



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

OMB No 1545-0052

**2009**

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

, 2009, and ending

, 20

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return  
☐ Amended return ☐ Address change ☐ Name changeUse the IRS  
label.  
Otherwise,  
print  
or type.  
See Specific  
Instructions.

Name of foundation

MORTON FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address)

87 SOUTH BEACH ROAD

Room/suite

City or town, state, and ZIP code

HOBE SOUND FL 33455

A Employer identification number

06-6469445

B Telephone number (see page 10 of the instructions)

212-921-5777

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 foundationI Fair market value of all assets at end  
of year (from Part II, col (c),  
line 16) ▶ \$ 1,323,542J Accounting method ☒ Cash ☐ Accrual  
☐ Other (specify) \_\_\_\_\_  
(Part I, column (d) must be on cash basis)**Part I Analysis of Revenue and Expenses** (The total of  
amounts in columns (b), (c), and (d) may not necessarily equal  
the amounts in column (a) (see page 11 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>				
1 Contributions, gifts, grants, etc., received (attach schedule)	436,924			
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	288	288		
4 Dividends and interest from securities	32,335	32,335		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	221,165			
b Gross sales price for all assets on line 6a 1,480,853				
7 Capital gain net income (from Part IV, line 2)		221,165		
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)	0			
11 Other income (attach schedule) REFUND	1,461	1,461		
12 Total. Add lines 1 through 11	692,173	255,249	0	
<b>Operating and Administrative Expenses</b>				
13 Compensation of officers, directors, trustees, etc				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) 4 2010	1,975	1,975		
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest	2,815	2,815		
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)	280	280		
24 Total operating and administrative expenses. Add lines 13 through 23	5,070	5,070	0	0
25 Contributions, gifts, grants paid	249,500			249,500
26 Total expenses and disbursements. Add lines 24 and 25	254,570	5,070	0	249,500
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	437,603			
b Net investment income (if negative, enter -0-)		250,179		
c Adjusted net income (if negative, enter -0-)			0	

SCANNED MAY 17 2010

RECEIVED  
MAY 14 2010  
IRS-OSC  
OGDEN, UT

12

<b>Part II Balance Sheets</b>		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
<b>Assets</b>	1 Cash—non-interest-bearing . . . . .	111,352		
	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 15 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)			
	b Investments—corporate stock (attach schedule) . . . . .			
	c Investments—corporate bonds (attach schedule) . . . . .			
	11 Investments—land, buildings, and equipment: basis ▶ . . . . .			
<b>Liabilities</b>	Less: accumulated depreciation (attach schedule) ▶ . . . . .			
	12 Investments—mortgage loans . . . . .	684,119	1,235,742	1,323,542
	13 Investments—other (attach schedule) . . . . .			
	14 Land, buildings, and equipment: basis ▶ . . . . .			
	Less: accumulated depreciation (attach schedule) ▶ . . . . .			
	15 Other assets (describe ▶ . . . . .)			
	16 <b>Total assets</b> (to be completed by all filers—see the instructions Also, see page 1, item I) . . . . .	795,471	1,235,742	1,323,542
	17 Accounts payable and accrued expenses . . . . .			
	18 Grants payable . . . . .			
	19 Deferred revenue . . . . .			
<b>Net Assets or Fund Balances</b>	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule) . . . . .			
	22 Other liabilities (describe ▶ . . . . .)			
	23 <b>Total liabilities</b> (add lines 17 through 22) . . . . .	0	0	
	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted . . . . .			
	25 Temporarily restricted . . . . .			
	26 Permanently restricted . . . . .			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds . . . . .			
<b>Net Assets or Fund Balances</b>	28 Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .			
	29 Retained earnings, accumulated income, endowment, or other funds . . . . .			
	30 <b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	795,471	1,235,742	
	31 <b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	795,471	1,235,742	

**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) . . . . .	<b>1</b>	795,471
2 Enter amount from Part I, line 27a . . . . .	<b>2</b>	437,603
3 Other increases not included in line 2 (itemize) ▶ MISC. . . . .	<b>3</b>	2,668
4 Add lines 1, 2, and 3 . . . . .	<b>4</b>	1,235,742
5 Decreases not included in line 2 (itemize) ▶ . . . . .	<b>5</b>	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	<b>6</b>	1,235,742

**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.)
<b>1a</b> 8,228 SHS. COCA COLA	D	1/1/80	8/25/09
<b>b</b> 467 SHS. CHEVRON CORP	D	1/1/80	8/25/09
<b>c</b> MISC. - SEE ATTACHED STATEMENT	P		
<b>d</b>			
<b>e</b>			

  

(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)
<b>a</b> 401,261		370,281	30,980
<b>b</b> 32,979		32,580	399
<b>c</b>			189,786
<b>d</b>			
<b>e</b>			

  

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

(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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

  

<b>2</b> 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 }	<b>2</b>	221,165
<b>3</b> 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	<b>3</b>	189,786

**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	158,081	1,053,105	0.1501
2007	73,166	1,376,033	0.0532
2006	78,472	1,366,511	0.0574
2005	48,619	1,391,462	0.0349
2004	89,999	1,545,454	0.0582

  

<b>2</b> Total of line 1, column (d)	<b>2</b>	0.3538
<b>3</b> 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	<b>3</b>	0.0708
<b>4</b> Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	<b>4</b>	1,196,426
<b>5</b> Multiply line 4 by line 3	<b>5</b>	84,707
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	2,502
<b>7</b> Add lines 5 and 6	<b>7</b>	87,209
<b>8</b> 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.	<b>8</b>	249,500

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

<b>1a</b> 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>b</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	<b>1</b>	2,502
<b>c</b> All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	<b>2</b>	
<b>3</b> Add lines 1 and 2	<b>3</b>	2,502
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	<b>4</b>	
<b>5</b> Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	<b>5</b>	2,502
<b>6</b> Credits/Payments:		
<b>a</b> 2009 estimated tax payments and 2008 overpayment credited to 2009	<b>6a</b>	1,461
<b>b</b> Exempt foreign organizations—tax withheld at source	<b>6b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b> Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b> Total credits and payments. Add lines 6a through 6d	<b>7</b>	1,461
<b>8</b> Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9</b> Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	<b>9</b>	1,041
<b>10</b> Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	<b>10</b>	0
<b>11</b> Enter the amount of line 10 to be Credited to 2010 estimated tax Refunded	<b>11</b>	0

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
<b>1b</b> 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>		X
<b>1c</b> Did the foundation file Form 1120-POL for this year?		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation ► \$ _____ (2) On foundation managers. ► \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
<b>2</b> 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
<b>3</b> 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
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
<b>4b</b> If "Yes," has it filed a tax return on Form 990-T for this year?		
<b>5</b> 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
<b>6</b> Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
<b>7</b> 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 XIV</i>	X	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► CONNECTICUT		
<b>b</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>		X
<b>9</b> 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>	X	
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

**Part VII-A Statements Regarding Activities (continued)**

<b>11</b>	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)	<b>11</b>		X
<b>12</b>	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	<b>12</b>		X
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	<b>13</b>	X	
<b>14</b>	The books are in care of ▶ LEICHT & REIN TAX ASSOCIATES Telephone no. ▶ 212-921-5777 Located at ▶ 570 SEVENTH AVE., STE.1804, NEW YORK, NY ZIP+4 ▶ 10018			
<b>15</b>	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
<b>1a</b>	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>1b</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"/>		
<b>1c</b>	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?		X
<b>2</b>	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))		
<b>a</b>	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>b</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)		
<b>2b</b>	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		
<b>3a</b>	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>b</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.)		
<b>3b</b>			
<b>4a</b>	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
<b>b</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?		X
<b>4b</b>			

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

<b>5a</b> 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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</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)? Organizations relying on a current notice regarding disaster assistance check here			<b>5b</b>
<b>c</b> 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?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
<b>6a</b> Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</b> Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			<b>6b</b>
If "Yes" to 6b, file Form 8870			
<b>7a</b> At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
<b>b</b> If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?			<b>7b</b>

**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
WILLIAM I. MORTON 87 SOUTH BEACH ROAD HOBE SOUND, FL 33455	TRUSTEE	0	0	0
MARY K. MORTON 87 SOUTH BEACH ROAD HOBE SOUND, FL 33455	TRUSTEE	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

Total number of other employees paid over \$50,000

**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 . . . . . **▶**

**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
<b>1</b> . . . . .	
<b>2</b> . . . . . N/A	
<b>3</b> . . . . .	
<b>4</b> . . . . .	

**Part IX-B Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
<b>1</b> . . . . .	
<b>2</b> . . . . . N/A	
All other program-related investments. See page 24 of the instructions	
<b>3</b> . . . . .	
<b>Total.</b> Add lines 1 through 3 . . . . . <b>▶</b>	<b>0</b>



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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	1,214,646
<b>b</b>	Average of monthly cash balances	<b>1b</b>	
<b>c</b>	Fair market value of all other assets (see page 24 of the instructions)	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,214,646
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	1,214,646
<b>4</b>	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	<b>4</b>	18,220
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,196,426
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	59,821

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	59,821
<b>2a</b>	Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	2,502
<b>b</b>	Income tax for 2009. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	2,502
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	57,319
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b>	Add lines 3 and 4	<b>5</b>	57,319
<b>6</b>	Deduction from distributable amount (see page 25 of the instructions)	<b>6</b>	
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	57,319

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

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	<b>1a</b>	249,500
<b>b</b>	Program-related investments—total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	249,500
<b>5</b>	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)	<b>5</b>	2,502
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	246,998

**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
<b>1</b> Distributable amount for 2009 from Part XI, line 7 . . . . .				57,319
<b>2</b> Undistributed income, if any, as of the end of 2009:				
<b>a</b> Enter amount for 2008 only . . . . .				
<b>b</b> Total for prior years: 20____, 20____, 20____				
<b>3</b> Excess distributions carryover, if any, to 2009:				
<b>a</b> From 2004 . . . . .				
<b>b</b> From 2005 . . . . .				
<b>c</b> From 2006 . . . . .				
<b>d</b> From 2007 . . . . .				
<b>e</b> From 2008 . . . . .				
<b>f</b> Total of lines 3a through e . . . . .	0			
<b>4</b> Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 249,500				
<b>a</b> Applied to 2008, but not more than line 2a . . . . .				
<b>b</b> Applied to undistributed income of prior years (Election required—see page 26 of the instructions) . . . . .				
<b>c</b> Treated as distributions out of corpus (Election required—see page 26 of the instructions) . . . . .				
<b>d</b> Applied to 2009 distributable amount . . . . .				57,319
<b>e</b> Remaining amount distributed out of corpus . . . . .				
<b>5</b> Excess distributions carryover applied to 2009 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a) )				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	0			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		0		
<b>c</b> 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 . . . . .				
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions . . . . .		0		
<b>e</b> Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions . . . . .			0	
<b>f</b> Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 . . . . .				0
<b>7</b> 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) . . . . .				
<b>8</b> Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .				
<b>9</b> Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a . . . . .	0			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2005 . . . . .				
<b>b</b> Excess from 2006 . . . . .				
<b>c</b> Excess from 2007 . . . . .				
<b>d</b> Excess from 2008 . . . . .				
<b>e</b> Excess from 2009 . . . . .				

**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 ▶
- 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	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					0
<b>b</b> 85% of line 2a . . . . .	0	0	0	0	0
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . .					0
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . .					0
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . .	0	0	0	0	0
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test—enter:					
<b>(1)</b> Value of all assets . . . . .					0
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . .					0
<b>b</b> "Endowment" alternative test—enter $\frac{1}{2}$ of minimum investment return shown in Part X, line 6 for each year listed . . . .					0
<b>c</b> "Support" alternative test—enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . .					0
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					0
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					0
<b>(4)</b> Gross investment income . . . .					0

**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 27 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) )

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 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

N/A

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

N/A

- c** Any submission deadlines:

N/A

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

N/A

**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)				
<b>a</b> Paid during the year			TO ENABLE DONEES  TO FURTHER THEIR  T-E PURPOSES	249,500
<b>Total</b> . . . . .			▶ <b>3a</b>	249,500
<b>b</b> Approved for future payment				
<b>Total</b> . . . . .			▶ <b>3b</b>	0

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See page 28 of the instructions )
<b>1</b>	Program service revenue					
<b>a</b>						
<b>b</b>						
<b>c</b>						
<b>d</b>						
<b>e</b>						
<b>f</b>						
<b>g</b>	Fees and contracts from government agencies					
<b>2</b>	Membership dues and assessments . . . . .					
<b>3</b>	Interest on savings and temporary cash investments					
<b>4</b>	Dividends and interest from securities . . . . .					
<b>5</b>	Net rental income or (loss) from real estate					
<b>a</b>	Debt-financed property . . . . .					
<b>b</b>	Not debt-financed property . . . . .					
<b>6</b>	Net rental income or (loss) from personal property					
<b>7</b>	Other investment income . . . . .					
<b>8</b>	Gain or (loss) from sales of assets other than inventory					
<b>9</b>	Net income or (loss) from special events . . . . .					
<b>10</b>	Gross profit or (loss) from sales of inventory . . . . .					
<b>11</b>	Other revenue <b>a</b> _____					
<b>b</b>	_____					
<b>c</b>	_____					
<b>d</b>	_____					
<b>e</b>	_____					
<b>12</b>	Subtotal. Add columns (b), (d), and (e) . . . . .		0		0	0
<b>13</b>	Total. Add line 12, columns (b), (d), and (e) . . . . .					13 0

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

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

[illegible]



EIN 06-6469445

Morton Family Foundation  
Form 990-PF  
2009

---

Part I - Line 1 - Contributions

Estate of Anne Morton (65-6473889) - May 6, 2009

8,228 shs. Coca-Cola Inc. - cost

\$ 370,281

467 shs. Chevron Corp - cost

32,580

Cash

34,063

---

\$ 436,924

---

Part I - Line 18 - Taxes

Foreign taxes

\$ 1,354

Excise taxes

1,461

---

\$ 2,815

---

Part I - Line 23 - Other Expenses

Investment expenses

\$ 280

---

Part VII-A- QUESTION 8(b)

---

Connecticut does not require the filing of annual returns for private foundations

Morton Family Foundation  
2009  
Part XV - Contributions Paid

EIN 06-6469445

~ 1000 Friends of Florida	\$ 500
~ Boys & Girls Club of Greenwich	200,000
~ Boys & Girls Club of Martin County	1,300
~ Breast Cancer Alliance	250
~ Central Park Conservancy	500
~ Christ Memorial Chapel	2,500
~ Crescent School	200
~ Eaglebrook School	2,500
~ First Presbyterian Church of Greenwich	2,500
~ Jupiter Medical Center	5,000
~ Loblollypop Foundation	3,000
~ LPGA Foundation	2,500
~ Mayo Foundation	2,500
~ Miss Porter's School "Anne Morton Hepfer 91 Fund"	4,000
~ Mt Sinai Hospital - Robert Casper TCART lab	400
~ New York Botanical Garden	1,500
~ Sick Kids Hospital	300
~ Steadman Hawkins Research Foundation	500
~ Timothy Eaton Memorial Church	600
~ UNC School of Journalism and Mass Communication	2,500
~ United Way - Martin County	250
~ Vail Valley Music Festival 2010	15,000
~ Vanderbilt University, Peabody College - HOD Program	200
~ Woodrow Wilson Center	<u>1,000</u>
Total	<u>\$ 249,500</u>



**Realized Gains and Losses**  
**Morton Family Foundation**  
**01-01-09 to 12-31-09**

**Capital Gains/Losses**

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Short Term	Long Term
01/01/80	08/25/09	8,228	Coca-Cola Inc	370,281	401,260	0	30,980
12/18/08	08/25/09	400	S&P 500 Depository Receipts	35,664	41,262	5,599	0
12/01/08	08/25/09	3,700	S&P 500 Depository Receipts	312,803	381,676	68,873	0
12/18/08	08/25/09	350	iShares MSCI EAFE Index Fund	15,312	18,478	3,166	0
12/01/08	08/25/09	1,360	iShares MSCI EAFE Index Fund	53,190	71,800	18,610	0
01/01/80	08/25/09	467	Chevron Corp.	32,580	32,979	0	399
12/01/08	08/25/09	235	iShares Russell 2000 Index	10,281	13,710	3,430	0
12/01/08	08/27/09	1,710	iShares MSCI EAFE Index Fund	66,879	90,571	23,692	0
12/01/08	08/27/09	235	iShares Russell 2000 Index	10,281	13,731	3,450	0
12/01/08	08/31/09	1,715	iShares MSCI EAFE Index Fund	67,074	90,147	23,073	0
12/01/08	08/31/09	235	iShares Russell 2000 Index	10,281	13,425	3,145	0
12/01/08	09/04/09	1,715	iShares MSCI EAFE Index Fund	67,074	89,967	22,892	0
12/01/08	09/04/09	235	iShares Russell 2000 Index	10,281	13,392	3,112	0
08/25/09	11/13/09	201	AMEX Financial Select Sector SPDR	2,931	2,935	4	0
08/25/09	11/13/09	1,210	AMEX Industrial Select Sector SPDR	30,821	33,279	2,457	0
08/25/09	11/13/09	357	AMEX Technology Select Sector SPDR	7,188	7,802	614	0
08/25/09	11/13/09	693	AMEX Consumer Staples Select SPDR	17,237	18,502	1,265	0
08/25/09	11/13/09	327	AMEX Health Care Select Sector SPDR	9,467	9,726	259	0
08/27/09	12/21/09	986	Gateway Fund Y Shares	24,221	25,000	779	0
11/13/09	12/21/09	250	AMEX Materials Select Sector SPDR	8,010	8,110	100	0
08/25/09	12/21/09	1,990	AMEX Financial Select Sector SPDR	29,015	28,609	(407)	0
08/25/09	12/21/09	510	AMEX Industrial Select Sector SPDR	12,991	14,292	1,301	0
08/25/09	12/21/09	150	AMEX Technology Select Sector SPDR	3,020	3,378	358	0
08/25/09	12/21/09	90	AMEX Consumer Staples Select SPDR	2,239	2,376	137	0
08/25/09	12/21/09	230	AMEX Utilities Select Sector SPDR	6,819	7,229	410	0
08/25/09	12/21/09	600	AMEX Health Care Select Sector SPDR	17,371	18,909	1,538	0
11/13/09	12/21/09	40	AMEX Consumer Discretionary Select SPDR	1,156	1,198	42	0
08/25/09	12/21/09	75	Harbor International Fund - Inst	3,742	4,000	258	0
11/13/09	12/21/09	90	AMEX Energy Select Sector SPDR	5,148	5,125	(22)	0
08/27/09	12/21/09	470	Baron Small Cap Fund	8,111	9,000	889	0
08/27/09	12/21/09	187	Longleaf Partners Small-Cap	3,607	4,000	393	0
08/27/09	12/21/09	331	Prospector Opportunity Fund	4,616	4,985	369	0

Gross Proceeds

Total Gains

Total Losses

Total Realized Gain/Loss

\$1,480,853

190,215

(429)

\$ 189,786

\$ 31,379

# MORTON FAMILY FOUNDATION CUST CUSTODY STATEMENT

Account number 12-35-044-3982887  
December 1, 2009 - December 31, 2009



## Detail

### Mutual funds Fixed funds

Fixed funds	Description (Symbol)	Market value last period		Current market value		% of total portfolio	Total tax cost		Unrealized gain/loss	Current yield	Estimated annual income
		Quantity	Current price per unit	Current	Avg tax cost per unit						
	T ROWE PRICE HIGY YIELD (PRHYX) FUND #57	\$18,679.26	\$19,213.42	\$64,200	\$13,752.32	1.46 %	\$5,461.10	11.40 %	\$2,189.64		
	VANGUARD FIXED INCOME SECS FD (VWEHX) HIGH YIELD CORPORATE PORT FD #29	17,726.01	18,207.72	54,700	13,716.35	1.38 %	4,491.37	8.34 %	1,517.07		
	Total fixed funds		\$37,421.14		\$27,468.67	2.83 %	\$9,952.47	9.91 %	\$3,706.71		

### Equity funds

Description (Symbol)	Market value last period		Current market value		% of total portfolio	Total tax cost		Unrealized gain/loss	Current yield	Estimated annual income
	Quantity	price per unit	Current	price per unit		Avg tax cost per unit	Unrealized gain/loss			
BARON SMALL CAP FUND (BSCFX) FUND #583	\$46,156.29	\$40,408.52	\$19,260.00	\$17.11	3.06 %	\$35,889.18	\$4,519.34			
GATEWAY FUND (GTEYX) FUND CLASS Y	123,089.79	99,437.47	25,240.00	24.56	7.52 %	96,767.51	2,669.96			
HARBOR FUND (HAINX) INTERNATIONAL FUND FD #11	170,364.79	169,049.48	54,870.00		12.78 %	153,315.25	15,734.23	1.88 %	3,173.34	
HARRIS ASSOC INVT TR (OAKIX) CLASS I OAKMARK INTL FD FUND #109	163,192.06	169,064.15	16,840.00		12.78 %	156,168.36	12,895.79	0.98 %	1,656.51	
LONGLEAF PARTNERS SM CAP FD (LLSCX) FD #134	18,747.65	21,770.00	16,266.48	21,770.00	1.23 %	14,392.52	1,873.96	1.11 %	179.33	
PROSPECTOR OPPORTUNITY FUND (POPEX) FUND #134	28,099.99	23,763.46	15,100.00	23,763.46	1.80 %	21,884.36	1,879.10			
MATERIALS SELECT SECTOR SPDR (XLB) ETF LARGE CAP	1,573.739	15,736.23	32,990.00	15,736.23	1.19 %	15,283.85	452.38	2.15 %	337.72	
HEALTH CARE SELECT SECTOR (XLV) ETF LARGE CAP	101,029.24	83,671.51	31,070.00	83,671.51	6.33 %	77,967.40	5,704.11	2.21 %	1,844.71	
SECTOR SPDR TR (XLP) ETF SBI CONS STPLS	64,191.66	61,066.29	2,307	61,066.29	4.62 %	57,381.77	3,684.52	3.76 %	2,293.16	



MORTON FAMILY FOUNDATION CUST  
CUSTODY STATEMENT

Account number 12-35-044-3982887

December 1, 2009 - December 31, 2009

Detail

Equity funds

Description (Symbol)	Market value last period		Current market value		% of total portfolio	Total tax cost		Unrealized gain/loss	Current yield	Estimated annual income
	Quantity	price per unit	Current price per unit	Current price per unit		Avg tax cost per unit	Total tax cost			
CONSUMER DISCRETIONARY SELECT (XLY)	30,051 00	1,010	30,067 70	29 7700	2 28 %	28,721 98	28 44	1,345 72	2 16 %	648 42
ETF SECTOR LARGE CAP										
ENERGY SELECT SPDR FUND (XLE)	95,912 16	1,598	91,101 98	57 0100	6 89 %	84,142 05	52 66	6,959 93	2 14 %	1,944 77
ETF										
FINANCIAL SELECT SECTOR SPDR (XLF)	192,177 94	11,119	160,113 60	14 4000	12 10 %	162,120 28	14 58	- 2,006 68	1 46 %	2,323 87
FUND ETF										
INDUSTRIAL SELECT SECTOR SPDR (XLI)	74,001 90	2,180	60,582 20	27 7900	4 58 %	55,528 95	25 47	5,053 25	2 60 %	1,573 96
ETF LARGE CAP										
SECTOR SPDR TR (XLK)	51,395 25	2,213	50,744 09	22 9300	3 84 %	44,554 98	20 13	6,189 11	1 39 %	701 52
ETF SHS BEN INT- TECHNOLOGY										
SECTOR SPDR TR (XLU)	47,020 80	1,350	41,877 00	31 0200	3 17 %	39,892 05	29 55	1,984 95	4 76 %	1,992 60
ETF SHS BEN INT- UTILITIES										
STRATEGIC INTERNATIONAL (DISRX)	162,960 50		163,907 94		12 39 %	155,000 00	11 45	8,907 94	0 42 %	676 75
STOCK FUND CL I	13,534 925		12 1100							
<b>Total equity funds</b>			<b>\$1,276,858.10</b>		<b>96.47 %</b>	<b>\$1,199,010.49</b>		<b>\$77,847.61</b>	<b>1.52 %</b>	<b>\$19,346.66</b>

Total mutual funds

			\$1,314,279.24		99.30 %	\$1,226,479.16		\$87,800.08	1.75 %	\$23,053.37
--	--	--	----------------	--	---------	----------------	--	-------------	--------	-------------

Total portfolio

			\$1,323,542.38		100.00 %	\$1,235,742.30		\$87,800.08	1.74 %	\$23,073.86
--	--	--	----------------	--	----------	----------------	--	-------------	--------	-------------

