1

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning DECEMBER 01 , 2008, and ending NOVEMBER 30 , 20 09

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: Shelby Family Foundation

Number and street (or P.O. box number if mail is not delivered to street address): 559 Oak Street | Room/suite:

City or town, state, and ZIP code: Winnetka IL 60093

A Employer identification number 36-4055432

B Telephone number (see instructions) (847)441-8695

C If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ $ 802,280

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

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

	Line	Description	(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)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temp. cash investments				
	4	Dividends and interest from securities	13,228	13,228		
	5 a	Gross rents				
	b	Net rental income or (loss)				
	6 a	Net gain/(loss) from sale of assets not on line 10	12,539			
	b	Gross sales price for all assets on line 6a 84,633				
	7	Capital gain net income (from Part IV, line 2)		12,539		
	8	Net short-term capital gain			0	
	9	Income modifications			0	
	10 a	Gross sales less rtns. & allowances 0				
	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	25,767	25,767	0	
OPERATING & ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16 a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) #1	1,730			1,730
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule)(see instructions) #2	240	143		97
	19	Depreciation (attach sch.) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule). #3	4,676	4,676		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	6,646	4,819	0	1,827
	25	Contributions, gifts, grants paid	42,490			42,490
	26	Total exp. & disbursements Add lines 24 and 25	49,136	4,819	0	44,317
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-23,369			
	b	**Net investment income** (if neg, enter -0-)		20,948		
	c	**Adjusted net income** (if neg., enter -0-)			0	

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25

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Part II Balance Sheets

	Attached schedules and amounts in the description column should be for end-of-year amounts only. (See inst.)	Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash -- non-interest-bearing	231,244	9,596	9,596
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶			
	Less: allowance for doubtful accts. ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accts. ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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 govt. obligations (attach sch)			
	b Investments -- corporate stock (attach schedule)			
	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) #4	453,839	652,118	792,684
	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)	685,083	661,714	802,280
Liabilities	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 (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ ☐ **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, ck. here ▶ ☒ **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	685,083	661,714	
	30 **Total net assets or fund balances** (see the instructions)	685,083	661,714	
	31 **Total liabilities and net assets/fund balances** (see the inst)	685,083	661,714	

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	685,083
2	Enter amount from Part I, line 27a	2	-23,369
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	661,714
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) -- Part II, column (b), line 30.	6	661,714

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 attachment #5			
b				
c				
d				
e				

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
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	12,539
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 the instructions) If (loss), enter -0- in Part I, line 8	3	12,356

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 the instructions before making any entries

(a) Base period years Calendar year (or tax year beg in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col (c))
2007	43,535	888,631	0.048991
2006	42,486	935,388	0.045421
2005	39,437	882,468	0.044689
2004	39,981	830,395	0.048147
2003	33,753	795,826	0.042413

2	**Total** of line 1, column (d)	2	0.229661
3	Average distribution ratio for the 5-year base period -- divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.045932
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	751,008
5	Multiply line 4 by line 3	5	34,495
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	209
7	Add lines 5 and 6	7	34,704
8	Enter qualifying distributions from Part XII, line 4	8	44,317

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 the Instructions)

1 a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling letter: ________ (attach copy of ruling letter if necessary -- see Instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	209
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	209
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	209
6	Credits/Payments.		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 — 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 ☐ 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	209
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter amount of line 10 to be: **Credited to 2009 estimated tax** ▶ **Refunded** ▶	11	0

Part VII-A Statements Regarding Activities

			Yes	No
1 a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
	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.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2		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	3		X
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		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 yr.? If "Yes," complete Part II, col. (c), & Part XV.	7	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ▶ IL			
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	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 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
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)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ See attachment #6 Telephone no. ▶

Located at ▶ ZIP+4 ▶

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

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? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ 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)? ☐ Yes ☒ 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.) ☐ Yes ☒ 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 the instructions)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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 2008?	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 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? ☐ Yes ☒ 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 the 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. ▶ 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? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2008 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 2008.) N/A	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 2008?	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)? (see instructions) ☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see the 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?	7b		X

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

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

(a) Name and address	(b) Title, and avg. hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp	(e) Expense account, other allowances
See attachment #7				

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

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

Total number of other employees paid over $50,000 ▶ 0

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

3 Five highest-paid independent contractors for professional services (see 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 ▶

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	
2	
3	
4	

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

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

Part X **Minimum Investment Return** (All domestic foundations must complete this part Foreign foundations, see 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	625,570
b	Average of monthly cash balances	1b	136,875
c	Fair market value of all other assets (see the instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	762,445
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	
3	Subtract line 2 from line 1d	3	762,445
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see the instructions)	4	11,437
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	751,008
6	**Minimum investment return.** Enter 5% of line 5	6	37,550

Part XI **Distributable Amount** (see 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	37,550
2a	Tax on investment income for 2008 from Part VI, line 5	2a	209		
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	209
3	Distributable amount before adjustments Subtract line 2c from line 1			3	37,341
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	37,341
6	Deduction from distributable amount (see the instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	37,341

Part XII **Qualifying Distributions** (see 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	44,317
b	Program-related investments -- total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	44,317
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 the instructions)	5	209
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	44,108

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 the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				37,341
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			41,496	
b Total for prior years 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2008.				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f **Total** of lines 3a through e	0			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ $ 44,317				
a Applied to 2007, but not more than line 2a			41,496	
b Applied to undistributed income of prior years (Election required -- see the instructions)				
c Treated as distributions out of corpus (Election required -- see the instructions)				
d Applied to 2008 distributable amount				2,821
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 **Enter the net total of each column as indicated below:**				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b. Taxable amount -- see the instructions				
e Undistributed income for 2007. Subtract line 4a from line 2a Taxable amount -- see the instructions				
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				34,520
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see the instructions)				
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

Part XIV Private Operating Foundations (see 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 2008, 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	Prior 3 years			
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
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 exempt act.					
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 min 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))

See attachment # 8

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.

See attachment # 9

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 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·

See attachment 10

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
See attachment #11				
Total ▶ 3a				42,490
b Approved for future payment				
See attachment #12				
Total ▶ 3b				

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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 the instructions.)
	(a) Business code	(b) Amount	(c) Excl. code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees & contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	13,228	
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			18	12,539	
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		25,767	0

13 Total. Add line 12, columns (b), (d), and (e) ... 13 25,767

(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) (See the instructions.)
	See attachment #13

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

			Yes	No
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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions.			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d 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.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2 a 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

SIGN HERE

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 — Date: 2/12/10 — Title: Secretary/Treasurer

Paid Preparer's Use Only		
Preparer's signature: Jared A Frost CPA	Date: 2/11/10	Check if self-employed ☐ — Preparer's identifying number (see **Signature** in the instructions)
Firm's name (or yours if self-employed), address, and ZIP code: Payan & Frost CPAs, LLC, 8691 W SAHARA AVE STE 180, Las Vegas, NV 89117-	EIN ▶ 20-2731635	Phone no. (702) 233-9526

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SCHEDULE OF ACCOUNTING FEES

Attachment 1: page 1 - 990-PF Page 1, Part I, Line 16b

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

Accounting Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
Accounting	1,730			1,730
Total	1,730			1,730

SCHEDULE OF TAXES PAID

Attachment 2: page 1 - 990- PF Page 1, Part I, Line 18

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
Federal Excise Tax	97			97
Foreign Withholding on Dividends	143	143		
Total	240	143		97

OTHER EXPENSES SCHEDULE

Attachment 3: page 1 990-PF Page 1, Part I, Line 23

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

Description of Activity	Revenue and Expenses	Net Investment Income	Adjusted Net Income	Disbursements for Charity
Brokerage Management Fees	4,676	4,676		
Total	4,676	4,676		

SCHEDULE OF INVESTMENTS - OTHERS

Attachment 4: page 1 - 990-PF Page 2, Part II, Line 13

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

Description	Cost	FMV at Year End	Book Value	Fair Market Value
Corporate Stocks and Mutual Funds			652,118	792,684
Total				

PART IV CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Attachment 5: page 1 - 990-PF Page 3, Part IV, line 1

Open to Public Inspection	For calendar year 2008 or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

	(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.)
1	DBAB A/C 5XR-052757	P	06-24-2004	12-08-2008
2	DBAB A/C 5XR-947279	P	04-16-2009	11-01-2009
3	DBAB A/C 5XR-947287	P	04-16-2009	11-03-2009

	(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)
1	36,237		36,054	183
2	23,836		19,827	4,009
3	24,560		16,213	8,347

	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 if col. (i) over col. (j), if any	
1				183
2				4,009
3				8,347

BOOKS ARE IN CARE OF

Attachment 6 - 990-PF Page 5, Part VII-A, Line 14

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01 , and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

Part VII-A - Line 14

Individual Name or Business Name: David T. Shelby

Street Address: 559 Oak Street

U.S. Address

Zip code 60093 City Winnetka State IL

or

Foreign Address

City

Province or State

Country

Postal code

Phone Number (847)784-1812

Fax Number

CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Attachment 7: page 1 - 990-PF Page 6, Part VIII

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization: Shelby Family Foundation

Employer Identification Number: 36-4055432

(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont. to Employee Ben. Plans & Def. Comp	(E) Expense Account & Other Allowances
Carole Shelby 559 Oak Street Winnetka, IL 60093	President 0.00	0	0	0
Kaylynn Shelby 559 Oak Street Winnetka, IL 60093	Vice President 0.00	0	0	0
Sarah Shelby 559 Oak Street Winnetka, IL 60093	Vice President 0.00	0	0	0
David Shelby 559 Oak Street Winnetka, IL 60093	Secretary/Tre 0.00	0	0	0
Justin Shelby 559 Oak Street Winnetka, IL 60093	0.00	0	0	0
Christian Shelby 559 Oak Street Winnetka, IL 60093	0.00	0	0	0
Paige Shelby 559 Oak Street Winnetka, IL 60093	0.00	0	0	0

INFORMATION REGARDING FOUNDATION MANAGERS

Attachment 8: page 1 - 990-PF Page 10, Part XV, line 1a

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.
Name of Organization Shelby Family Foundation	**Employer Identification Number** 36-4055432

Contributing Manager

Carole Shelby
David Shelby

INFORMATION REGARDING FOUNDATION MANAGERS

Attachment 9: page 1 - 990-PF Page 10, Part XV, line 1b

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.
Name of Organization Shelby Family Foundation	**Employer Identification Number** 36-4055432

Shareholder Manager

None

APPLICATION SUBMISSION INFORMATION

Attachment 10: page 1 990-PF Page 10, Part XV, Line 2

Open to Public

For Calendar year 2008, or tax year period beginning 12-01-2008 and ending 11-30-2009

Name of Organization: Shelby Family Foundation

Employer Identification Number: 36-4055432

Name	Phone Number	Info and Materials Included	Submission Deadlines	Restrictions on Awards
Carole Shelby 559 Oak Street Winnetka IL 60093		Written; With Evidence of Section 501(c)(3)	None	NOne

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Attachment 11: page 1 990-PF Page 11, Part XV Line 3a

Open to Public Inspection — For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization: Shelby Family Foundation

Employer Identification Number: 36-4055432

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
Association House 1116 N. Kedzie Ave Chicago IL 60651	None	501(c)	Charitable	300
Audubon School 3500 N Hoyne Ave Chicago IL 60618	None	501(c)	Education	6,000
Chicago Chamber Musicians 180 N Stetson Ave #1300 Chicago IL 60601	None	501(c)	Education	900
Chapel of The Lakes Lutheran Church 9407 90th Ave Mecosta MI 49332	None	501(c)	Religious	500
Chicago Botanic Gardens 1000 Lake Cook Road Glencoe IL 60022	None	501(c)	Scientific Research	500
Fishtown Preservation Society PO Box 721 Leland MI 49654	None	501(c)	Scientific Research	1,000
Food Bank of Central and Eastern NC 3808 Tarheel Dr Raleigh NC 27609	None	501(c)	Charitable	2,000
Golden Apple 8 S. Michigan Ave, Suite 700 Chicago IL 60603	None	501(c)	Education	250
Good News Kitchen Box 608033 Chicago IL 60626	None	501(c)	Charitable	250
Heifer International 1 World Avenue Little Rock AR 72202	None	501(c)	Charitable	540
Indian Hill Scholarship Foundation 1000 36th Street Vero Beach FL 32960	None	501(c)	Education	100
Inland Seas PO Box 218 Dame St. Millside Bldg Suttons Bay MI 49682	None	501(c)	Education	2,500
International Crane Foundation PO Box 447 Baraboo WI 53913	None	501(c)	Scientific Research	200
Kenilworth Union Church 211 Kenilworth Ave	None	501(c)	Religious	
				15,040

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Attachment 11: page 2 990-PF Page 11, Part XV Line 3a

Open to Public Inspection | For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization: Shelby Family Foundation

Employer Identification Number: 36-4055432

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
Kenilworth IL 60043				6,000
Leelanau Conservancy PO Box 1007 Leland MI 49654	None	501(c)	Education	5,500
Leelanau Historical Society 203 East Cedar Street Leland MI 49654	None	501(c)	Education	250
Leland Cultural Community Center PO Box 883 Leland MI 49654	None	501(c)	Charitable	1,000
Leukemia & Lympohoma Society 651 W. Washington Blvd Suite 400 Chicago IL 60661	None	501(c)	Scientific Research	750
Midwest Pallaitive and Hospice Care 2050 Claire Ct Glenview IL 60025	None	501(c)	Charitable	2,000
Music Institute of Chicago 2008 Dempster St Evanston IL 60202	None	501(c)	Education	2,050
Newman Catholic Student Center 218 Pittsboro St Chapel Hill NC 27516	None	501(c)	Education	2,000
Northshore Art League 620 Lincoln Ave. Winnetka IL 60093	None	501(c)	Education	1,000
Paws 1997 N. Cylborn Chicago IL 60609	None	501(c)	Charitable	500
Posse Foundation 330 South Wells, Suite 610 Chicago IL 60606	None	501(c)	Education	1,000
Rachel Barton Foundation PO Box 11388 Chicago IL 60611	None	501(c)	Education	200
Santa for the Very Poor 135 S. LaSalle, Dept 2136 Chicago IL 60674	None	501(c)	Charitable	700
St. Elizabeths School 4052 Wabash Ave Chicago IL 60653	None	501(c)	Education	500
				23,450

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Attachment 11: page 3 990-PF Page 11, Part XV Line 3a

Open to Public Inspection — For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization
Shelby Family Foundation

Employer Identification Number
36-4055432

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
Vero Beach Museum of Art 3001 Riverside Park Dr. Vero Beach FL 32963	None	501(c)	Education	1,500
WFMT 5400 N St. Louise Ave Chicago IL 60625	None	501(c)	Education	1,000
Winnetka Historical Society PO Box 365 Winnetka IL 60093	None	501(c)	Education	500
Women for Women Po Box 9233 Central Islip NY 11722	None	501(c)	Education	1,000
				4,000

GRANTS AND CONTRIBUTIONS FOR FUTURE PAYMENTS

Attachment 12: page 1 990-PF Page 11, Part XV Line 3b

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

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
None				

SCHEDULE OF RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES

Attachment 13: page 1 990-PF Page 12, Part XVI-B

Open to Public Inspection	For calendar year 2008, or tax period beginning 12-01-2008, and ending 11-30-2009.

Name of Organization	Employer Identification Number
Shelby Family Foundation	36-4055432

Line Number	Briefly describe how the activity reported in column (E) of Part VII specifically contributed to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	Not Applicable