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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

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

MERRIMAN FOUNDATION

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

1747 PENNSYLVANIA AVENUE

City or town, state, and ZIP code

WASHINGTON, DC 20006

A Employer identification number

23-7113720

B Telephone number (see page 10 of the instructions)

(202) 785-9500

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) ☐ 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)
1 Contributions, gifts, grants, etc., received (attach schedule)	118,779.	ATCH 1		
2 Check ☐ if the foundation is not required to attach Sch B.	34.	34.		ATCH 2
3 Interest on savings and temporary cash investments	215,208.	215,208.		ATCH 3
4 Dividends and interest from securities				
5a Gross rents				
b Net rental income or (loss)	1,801.			
6a Net gain or (loss) from sale of assets not on line 10		1,801.		
b Gross sales price for all assets on line 6a				
7 Capital gain net income (from Part IV, line 2)				
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11.	335,822.	217,043.		
13 Compensation of officers, directors, trustees, etc.	0.			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) ATCH 4	14,193.	14,193.	0.	0.
b Accounting fees (attach schedule)				
c Other professional fees (attach schedule)				
17 Interest . ATTACHMENT 5	2,431.	2,431.		
18 Taxes (attach schedule) (see page 14 of the instructions) *	1,030.			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 7	20.	20.		
24 Total operating and administrative expenses. Add lines 13 through 23	17,674.	16,644.	0.	0.
25 Contributions, gifts, grants paid	271,371.			271,371.
26 Total expenses and disbursements. Add lines 24 and 25	289,045.	16,644.	0.	271,371.
27 Subtract line 26 from line 12:	46,777.			
a Excess of revenue over expenses and disbursements		200,399.		
b Net investment income (if negative, enter -0-)			-0-	
c Adjusted net income (if negative, enter -0-)				

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

JSA ** ATCH 6

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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 instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments			45,334.	45,334.
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)				
	7	Other notes and loans receivable (attach schedule) ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U.S. and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule) <u>ATCH 8</u>	868,722.	877,196.	6,790,671.	
	c	Investments - corporate bonds (attach schedule)				
	Liabilities	11	Investments - land, buildings, and equipment basis ▶			
		Less: accumulated depreciation ▶ (attach schedule)				
12		Investments - mortgage loans				
13		Investments - other (attach schedule)				
14		Land, buildings, and equipment basis ▶				
		Less: accumulated depreciation ▶ (attach schedule)				
15		Other assets (describe ▶)				
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	868,722.	922,530.	6,836,005.	
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 ▶ <u>ATCH 9</u>)	98,184.	103,740.			
23	Total liabilities (add lines 17 through 22)	98,184.	103,740.			
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, check here and complete lines 27 through 31. ▶ ☒					
	27	Capital stock, trust principal, or current funds	770,538.	818,790.		
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see page 17 of the instructions)	770,538.	818,790.		
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	868,722.	922,530.		

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	770,538.
2	Enter amount from Part I, line 27a	2	46,777.
3	Other increases not included in line 2 (itemize) ▶ <u>ATTACHMENT 10</u>	3	2,000.
4	Add lines 1, 2, and 3	4	819,315.
5	Decreases not included in line 2 (itemize) ▶ <u>ATTACHMENT 11</u>	5	525.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	818,790.

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 PART IV SCHEDULE					
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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2	1,801.	
If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }					
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)			3		
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. }					

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	605,145.	7,735,221.	0.078232
2007	615,879.	8,196,207.	0.075142
2006	499,568.	7,583,999.	0.065871
2005	345,949.	6,460,166.	0.053551
2004	207,195.	6,332,800.	0.032718
2 Total of line 1, column (d)			2 0.305514
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 0.061103
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 5,898,376.
5 Multiply line 4 by line 3			5 360,408.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,004.
7 Add lines 5 and 6			7 362,412.
8 Enter qualifying distributions from Part XII, line 4			8 271,371.

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.

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

1 a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1		1	4,008.	
Date of ruling or determination 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				
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		2	4,008.	
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)				
3 Add lines 1 and 2				
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	4,008.	
6 Credits/Payments		7	6,700.	
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a			1,900.
b Exempt foreign organizations-tax withheld at source	6b			0.
c Tax paid with application for extension of time to file (Form 8868)	6c			4,800.
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d		7	6,700.	
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		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	2,692.	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax ☐ 2,692. Refunded ☐		11		

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 page 19 of 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 ☐ \$ _____ (2) On foundation managers ☐ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☐ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?	2	X
If "Yes," attach a detailed description of the activities		
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 . ATTCH 12	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	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5	X
If "Yes," attach the statement required by General Instruction T		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ☐ MO,		
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9	X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses . ATTACHMENT 13	10	X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		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 ☐ LINDA SONNENMOSE	Telephone no	816 391-2032	
	Located at ☐ 300 W. 11TH STREET KANSAS CITY, MO	ZIP + 4	64105	
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 page 20 of the instructions)?	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 2009?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes	☒ No
If "Yes," list the years ☐		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ☐		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes	☒ No
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

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

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

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

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

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

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

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

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

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

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** ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** ☐ Yes ☒ No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (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
ATTACHMENT 14		0.	0.	0.

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

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

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

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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 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 **NONE**

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 N/A	
2	
3	
4	

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
1 NONE	
2	
All other program-related investments. See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	6,059,220.
b	Average of monthly cash balances	1b	49,450.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0.
d	Total (add lines 1a, b, and c)	1d	6,108,670.
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	120,471.
3	Subtract line 2 from line 1d	3	5,988,199.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	89,823.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,898,376.
6	Minimum investment return. Enter 5% of line 5	6	294,919.

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

1	Minimum investment return from Part X, line 6	1	294,919.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	4,008.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	4,008.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	290,911.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	290,911.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	290,911.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	271,371.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	271,371.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	271,371.

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				290,911.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20 07, 20 06, 20 05				
3 Excess distributions carryover, if any, to 2009:				
a From 2004	0.			
b From 2005	0.			
c From 2006	0.			
d From 2007	372,715.			
e From 2008	222,189.			
f Total of lines 3a through e	594,904.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 271,371.				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2009 distributable amount				271,371.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	19,540.			19,540.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	575,364.			
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 page 27 of the instructions				
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010.				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	575,364.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007	353,175.			
d Excess from 2008	222,189.			
e Excess from 2009				

4942(i)(3) or		4942(i)(5)
---------------	--	------------

N/A

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 ATTACHMENT 15				
Total.			▶ 3a	271,371.
b Approved for future payment ATTACHMENT 16				
Total.			▶ 3b	481,429.

Form **990-PF** (2009)

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?		Yes	No
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			

Schedule of Contributors

OMB No 1545-0047

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

2009

Name of the organization

MERRIMAN FOUNDATION

Employer identification number

23-7113720

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☒ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **MERRIMAN FOUNDATION**Employer identification number
23-7113720**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	JOE JACK MERRIMAN, DECEASED 300 W 11TH STREET KANSAS CITY, MO 64105	\$ 110,305.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
2	JOE JACK MERRIMAN, DECEASED 300 W 11TH STREET KANSAS CITY, MO 64105	\$ 8,474.	Person ☒ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
			Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Employer identification number
23-7113720

[illegible]

FORM 990-PF - PART IV

CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis	Gain or (loss)	
18.		LIQUIDATION OF MICROCAP VALUE PTNRSH				18.	01/09/2009
1,783.		SEC VS MBIA DISTRIBUTION FUND				1,783.	04/01/2009
TOTAL GAIN (LOSS)						<u>1,801.</u>	

MERRIMAN FOUNDATION

23-7113720

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS AND GRANTS RECEIVED

ATTACHMENT 1

NAME AND ADDRESS	DATE	DIRECT PUBLIC SUPPORT
JOE JACK MERRIMAN, DECEASED 300 W 11TH STREET KANSAS CITY, MO 64105	12/24/2009	110,305.
JOE JACK MERRIMAN, DECEASED 300 W 11TH STREET KANSAS CITY, MO 64105	06/25/2009	8,474.
TOTAL CONTRIBUTION AMOUNTS		118,779.

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
COMMERCE BANK	34.	34.
TOTAL	<u>34.</u>	<u>34.</u>

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
PROCTER & GAMBLE	163,338.	163,338.
VANDHAM	51,870.	51,870.
TOTAL	<u>215,208.</u>	<u>215,208.</u>

ATTACHMENT 4FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
WEBSTER, CHAMBERLAIN	138.	138.		
LATHROP & GAGE	14,055.	14,055.		
TOTALS	<u>14,193.</u>	<u>14,193.</u>	<u>0.</u>	<u>0.</u>

FORM 990PF, PART I - INTEREST EXPENSE

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MARGIN INTEREST	2,431.	2,431.
TOTALS	2,431.	2,431.

ATTACHMENT 6FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
ANNUAL REPORTS	20.
FEDERAL TAX	1,010.
TOTALS	<u>1,030.</u>

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
BANK FEES	20.	20.
TOTALS	20.	20.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 8

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
94,964 SH PROCTER & GAMBLE	4,748.	5,757,667.
14,600 SH ALTRIA	254,738.	286,598.
500 SH UNITED TECHNOLOGIES	28,847.	34,705.
14,600 SH PHILLIP MORRIS	580,389.	703,574.
2,042 SH MBIA	8,474.	8,127.
TOTALS	<u>877,196.</u>	<u>6,790,671.</u>

FORM 990PF, PART II - OTHER LIABILITIESATTACHMENT 9DESCRIPTIONENDING
BOOK VALUE

MARGIN BALANCE

103,740.

TOTALS

103,740.

ATTACHMENT 10FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
OTHER INCREASES	2,000.
TOTAL	<u>2,000.</u>

ATTACHMENT 11FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCESDESCRIPTIONAMOUNT

N/D CONTRIBUTIONS

525.

TOTAL

525.

ATTACHMENT 12

FORM 990PF, PART VII-A, LINE 3 - CONFORMED COPY OF THE CHANGES

FIRST AMENDED AND RESTATED BYLAWS ATTACHED.

FORM 990PF, PART VII-A, LINE 10 - NEW SUBSTANTIAL CONTRIBUTORSATTACHMENT 13

<u>NAME AND ADDRESS</u>	<u>DATE</u>	<u>DIRECT PUBLIC SUPPORT</u>
JOE JACK MERRIMAN, DECEASED 300 W 11TH STREET KANSAS CITY, MO 64105	12/24/2009	110,305.
JOE JACK MERRIMAN, DECEASED 300 W 11TH STREET KANSAS CITY, MO 64105	06/25/2009	8,474.
TOTAL CONTRIBUTION AMOUNTS		<u>118,779.</u>

MERRIMAN FOUNDATION

23-7113720

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 14

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
MICHAEL A MERRIMAN 300 W 11TH STREET KANSAS CITY, MO 64105	PRESIDENT/TREASURER 1.00	0.	0.	0.
ELAINE MERRIMAN 300 W 11TH STREET KANSAS CITY, MO 64105	VICE-PRESIDENT 1.00	0.	0.	0.
MARYBETH M SOTOS 300 W 11TH STREET KANSAS CITY, MO 64105	SECRETARY 1.00	0.	0.	0.
GRAND TOTALS		<u>0.</u>	<u>0.</u>	<u>0.</u>

FORM 990FF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
BOYS & GIRLS CLUB OF PB 800 NORTHPOINT, SUITE 204 WEST PALM BEACH, FL 33407	501 (C) 3		CHARITABLE	1,000
HEART OF AMERICA COUNCIL BOY SCOUTS OF AMERICA 10210 HOLMES ROAD KANSAS CITY, MO 64131	501 (C) 3		CHARITABLE	2,500
CRUSADE FOR CHRIST INTERNATIONAL PO BOX 628222 ORLANDO, FL 32862-8222	501 (C) 3		RELIGIOUS	5,000
FLAGLER MUSEUM 1 WHITEHALL WAY PALM BEACH, FL 33480	501 (C) 3		EDUCATIONAL	1,000.
HOSPICE OF PALM BEACH PO BOX 2781 PALM BEACH, FL 33480	501 (C) 3		CHARITABLE	1,000
NELSON GALLERY SOCIETY OF FELLOWS 4525 OAK KANSAS CITY, MO 64111	501 (C) 3		EDUCATIONAL	4,900.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND			PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
RECIPIENT NAME AND ADDRESS	FOUNDATION STATUS OF RECIPIENT			
PEMBROKE HILL SCHOOL 400 W 51ST STREET KANSAS CITY, MO 64112	501 (C) 3		EDUCATIONAL	12,500
ROYAL POINCIANA CHAPEL 60 COCONUT ROW PALM BEACH, FL 33480	501 (C) 3		RELIGIOUS	27,700.
ST ANDREWS EPISCOPAL CHURCH 6401 WORNALL TERRACE KANSAS CITY, MO 64113	501 (C) 3		RELIGIOUS	6,000
SOUTHERN METHODIST UNIVERSITY PO BOX 75033 DALLAS, TX 75275	501 (C) 3		EDUCATIONAL	5,000
FOUNDATION FOR FIGHTING BLINDNESS 8008 RAVEN COURT MCKINNEY, TX 75071	501 (C) 3		SCIENTIFIC	1,200
BOY SCOUTS OF AMERICA - GULF STREAM 8335 N MILITARY TRAIL PALM BEACH GARDENS, FL 33410	501 (C) 3		CHARITABLE	5,000

ATTACHMENT 15 (CONT'D)

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
COMPREHENSIVE ALCOHOLISM REHABILITATION PROGRAMS PO BOX 2507 WEST PALM BEACH, FL 33402	501 (C) 3		CHARITABLE	250
BOTAR 1701 AMERICAN ROYAL CT KANSAS CITY, MO 64102	501 (C) 3		CHARITABLE	1,000.
NORTON MUSEUM OF ART 1451 S OLIVE AVENUE WEST PALM BEACH, FL 33401	501 (C) 3		EDUCATIONAL	1,450
STEADMAN HAWKINS FOUNDATION 181 WEST MEADOW DRIVE, SUITE 1000 VAIL, CO 81657-5059	501 (C) 3		SCIENTIFIC	5,000.
KC ART INSTITUTE 4415 WARWICK BLVD KANSAS CITY, MO 64111	501 (C) 3		CHARITABLE	2,500.
CARVER FAMILY CTR FOR MACULAR DEGENERATION FUND PO BOX 4550 IOWA CITY, IA 52244-4550	501 (C) 3		SCIENTIFIC	25,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
RAYMOND F KRAVIS CENTER FOR PERFORMING ARTS 701 OKEECHOBEE BLVD WEST PALM BEACH, FL 33401	501(C)3		CHARITABLE	925.
ST LUKES HOSPITAL FOUNDATION 4225 BALTIMORE AVE KANSAS CITY, MO 64111	501(C)3		SCIENTIFIC	78,571.
PRESERVATION FOUNDATION OF PB 356 SOUTH COUNTY ROAD PALM BEACH, FL 33480	501(C)3		CHARITABLE	500
SOUTH FLORIDA SCIENCE MUSEUM 4801 DREHER TRAIL NORTH WEST PALM BEACH, FL 33405-3099	501(C)3		CHARITABLE	1,000.
KAPPA KAPPA GAMMA FOUNDATION 530 EAST TOWN STREET PO BOX 38 COLUMBUS, OH 43216-0038	501(C)3		CHARITABLE	5,000
BOY SCOUTS OF AMERICA CAMPSHIP FUND 10210 HOLMES ROAD KANSAS CITY, MO 64131	501(C)3		CHARITABLE	1,000

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEARATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
KANSAS CHILDREN'S SERVICE LEAGUE 3545 SW 5TH STREET TOPEKA, KS 66606	501 (C) 3		CHARITABLE	7,000.
KC CANCER CENTER 1055 BROADWAY, SUITE 130 KANSAS CITY, MO 64105	501 (C) 3		CHARITABLE	500
NATIONAL KIDNEY FOUNDATION 6405 METCALF, SUITE 204 OVERLAND PARK, KS 66202	501 (C) 3		CHARITABLE	1,000
RETINA CARE RESEARCH INSTITUTE OF FL 3399 PGA BLVD, SUITE 350 PALM BEACH GARDENS, FL 33410	501 (C) 3		SCIENTIFIC	62,375.
ST LUKES HOME CARE SERVICES 3100 BROADWAY, SUITE 1000 KANSAS CITY, MO 64111	501 (C) 3		CHARITABLE	5,000
LAKE LOTAWANA MEMORIAL ROSE GARDEN 17 S STREET LAKE LOTAWANA, MO 64086	501 (C) 3		CHARITABLE	500
TOTAL CONTRIBUTIONS PAID				<u>271,371.</u>

FORM 990PF, PART XV - CONTRIBUTIONS APPROVED FOR FUTURE PAYMENT

ATTACHMENT 16

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR
AND
FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

ST. LUKE'S HOSPITAL FOUNDATION
4225 BALTIMORE
KANSAS CITY, MO 64111

501 (C) 3

SCIENTIFIC

471,429.

KAPPA KAPPA GAMMA FOUNDATION
530 EAST TOWN STREET
PO BOX 38
COLUMBUS, OH 43216-0038

501 (C) 3

EDUCATIONAL

10,000

TOTAL CONTRIBUTIONS APPROVED

481,429

SCHEDULE D
(Form 1041).

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► **Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2009

Name of estate or trust

MERRIMAN FOUNDATION

Employer identification number

23-7113720

Note: Form 5227 filers need to complete *only* Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b

1b

2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824

2

3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts

3

4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet

4

5 **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ►

5

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b

6b

1,801.

7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824

7

8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts

8

9 Capital gain distributions

9

10 Gain from Form 4797, Part I

10

11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet

11

12 **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ►

12

1,801.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2009

Part III Summary of Parts I and II**Caution:** Read the instructions *before* completing this part.

	(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		
14 Net long-term gain or (loss):			
a Total for year	14a		1,801.
b Unrecaptured section 1250 gain (see line 18 of the wrksh)	14b		
c 28% rate gain	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		1,801.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of	16	()
a The loss on line 15, column (3) or b \$3,000		

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero.	18		
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20 Add lines 18 and 19	20		
21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-	22		
23 Subtract line 22 from line 17. If zero or less, enter -0-	23		
24 Enter the smaller of the amount on line 17 or \$2,300	24		
25 Is the amount on line 23 equal to or more than the amount on line 24? ☐ Yes. Skip lines 25 and 26, go to line 27 and check the "No" box. ☐ No. Enter the amount from line 23.	25		
26 Subtract line 25 from line 24.	26		
27 Are the amounts on lines 22 and 26 the same? ☐ Yes. Skip lines 27 thru 30, go to line 31. ☐ No. Enter the smaller of line 17 or line 22	27		
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29 Subtract line 28 from line 27	29		
30 Multiply line 29 by 15% (15)	30		
31 Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).	31		
32 Add lines 30 and 31	32		
33 Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041).	33		
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34		

Schedule D (Form 1041) 2009

Employer identification number

23-7113720

[illegible]

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b	1,801.
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Schedule D-1 (Form 1041) 2009

**FIRST AMENDED AND RESTATED
BYLAWS
OF THE
MERRIMAN FOUNDATION**

ARTICLE 1

Offices and Records

1.1. (a) **Registered Office and Registered Agent.** The registered office and the registered agent of the corporation are located at 2345 Grand Boulevard, Kansas City, Missouri 64108. The address of the registered office and the name of the registered agent shall be on file in the appropriate office of the State of Missouri pursuant to applicable provisions of law. Unless otherwise permitted by law, the address of the registered office of the corporation and the address of the business office of the registered agent shall be identical. If the registered agent is an individual he or she shall be a Missouri resident.

(b) **Corporate Offices.** The corporation may have such corporate offices anywhere within and without the State of Missouri as the Board of Directors and from time to time may appoint or the business of the corporation may require. The "principal place of business," "principal business," and "executive offices" of the corporation may be determined from time to time by the Board of Directors.

1.2. (a) **Records.** The corporation shall keep correct and complete books and records of account, including the amount of its assets and liabilities, minutes of the proceedings of the directors and Board of Directors, and a list of the names and places of residence of the officers. The corporation shall keep at its registered office, its principal place of business in Missouri, and from time to time such other or additional records and information as may be required by law.

(b) **Inspection of Books.** A director, if he or she demands to inspect the books of the corporation pursuant to any statutory or other legal right, shall have access to and may examine such books for any proper purpose during the usual and customary hours of business and in such manner as will not unduly interfere with the regular conduct of the business of the corporation. No director shall use or permit to be used or acquiesce in the use by others of any information so obtained to the detriment of the corporation, nor shall such director furnish or permit to be furnished any information so obtained to any competitor or prospective competitor of the corporation. The corporation, as a condition precedent to any director's inspection of the books of the corporation, may require the director to indemnify the corporation against any loss or damage which may be suffered by it arising out of any unauthorized disclosure made or permitted to be made by such director of information obtained in the course of such inspection.

ARTICLE 2

Directors

2.1. **Directors - Number and Tenure.** The number of directors to constitute the initial Board of Directors of the corporation shall be three (3). The number of directors to constitute subsequent Boards of Directors shall be determined by the directors of the corporation at each regular meeting of the directors, except that the directors may create new directorships at any special meeting. If the number of directors is not determined at any regular meeting, the number of directors shall remain the same as it was immediately preceding such meeting.

A director does not need to be a resident of the State of Missouri, unless the Articles of Incorporation so require; a director must be at least 18 years of age.

Each director shall hold office until the next succeeding regular meeting of the directors or until such director's successor is elected and qualified, unless such director earlier resigns or is removed.

Each director shall hold office for a term of six years or until his successor shall have been elected and qualified (unless such director earlier resigns or is removed).

The attendance of any director at any regular or special meeting of the Board of Directors or such director's written approval of the minutes of any such meeting shall constitute acceptance of the office of director.

2.2. **Powers of the Board.** The property and business of the corporation shall be controlled and managed by the Board of Directors. The Board of Directors shall have and is vested with all and unlimited powers and authorities, except as may be expressly limited by law, the Articles of Incorporation, or these Bylaws, to do or cause to be done any and all lawful things for and on behalf of the corporation, to exercise or cause to be exercised any or all of its powers, privileges and franchises, and to seek the effectuation of its objects and purposes. The Board of Directors shall serve without compensation, but by resolution of the Board of Directors, a reasonable sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Directors; provided, however, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving reasonable compensation for personal services actually rendered.

2.3. **Regular Meetings.** A regular meeting of the Board of Directors may be held without other notice than this Bylaw at the corporation's executive offices at the hour of 10:00 a.m. on the fourth Friday following the close of the calendar or fiscal year of the corporation; provided, however, that a majority of the directors may designate that the regular meeting be held at such different time or place as shall be consented to by them in writing, if all directors are notified of the different time or place in the same manner as they would be notified of a special meeting, except that it shall not be necessary to state the purposes of the meeting in such notice. Any business may be transacted at a regular meeting of the Board of Directors.

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Additional regular meetings of the Board of Directors may be held without notice at such times and places either within or without the State of Missouri as shall from time to time be fixed by resolution adopted by a majority of the full Board of Directors.

Unless otherwise provided in the Articles of Incorporation, members of the Board of Directors may participate in any meeting of the Board by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

2.4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or the Secretary, or any two directors, by giving or delivering written notice of such meeting to each director at least two full days, not counting Sundays and legal holidays, before the day on which the meeting is to be held, either personally or by mail, stating the place, day and hour of the meeting and the purpose or purposes for which it is called. The person or persons calling the special meeting may fix the place, either within or without the State of Missouri, as a place for holding the meeting. If notice is given by mail, it shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid, addressed to the director at his residence or usual place of business. If notice is given in person, it may be given by any officer having authority to call the meeting or by any director.

2.5. Action by Consent in Lieu of Meeting. Any action which is required to be or which may be taken at a meeting of the Board of Directors may be taken without a meeting if all the directors severally or collectively sign a written consent which sets forth the action to be taken. Such consents shall have the same force and effect as the unanimous vote of the directors at a meeting duly held and may be stated as such in any certificate or document executed on behalf of the corporation. The Secretary shall file such consents with the minutes of the meetings of the Board of Directors.

2.6. Quorum. A majority of the full Board of Directors shall, unless a greater number as to any particular matter is required by the Articles of Incorporation or these Bylaws, constitute a quorum for the transaction of business. The act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by law, the Articles of Incorporation or these Bylaws. Less than a quorum may adjourn a meeting successively until a quorum is present.

2.7. Waiver. Any notice required to be given to a director by any provision of these Bylaws, the Articles of Incorporation or any law may be waived in writing signed by such director, whether before, at or after the time stated therein, and such waiver shall be deemed equivalent to the giving of such notice. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where such director attends the meeting for the express purpose, and so states at the opening of the meeting, of objecting to the transaction of any business because the meeting is not lawfully called or convened.

2.8. Vacancies. Unless otherwise provided in the Articles of Incorporation, vacancies on the Board of Directors and newly created directorships resulting from an increase in the

number of directors may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director until the next election of directors.

2.9. **Executive Committee.** The Board of Directors may, by resolution adopted by a majority of the whole Board of Directors, designate two or more directors to constitute an Executive Committee, which committee, to the extent provided in said resolution, shall have and may exercise any or all of the authority of the Board of Directors in the management of the corporation.

The members of the committee may take actions by written consents in lieu of meetings and may participate in meetings by means of conference telephone or similar communications equipment in the same manner as the Board of Directors. The Executive Committee shall keep regular minutes of its proceedings which shall be recorded in the minute book of the corporation. The Secretary of the corporation may act as Secretary for the committee if the committee so requests.

2.10. **Compensation of Directors and Committee Members.** Directors or members of all committees shall not be compensated for their services.

ARTICLE 3

Officers

3.1. **Elected Officers.** A President and a Secretary shall be elected annually by the Board of Directors at its first meeting following a regular Board of Directors' meeting.

An elected officer shall be deemed qualified when such officer begins the duties of the office to which such officer has been elected and furnishes any bond required by the Board; but the Board may also require of such person a written acceptance and promise to discharge faithfully the duties of such office. The officers of the corporation need not be members of the Board of Directors in the corporation.

3.2. **Term of Office.** Each elected officer of the corporation shall hold office for the term for which such officer was elected or until such officer resigns or is removed by the Board of Directors, whichever first occurs.

3.3. **Appointed Officers; Terms of Office.** The Board of Directors from time to time may also appoint such other officers for the corporation as it shall deem necessary or advisable. All appointed officers shall hold their respective positions at the pleasure of the Board of Directors or for such terms as the Board may specify, and they shall exercise such powers and perform such duties as shall be determined from time to time by the Board or by an elected officer empowered by the Board to make such determinations.

3.4. **Removal.** Any officer elected or appointed by the Board of Directors may be removed or discharged by the Board whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

3.5. Delegation of Authority to Hire, Discharge and Designate Duties. The Board of Directors from time to time may delegate to the President authority to hire, discharge, fix, and modify the duties of employees of the corporation under the jurisdiction of the corporation, and the Board of Directors may delegate to such officer or executive employee similar authority with respect to obtaining and retaining for the corporation the services of attorneys, accountants and other experts.

3.6. The President. The President shall be the chief executive officer of the corporation. The President shall have such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive of a corporation and shall carry into effect all directions and resolutions of the Board. The President shall have such other or further duties and authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

The President may execute all bonds, notes, debentures, mortgages and other contracts and may cause the seal of the corporation to be affixed thereto and to all other instruments for and in the name of the corporation. The President, when authorized by the Board of Directors to do so, may execute powers of attorney from, for and in the name of the corporation to such proper person or persons as the President may deem fit, in order that the business of the corporation may be furthered or action taken as may be deemed by the President necessary or advisable in furtherance of the interests of the corporation.

Unless provided otherwise by the Board of Directors, the President may attend meetings of other corporations to represent the corporation at such meetings and to vote or take action with respect of any such corporation owned by this corporation in such manner as the President shall deem to be in the best interests of the corporation or as may be directed by the Board and may execute and deliver waivers of notice and proxies for and in the name of the corporation.

The President shall, unless the Board otherwise provides, be ex officio a member of all standing committees.

3.7. The Secretary. The Secretary shall have the general duties, powers and responsibilities of a secretary of a corporation. The Secretary shall attend all meetings of the Board of Directors and, except as otherwise provided in Section 3.5 of these Bylaws, shall record or cause to be recorded all votes taken and the minutes of all proceedings in a minute book of the corporation to be kept for that purpose. The Secretary shall perform like duties for the executive and other standing committees when requested by the Board or such committee to do so.

The Secretary shall bear the principal responsibility to give, or cause to be given, notice of all meetings of the Board of Directors, but this shall not lessen the authority of others to give such notice as is authorized elsewhere in these Bylaws. The Secretary shall see that all books, records, lists and information required to be maintained at the registered or other office of the corporation in Missouri or elsewhere are so maintained. The Secretary shall keep in safe custody the seal of the corporation and, when duly authorized to do so, shall affix the same to any instrument requiring it, and when so affixed the Secretary shall attest the same by such Secretary's signature. The Secretary shall perform such other duties and have such other

authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors or the President, under whose direct supervision the Secretary shall be.

3.8. **Duties of Officers May be Delegated.** If any officer of the corporation be absent or unable to act or for any other reason that the Board of Directors may deem sufficient, the Board of Directors may delegate, for the time being, some or all of the functions, duties, powers and responsibilities of any officer to any other officer of the corporation or other responsible person, provided a majority of the full Board of Directors concurs therein.

ARTICLE 4

Indemnification

4.1. **Indemnification of Officers, Directors and Others.**

(a) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, *other than an action by or in the right of the corporation*, by reason of the fact that such person is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director or officer, of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

(b) The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed *action or suit by or in the right of the corporation* to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection with the defense or settlement of the action or the suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of such person's duty to the corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

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(c) To the extent that a director or officer of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of this section or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection with the action, suit or proceeding.

(d) Any indemnification under subsections (a) and (b) of this Bylaw, unless ordered by the court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director or officer, is proper in the circumstances because such person has met the applicable standard of conduct set forth in this section. Such determinations shall be made by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or by the directors.

(e) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the corporation as authorized in this section.

(f) The indemnification provided by this Bylaw shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw or agreement, of disinterested directors or otherwise, both as to action in an official capacity and as to action in any other capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such person.

(g) The corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of any other corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Bylaw.

ARTICLE 5

General

5.1. **Checks.** All checks, bank drafts and other orders for the payment of money shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate. If no such designation is made and unless and until the Board of Directors otherwise provides, the President shall have power to sign all such instruments which are executed or made in the ordinary course of the corporation's business for, in behalf of and in the name of the corporation.

5.2. **Loans.** No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

5.3. **Deposits.** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositaries as the Board of Directors may select.

5.4. **Disbursements for Eleemosynary Purposes.** All income and properties of the corporation shall be devoted exclusively to religious, charitable, scientific, literary, or educational purposes as provided in Article II of the Articles of Incorporation. The Board of Directors may adopt such policies, regulations, and procedures governing the management and disbursement of funds for such eleemosynary purposes as in its opinion are reasonably calculated to carry out such purposes as set forth in said Article II.

5.5. **Prohibited Transactions.** No provision of the Articles of Incorporation or these Bylaws shall in any way be construed as permitting the corporation, whether through its Board of Directors, its officers, agents, or other party acting in its behalf, to:

- (a) Lend any part of its income or corpus to its officers or directors;
- (b) Lend any part of its income or corpus without the receipt of adequate security and a reasonable rate of interest, to
- (c) Pay any compensation, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered, to
- (d) Make any part of its services available on a preferential basis, to
- (e) Make any substantial purchase of securities or any other property, for more than adequate consideration in money or money's worth, to
- (f) Sell any substantial part of its securities or other property for less than adequate consideration in money or money's worth, to; or
- (g) Engage in any other transaction which results in a substantial diversion of its income or corpus, to

the incorporators, a person who had made a substantial contribution to the corporation; a member of the family (as defined in Section 267(c)(4) of the Internal Revenue Code now in effect) of an individual who is an incorporator or who has made a substantial contribution to the corporation; or a corporation controlled by such incorporator or person through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation.

5.6. **Custodians.** The Board of Directors may from time to time designate a bank, trust company, or other depositary as the custodian of all funds and properties of the corporation,

which custodian shall maintain a record of all receipts, expenditures, income, and expenses of the corporation and perform such ministerial duties as the Board of Directors by written direction may instruct, the custodian to receive such fees for its services as may from time to time be agreed upon by the Board of Directors and the custodian.

5.7. **Fiscal Year.** For accounting and income tax purposes, the corporation shall operate on such fiscal year as may be designated from time to time by the Board of Directors.

5.8. **Directors' Annual Statement.** The Board of Directors may present at each regular meeting and, when called for by vote of The Board of Directors, shall present to any regular or special meeting of the Board of Directors a full and clear statement of the business and condition of the corporation.

5.9. **Amendments.** The Bylaws of the corporation may from time to time be altered or amended in any respect or repealed in whole or in part, or new Bylaws may be adopted by an affirmative vote of a majority of the Board of Directors.

CERTIFICATE

I, the undersigned, hereby certify that I am the Secretary of Merriman Foundation and the keeper of its corporate records; that the foregoing First Amended and Restated Bylaws were duly adopted by said corporation's Board of Directors as and for the Bylaws of said corporation, effective as of the 3rd day of August, 2009; that the foregoing constitute the Bylaws of said corporation; and that such Bylaws are now in full force and effect.

Dated: August 3, 2009

Marybeth Solos
Marybeth Solos, Secretary

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Exhibit A

**CONFLICTS OF INTEREST POLICY
OF THE
MERRIMAN FOUNDATION**

Article I

Purpose

The purpose of this Conflicts of Interest Policy is to protect the interests of the Merriman Foundation ("Foundation") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of Foundation. This Policy is intended to supplement, but not replace, any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Article II

Definitions

1. Interested Person.

Any Director, Officer, or member of a committee with Board-delegated powers who has a direct or indirect "financial interest," as defined below, is an "interested person."

2. Financial Interest.

A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- a. an ownership or investment interest greater than 1% in any entity with which the Foundation has entered into a transaction or arrangement;
- b. a compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement; or
- c. a probable future ownership or investment interest greater than 1% in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

"Compensation" includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest has a conflict of interest only if the Board or appropriate committee decides that a conflict of interest exists.

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Article III

Procedures

1. Duty to Disclose.

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence of his or her financial interest and must be given the opportunity to disclose all material facts to the Directors or members of committees with Board-delegated powers, considering the proposed transaction or arrangement. If requested by a Foundation Officer or Director, the Directors shall provide to the Board a list of all entities in which they have an ownership interest that does or may likely do business with the Foundation. This disclosure shall include the name of the entity and the individual's ownership percentage, if known.

2. Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the determination of a conflict of interest shall be discussed and voted upon. The remaining Board or committee members shall then decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest.

- a. An individual with a conflict of interest may be present during the portion of the meeting of the Board or committee where the remaining Directors discuss and vote upon the proposed transaction. Such individual, however, shall not participate in the discussion concerning the transaction or otherwise use his or her personal influence on such remaining Directors respecting the proposed transaction and shall abstain from voting on the proposed transaction.
- b. The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board or committee shall determine whether the Foundation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Foundation's best interest and whether the transaction is fair and reasonable to the Foundation, and shall make its decision as to whether to enter into the transaction or arrangement in accordance with such determination.

4. **Violations of the Conflicts of Interest Policy.**

- a. If the Board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the response of the member and making such further investigation as it deems necessary or appropriate, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and/or corrective action.

Article IV

Records of Proceedings

The minutes of the Board and all committee with Board-delegated powers shall contain:

1. the names of the persons who disclosed or otherwise were found to have an actual conflict of interest and the Board's or committee's decision as to whether a conflict of interest in fact existed; and
2. if there is a conflict of interest, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including alternatives to the proposed transaction or arrangement, if any, and a record of the votes taken in connection therewith.

Article V

Compensation

1. Any Director who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.

Article VI

Periodic Reviews

1. To ensure that the Foundation operates in a manner consistent with its exempt purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews may be conducted. Such periodic reviews shall occur only if requested by an Officer or Director of the Foundation.

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2. If any Director or Officer shall, in such person's sole and unfettered discretion, determine that education or re-education regarding this Policy is appropriate, such education or re-education shall occur at the cost and expense of the Foundation.

Article VII

Miscellaneous

1. Effect on Indemnification.

Nothing contained in the Policy or these procedures shall be construed in any manner to affect or limit any indemnification or protection afforded the Foundation's Directors, Officers, and others identified in the Foundation's Articles of Incorporation or Bylaws, as the same may exist from time to time or under any applicable law or contract.

2. Amendment.

This Conflicts of Interest Policy may not be amended without the approval of a majority of the Board of Directors at a meeting duly called and held.