0.	0.	1,291.	
PAYROLL TAXES	213.	0.	0.	213.	
SECURITY EXPENSE	125.	0.	0.	125.	
WEBSITE EXPENSES	500.	0.	0.	500.	
TO FORM 990-PF, PG 1, LN 23	10,769.	4,989.	4,989.	5,780.	

FORM 990-PF	CORPORATE STOCK	STATEMENT	4
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
VARIOUS - SEE LIST ATTACHED	338,687.	478,398.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	338,687.	478,398.	

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS STATEMENT 5

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DAVID E. BABSON 67 LEONARD STREET GLOUCESTER, MA	CHAIRMAN, TRUSTEE 0.00	0.	0.	0.
KATHERINE L. BABSON, JR. 27 CLOVELLY ROAD WELLESLEY HILLS, MA	TREASURER, TRUSTEE 0.00	0.	0.	0.
MARCIA BABSON ROGERS 27 NECK ROAD WARD HILL, MA	CLERK, TRUSTEE 0.00	0.	0.	0.
ROBERT G. BABSON 34 INDIAN HILL ROAD MEDFIELD, MA	VICE CHAIRMAN, TRUSTEE 0.00	0.	0.	0.
RICHARD L. BABSON 330 BEACON STREET BOSTON, MA	TRUSTEE 0.00	0.	0.	0.
JEREMY S. KANE 58 OAK RIDGE DRIVE MERIDEN, CT	TRUSTEE 0.00	0.	0.	0.
JOHN P. BABSON DIANE CIRCLE ABINGTON, MA	TRUSTEE 0.00	0.	0.	0.
ANNE BABSON CARTER 53 LEONARD STREET GLOUCESTER, MA	TRUSTEE 0.00	0.	0.	0.

MATTHEW M. BABSON 225 WASHINGTON STREET GLOUCESTER, MA	TRUSTEE 0.00	0.	0.	0.
RICHARD K. OSBORNE 3 MUSTARD SEED LANE SUNNAPEE, NH	TRUSTEE 0.00	0.	0.	0.
THOMAS BABSON KANE 57 BLACKLEDGE DRIVE COLCHESTER, CT	TRUSTEE 0.00	0.	0.	0.

TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII

0.	0.	0.
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Babson Historical Association, Inc.
 Marketable Securities on Hand - June 30, 2010

	Cost	Value
300 shares Abbott Laboratories	\$ 3,613.44	\$ 14,034.00
150 shares Air Products & Chemical, Inc.	9,472.50	9,721.50
400 shares Automatic Data Processing	9,123.27	16,104.00
200 shares BP PLC (sold 200 shares)	-	-
225 shares BHP Billiton Ltd.	8,231.00	13,947.75
200 shares Canadian National Railway Co.	9,437.00	11,476.00
150 shares ConocoPhillips (purchased 150 shares)	7,598.75	7,363.50
300 shares Dentsply International, Inc.	7,704.50	8,973.00
175 shares Diageo PLC Sponsored ADR	12,564.25	10,979.50
400 shares Emerson Electric Company (purchased 100 shares)	15,747.49	17,476.00
400 shares Enbridge, Inc.	12,688.96	18,640.00
400 shares ExxonMobil Corp.	799.28	22,828.00
750 shares General Electric Company	534.11	10,815.00
300 shares Imperial Oil Ltd.	9,936.00	10,926.00
500 shares Intel Corp.	10,929.58	9,725.00
100 shares International Business Machines (purchased 100 shares)	12,553.75	12,348.00
250 shares Jardine Matheson (purchased 250 shares)	6,950.00	8,785.00
250 shares Johnson & Johnson	15,071.50	14,765.00
275 shares Linear Technology Corp.	12,130.38	7,647.75
250 shares McGraw Hill Companies, Inc. (sold 250 shares)	-	-
200 shares Medtronic, Inc. (sold 200 shares)	-	-
300 shares Microsoft Corp.	11,575.25	6,903.00
300 shares 3M Company (sold 150 shares)	1,352.81	23,697.00
375 shares Nestle SA Sponsored ADR	11,865.00	18,152.62
250 shares Nextera Energy, Inc. (formerly FPL Group, Inc.)	8,093.75	12,190.00
200 shares Nokia Corp. (sold 200 shares)	-	-
250 shares Novartis AG Sponsored ADR (purchased 100 shares)	13,241.30	12,080.00
300 shares Paychex, Inc. (sold 150 shares)	10,755.80	7,791.00
300 shares Pepsico, Inc. (sold 200 shares)	7,509.04	18,285.00
150 shares Pinnacle West Capital Corp.	6,686.00	5,454.00
600 shares Procter & Gamble Co. (sold 100 shares)	12,649.42	35,988.00
250 shares Qualcomm Inc.	5,474.25	8,210.00
200 shares Sabmiller PLC (purchased 200 shares)	5,899.25	5,652.40
125 shares Schlumberger Ltd. (sold 125 shares)	-	-
250 shares Southern Company	7,347.50	8,320.00
200 shares State Street Corp.	7,712.00	6,764.00
250 shares Stryker Corp.	6,658.75	12,515.00
250 shares Suncor Energy Inc. (purchased 250 shares)	9,086.75	7,360.00
650 shares Sysco Corp. (purchased 150 shares)	17,973.03	18,570.50
300 shares Union Pacific Corp.	641.78	20,853.00
250 shares United Parcel Service	18,359.75	14,222.50
200 shares Wells Fargo (sold 200 shares)	-	-
250 shares Woodside Petroleum	10,720.00	8,835.00
Totals	<u>\$338,687.19</u>	<u>\$478,398.02</u>

See accountants' review report and notes to financial statements.