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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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning 01-01-2009 , and ending 12-31-2009

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE PHILLIPS FAMILY FOUNDATION	A Employer identification number 31-1544453
	Number and street (or P O box number if mail is not delivered to street address) PO BOX 42036 — Room/suite	B Telephone number (see page 10 of the instructions) (513) 727-0080
	City or town, state, and ZIP code MIDDLETOWN, OH 45042	C If exemption application is pending, check here ☐ D 1. Foreign organizations, check here ☐

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 704,851

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

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

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

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

Part I **Analysis of Revenue and Expenses** *(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))*

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	189,037			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	2,037	2,037		
	4	Dividends and interest from securities	25,586	25,586		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-37,027			
	b	Gross sales price for all assets on line 6a 276,283				
	7	Capital gain net income (from Part IV, line 2)		156		
	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)	1,496		1,496	
	12	**Total.** Add lines 1 through 11	181,129	27,779	1,496	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)	4,537	1,655		
	c	Other professional fees (attach schedule)	2,984			
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	3,919			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	19,176	8,782		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	30,616	10,437		0
	25	Contributions, gifts, grants paid	113,628			113,628
	26	**Total expenses and disbursements.** Add lines 24 and 25	144,244	10,437		113,628
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	36,885			
	b	**Net investment income** (if negative, enter -0-)		17,342		
	c	**Adjusted net income** (if negative, enter -0-)			1,496	

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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets				
1	Cash—non-interest-bearing			
2	Savings and temporary cash investments		69,595	69,595
3	Accounts receivable ▶ ; Less allowance for doubtful accounts ▶			
4	Pledges receivable ▶ 50,000 ; Less allowance for doubtful accounts ▶		50,000	50,000
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	81,800		
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 ▶ ; Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	597,350	575,878	575,878
14	Land, buildings, and equipment basis ▶ ; Less accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)		9,378	9,378
16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	679,150	704,851	704,851
Liabilities				
17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)	3,538		
23	**Total liabilities** (add lines 17 through 22)	3,538	0	
Net Assets or Fund Balances				
	Foundations that follow SFAS 117, check here ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☑ **and complete lines 27 through 31.**			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	675,612	704,851	
30	**Total net assets or fund balances** (see page 17 of the instructions)	675,612	704,851	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	679,150	704,851	

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	675,612
2	Enter amount from Part I, line 27a	2	36,885
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	712,497
5	Decreases not included in line 2 (itemize) ▶	5	7,646
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	704,851

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			

	(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			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } **2** 156

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)
If (loss), enter -0- in Part I, line 8 . . . . **3**

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	41,799	759,894	0 055006
2007	86,754	749,281	0 115783
2006	10,530	683,628	0 015403
2005	53,872	614,342	0 087691
2004	105,096	440,782	0 238431

2	**Total** of line 1, column (d).	2	0 512314
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 102463
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5.	4	577,815
5	Multiply line 4 by line 3.	5	59,205
6	Enter 1% of net investment income (1% of Part I, line 27b).	6	173
7	Add lines 5 and 6.	7	59,378
8	Enter qualifying distributions from Part XII, line 4.	8	113,628

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)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter ____________ **(attach copy of letter if necessary–see instructions)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☑ and enter 1% of Part I, line 27b	1	173
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	173
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	173
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d — 7,646		
7	Total credits and payments Add lines 6a through 6d	7	7,646
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	7,473
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 0 **Refunded** ▶	11	7,473

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
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		No
	*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		No
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? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
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? *If "Yes," attach the statement required by General Instruction T.*	5		No
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ OH			
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	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

Part VII-A Statements Regarding Activities (continued)

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶ANGELA R PHILLIPS Telephone no ▶(513) 727-0080

Located at ▶1280 EAST FOURTH STREET FRANKLIN OH ZIP+4 ▶45005

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.	Line	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		
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 ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 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		No
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		No

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**		
	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**		**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**		

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
RALPH H PHILLIPS DESCEASED PO BOX 125 SHELBY, OH 44875	PRESIDENT 10 00	0	0	0
ANGELA R PHILLIPS DESKINS 1280 EAST FOURTH STREET FRANKLIN, OH 45005	PRESIDENT 10 00	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. . . . ▶

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
1	
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 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	

Total. Add lines 1 through 3. . . . . ▶

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	586,614
b	Average of monthly cash balances			1b	0
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	586,614
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e			
2	Acquisition indebtedness applicable to line 1 assets			2	
3	Subtract line 2 from line 1d			3	586,614
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)			4	8,799
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4			5	577,815
6	**Minimum investment return.** Enter 5% of line 5			6	28,891

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	28,891
2a	Tax on investment income for 2009 from Part VI, line 5	2a	173		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	173
3	Distributable amount before adjustments Subtract line 2c from line 1			3	28,718
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	28,718
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	28,718

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	113,628
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	113,628
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	173
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	113,455

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					28,718
2 Undistributed income, if any, as of the end of 2008					
a Enter amount for 2008 only.					
b Total for prior years 20___ , 20___ , 20___					
3 Excess distributions carryover, if any, to 2009					
a From 2004.	63,823				
b From 2005.	23,591				
c From 2006.					
d From 2007.	49,754				
e From 2008.	4,351				
f **Total** of lines 3a through e.		141,519			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 113,628					
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.					28,718
e Remaining amount distributed out of corpus		84,910			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)*					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		226,429			
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					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)					
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)		63,823			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		162,606			
10 Analysis of line 9					
a Excess from 2005. . . .	23,591				
b Excess from 2006. . . .					
c Excess from 2007. . . .	49,754				
d Excess from 2008. . . .	4,351				
e Excess from 2009. . . .	84,910				

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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

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

Part XV Supplementary Information (Complete this part only if the organization 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

THE PHILLIPS FAMILY FOUNDATION

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

NONE

c Any submission deadlines

DECEMBER 1ST - ANNUALLY

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

NONE

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Additional Data Table				
Total . . . . ▶ **3a**				113,628
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments			14	2,037	
4 Dividends and interest from securities. . . .			14	25,586	
5 Net rental income or (loss) from real estate					
a Debt-financed property.					
b Not debt-financed property.					
6 Net rental income or (loss) from personal property					
7 Other investment income.					
8 Gain or (loss) from sales of assets other than inventory			18	156	-37,183
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory. .					
11 Other revenue a K-1 INVESTMENT GAIN/LOSS			18	-592	
b NON DIVIDEND DISTRIBUTIONS			18	2,088	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e). .				29,275	-37,183

13 Total. Add line 12, columns (b), (d), and (e). . . . . 13 -7,908

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)
7	K-1 CARRY THROUGH
8	K-1 CARRY THROUGH

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		No
	(2) Other assets	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
	(3) Rental of facilities, equipment, or other assets	1b(3)		No
	(4) Reimbursement arrangements	1b(4)		No
	(5) Loans or loan guarantees	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

******	2010-05-12	******
Signature of officer or trustee	Date	Title

Paid Preparer's Use Only

		Date	Check if self-employed ☐	Preparer's identifying number (see **Signature** on page 30 of the instructions)
Preparer's Signature	LARRY A MORRISON	2010-05-17		
Firm's name (or yours if self-employed), address, and ZIP code	KLESHINSKI MORRISON & MORRIS LLP 590 LEXINGTON AVE MANSFIELD, OH 449071505		EIN Phone no (419) 756-3211	

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Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No 1545-0047

2009

Name of organization	**Employer identification number**
THE PHILLIPS FAMILY FOUNDATION	31-1544453

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 in the heading 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
THE PHILLIPS FAMILY FOUNDATION

Employer identification number
31-1544453

Part I **Contributors** (see Instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	RALPH H PHILLIPS PO BOX 125 SHELBY, OH 44811	$ 94,037	Person ☑ Payroll ☐ Noncash ☑ (Complete Part II if there is a noncash contribution)
2	PHILLIPS MFG & TOWER CO INC PO BOX 125 SHELBY, OH 44875	$ 95,000	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)

Name of organization
THE PHILLIPS FAMILY FOUNDATION

Employer identification number
31-1544453

Part II **Noncash Property** (see Instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	CONTRIBUTIONS - NONCASH	$ 9,378	
		$	
		$	
		$	
		$	
		$	

Name of organization	**Employer identification number**
THE PHILLIPS FAMILY FOUNDATION	31-1544453

Part III ***Exclusively*** **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** (Complete columns **(a)** through **(e)** **and** the following line entry)
For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc , contributions of **$1,000 or less** for the year (Enter this information once See instructions) ▶ $

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP 4	Relationship of transferor to transferee

TY 2009 Accounting Fees Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING FEES	2,882			
INVESTMENT FEES	1,655	1,655		

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2009 Gain/Loss from Sale of Other Assets Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
EDWARD JONES-SEE SCHEDULE		PURCHASE			64,979	59,798			5,181	
MID-ATLANTIC 05645-SEE SCHEDULE		PURCHASE			33,200	25,939			7,261	
MID-ATLANTIC 05645-SEE SCHEDULE		PURCHASE			35,278	46,320			-11,042	
MID-ATLANTIC 086100-SEE SCHEDULE		PURCHASE			13,564	13,458			106	
MID-ATLANTIC 086100-SEE SCHEDULE		PURCHASE			28,103	43,133			-15,030	
MID-ATLANTIC 096385-SEE SCHECULE		PURCHASE			4,397	6,425			-2,028	
MID-ATLANTIC 096385-SEE SCHEDULE		PURCHASE			3,046	3,873			-827	
PERSHING-SEE SCHEDULE		PURCHASE			29,670	34,403			-4,733	
PERSHING-SEE SCHEDULE		PURCHASE			63,890	79,869			-15,979	
SHORT-TERM GAIN/LOSS FROM PASS-THROU		PURCHASE						92	-92	

TY 2009 Investments - Other Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
STRATEGIC WEALTH MGMT GROUP	FMV	505,878	505,878
BISMARK PROPERTY	FMV	70,000	70,000

TY 2009 Other Assets Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
ASSETS HELD FOR CONTRIBUTION		9,378	9,378

TY 2009 Other Decreases Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Description	Amount
FEDERAL INCOME TAX WITHHELD	7,646

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TY 2009 Other Expenses Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
POSTAGE	279			
REPAIRS & MAINTENANCE	3,402			
UTILITIES	6,713			
INTEREST INCOME REPORTED UNDE				
EIN 61-6383055	2,023	2,023		
GAINS REPORTED UNDER EIN 61-	5,181	5,181		
DIVIDENDS REPORTED UNDER				
EIN 61-6383055	1,578	1,578		

TY 2009 Other Income Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
K-1 INVESTMENT GAIN/LOSS	-592		-592
NON DIVIDEND DISTRIBUTIONS	2,088		2,088

TY 2009 Other Liabilities Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Description	Beginning of Year - Book Value	End of Year - Book Value
BANK OVERDRAFT	3,538	

TY 2009 Other Professional Fees Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
PROFESSIONAL FEES	2,984			

TY 2009 Other Receivables from Officers Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Travel Advance to Officers:

Item No.	1
Borrower's Name	RALPH PHILLIPS- PLEDGE RECEIVABLE
Borrower's Title	PRESIDENT
Original Amount of Loan	
Balance Due	
Date of Note	
Maturity Date	2009-04
Repayment Terms	N/A
Interest Rate	
Security Provided by Borrower	N/A
Purpose of Loan	N/A
Description of Lender Consideration	N/A
Consideration FMV	

TY 2009 Taxes Schedule

Name: THE PHILLIPS FAMILY FOUNDATION

EIN: 31-1544453

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
TAXES FOREIGN TAX PAID	131			
TAXES OTHER TAXES	200			
REAL ESTATE TAXES	3,588			

The Phillips Family Foundation
Form 990-PF, Part 1, Line 6a - Sale of Assets
12/31/2009

Description	Quantity	Date Acquired	Date Sold	Short-Term Sale Price	Short-Term Cost	Short-Term Net Gain/ Loss	Long-Term Sale Price	Long-Term Cost	Long-Term Net Gain/ Loss
Edward Jones									
Halliburton Co	2000	09/08/09	12/08/09	54,369.75	50,120 00	4,249 75			
Terex Corp	565	09/08/09	11/27/09	10,609 54	9,678.45	931.09			
Total				64,979.29	59,798.45	5,180 84			
Reported under Ein# 61-6383055				(64,979.29)	(59,798 45)	(5,180.84)			
Mid Atlantic #05645									
Goldman Sachs Group	250	09/12/08	05/11/09	3,503 42	3,568.28	(64.86)			
Harvest Energy Trust	500	08/12/09	10/23/09	4,595.53	2,918 90	1,676.63			
Inc Clarion Global RE Income	1050	various	07/27/09	5,624.64	3,820.60	1,804.04			
MFA Finl Inc PFD	250	01/14/09	09/17/09	5,940.92	4,891 45	1,049.47			
Morgan Stanley Emerging Mkts	500	05/05/09	12/21/09	5,106 39	3,863.90	1,242.49			
Teppco Partners Limited Ptr	150	0912/08	09/11/09	5,141.88	4,309.44	832.44			
US Bancorp	225	04/20/09	05/07/09	3,287.23	2,566.70	720.53			
				33,200.01	25,939 27	7,260.74			
Alliancebernstein	750	various	05/05/09				7,217.37	7,048 42	168.95
Energy income & growth	200	08/03/06	05/11/09				3,779.77	4,238 73	(458 96)
Five Star Quality Care	4	unknown	07/27/09				5.64	unknown	unknown
Goldman Sachs Group	500	04/10/08	05/11/09				7,006.83	9,083 95	(2,077.12)
H & Q Healthcare	8	10/24/04	07/27/09				85 24	141.67	(56.43)
HRPT PPTYS Trust	400	12/23/05	09/17/09				3,105.96	4,236 92	(1,130.96)
Harvest Energy Trust	300	various	10/23/09				2,757.31	8,113 15	(5,355.84)
ING	200	07/28/05	07/27/09				1,071 36	3,148.66	(2,077.30)
Morgan Stanley Emerging Mkts	500	04/26/05	12/21/09				5,106 39	4,758 95	347 44
Teppco Partners Limited Ptr	150	03/15/06	09/11/09				5,141.89	5,543 45	(401 56)
Total							35,277 76	46,313.90	(11,041.78)
Mid Atlantic #086100									
Transocean Limited	10	12/19/08	10/12/09	904 14	487.75	416.39			
Bank Amer Corp	4	02/11/09	05/18/09	2,756.08	1,587.30	1,168.78			
Brinker Intl Inc	130	various	various	2,155.29	1,185 61	969.68			
Chicos Fas Inc	50	05/29/08	05/19/09	401.10	381 14	19 96			
Coventry Health Care	165	10/28/08	04/17/09	2,394 62	2,004.11	390.51			
Halliburton Co Holding	25	11/21/08	10/06/09	679 28	348.50	330.78			
Intel Corp	85	10/24/08	06/30/09	1,381.39	1,205 85	175 54			
Legg Mason	115	various	02/05/09	1,798.08	5,038.67	(3,240 59)			
St Jude Medical	35	10/24/08	01/08/09	1,093 89	1,219 20	(125 31)			
				13,563 87	13,458.13	105.74			

The Phillips Family Foundation
Form 990-PF, Part 1, Line 6a - Sale of Assets
12/31/2009

				Short-Term			Long-Term		
Description	**Quantity**	**Date Acquired**	**Date Sold**	**Sale Price**	**Cost**	**Net Gain/ Loss**	**Sale Price**	**Cost**	**Net Gain/ Loss**
Aspen Insurance Holdings	205	various	various				4,516.58	4,820.79	(304 21)
Endurance Specialty Holdings	165	various	various				5,892.04	5,932 60	(40 56)
XL Captial LTD Common Stock	174	various	various				2,993 47	8,573 31	(5,579.84)
Brinker Intl Inc	235	11/30/07	various				3,956 52	5,432.64	(1,476 12)
Carter Inc	175	various	various				3,216.77	4,501.31	(1,284 54)
Chicos Fas Inc	350	05/29/08	various				4,330.14	2,668.01	1,662.13
Coventry Health Care	100	02/02/07	04/17/09				1,451 28	5,172 95	(3,721.67)
OmniCare Inc	35	07/26/09	01/09/09				945 86	1,190.74	(244 88)
Pacific Sunwear Calif	250	various	02/25/09				368.54	4,527 94	(4,159.40)
Unum Group	20	08/11/04	10/06/09				431 77	312 43	119 34
							28,102.97	43,132 72	(15,029.75)
Mid Atlantic #096385									
Calamos Market	25.95	various	01/22/09	262.22	333.46	(71.24)			
Ivy Asset Strategy	232.833	various	01/22/09	4,134.77	6,091 29	(1,956.52)			
				4,396.99	6,424.75	(2,027 76)			
Calamos Market	301 407	various	01/22/09				3,045 63	3,873 06	(827 43)
Total									
Pershing									
Short term - see schedule		various	various	29,669.87	34,402.93	(4,733.06)			
Long term - see schedule		various	various				63,890 00	79,869 05	(15,979.05)
From K-1:									
Teppco Partners				unknown	unknown	(92 00)			
Totals				80,830.74	80,225.08	513.66	130,316 36	173,188 73	(42,878 01)

CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

January 1, 2009 - December 31, 2009

For Phillips Family Foundation Angela Phillips TTEE

Account Number : 6U7-291543

Shares/ Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
18	ISHARES TR MSCI EAFE INDEX FD	06/03/08	02/04/09	1,370.44	711.24	-659.20
72	ISHARES TR MSCI EAFE INDEX FD	11/21/08	05/07/09	2,667.92	3,160.85	492.93
26	ISHARES TR RUSSELL 1000 VALUE INDEX FD	11/21/08	09/30/09	1,061.98	1,440.87	378.89
28	VANGUARD EMERGING MARKETS ETF	10/08/08	03/27/09	740.06	682.64	-57.42
32	VANGUARD EUROPEAN STOCK ETF	10/08/08	06/12/09	1,444.91	1,336.02	-108.89
4	VANGUARD EUROPEAN STOCK ETF	03/03/09	06/12/09	110.51	167.00	56.49
						$-1,893.35
	Mutual Fund / ETF – Fixed Income					
42	SPDR SER TR LEHMAN INTL TRES 0.425% 00/00/	02/13/08	02/04/09	2,286.23	2,108.56	-177.67
						$-177.67
	Sale of Unissued Rights					
0.0000	AXA SA SPONSORED ADR		12/07/09	0.00	13.91	13.91
						$13.91
	Total Short-Term Realized Gains or Losses			$34,402.93	$29,669.87	$-4,733.06
	Long-Term					
	Equity					
0.3333	AMERICAN PHYSICIANS CAP INC	04/09/08	08/06/09	11.80	10.86	-0.94
4	AMERICAN TOWER CORP CL A	10/25/06	02/26/09	144.08	116.96	-27.12
2	ARCH COAL INC	04/25/07	02/26/09	74.84	28.67	-46.17
6	BELDEN CDT INC	04/09/08	05/06/09	221.53	107.75	-113.78
2	BIO RAD LABS CL A	04/09/08	06/01/09	171.99	151.43	-20.56
4	BOB EVANS FARMS	04/09/08	06/01/09	108.72	104.49	-4.23
4	BROADCOM CORP	10/25/06	02/26/09	112.20	65.68	-46.52
4	BROADCOM CORP	04/25/07	02/26/09	137.48	65.68	-71.80

PERSHING

CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

January 1, 2009 - December 31, 2009

For Phillips Family Foundation Angela Phillips TTEE

Account Number : 6U7-291543

Shares/ Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
19	BROCADE COMMUNICATIONS SYS INC COM NEW	04/09/08	08/20/09	134.71	151.87	17.16
1	CANADIAN PACIFIC RAILWAY	10/25/06	04/28/09	56.25	34.59	-21.66
20	CIBER INC	04/09/08	06/01/09	104.18	63.25	-40.93
6	COLUMBUS MCKINNON CORP NY	04/09/08	06/26/09	187.48	75.71	-111.77
4	CROWN CASTLE INTL CORP	10/25/06	02/26/09	131.68	72.09	-59.59
12	CSG SYS INTL INC	11/21/08	11/30/09	161.79	224.43	62.64
2	DECKERS OUTDOOR CORP	04/30/08	06/01/09	273.94	124.14	-149.80
11	ELECTRO RENT CORP COM	04/09/08	06/01/09	157.91	107.21	-50.70
12	EPICOR SOFTWARE CORP COM	04/09/08	06/01/09	135.41	62.20	-73.21
2	EXPRESS SCRIPTS INC CL A	02/09/07	02/26/09	73.50	105.63	32.13
2	FOREST LABS INC	09/05/07	02/26/09	83.04	43.85	-39.19
6	FOREST LABS INC	01/17/08	02/26/09	241.20	131.57	-109.63
2	GENERAL CABLE CORP	09/06/07	06/04/09	118.00	80.52	-37.48
5	GENERAL CABLE CORP	04/09/08	06/04/09	328.88	201.30	-127.58
2	GOODRICH B F CO	10/25/06	02/26/09	86.16	68.68	-17.48
10	GRAFTECH INTERNATIONAL LTD INC	04/09/08	06/01/09	183.25	111.52	-71.73
2	HERBALIFE LTD COM USD SHS	09/05/07	02/26/09	83.02	29.88	-53.14
2	HERBALIFE LTD COM USD SHS	11/29/07	02/26/09	82.00	29.89	-52.11
2	HERBALIFE LTD COM USD SHS	01/09/08	02/26/09	78.86	29.89	-48.97
17	HOST HOTELS & RESORTS INC	10/25/06	02/26/09	396.10	67.25	-328.85
4	HUNT, J B TRANSPORT SERVICES INC	10/25/06	02/26/09	87.76	82.62	-5.14
6	JACK IN THE BOX INC	04/09/08	10/26/09	160.91	114.30	-46.61
6	KANSAS CITY SOUTHERN INDS INC NEW	12/08/06	02/26/09	169.79	110.72	-59.07
8	KBR INC COM	07/25/07	02/26/09	252.90	103.93	-148.97
2	LABORATORY CORP AMER HLDGS NEW	11/29/07	02/26/09	145.68	115.75	-29.93
3	LAYNE CHRISTENSEN CO	04/09/08	05/08/09	123.02	70.68	-52.34
2	LEAP WIRELESS INTL INC COM NEW	01/17/08	02/26/09	83.07	50.71	-37.36

PERSHING

CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

January 1, 2009 - December 31, 2009

For Phillips Family Foundation Angela Phillips TTEE

Account Number : 6U7-291543

Shares/ Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
6	MARINER ENERGY INC	04/09/08	06/01/09	170.53	93.22	-77.31
13	MARVELL TECHNOLOGY GROUP ORD	10/25/06	02/26/09	216.58	98.91	-117.67
2	MILLICOM INTL CELLULAR SA SHS NEW	09/05/07	02/26/09	164.81	77.92	-86.89
4	MOOG INC CL A	08/22/08	11/13/09	179.81	109.15	-70.66
3	NASDAQ STOCK MARTKET INC	02/09/07	02/26/09	109.65	67.21	-42.44
4	NAVIGATORS GROUP INC	04/09/08	05/27/09	214.56	181.18	-33.38
4	NBTY INC	01/09/08	02/26/09	93.62	60.22	-33.40
6	NI HOLDINGS INC CL B NEW	10/25/06	02/26/09	383.52	79.36	-304.16
2	NI HOLDINGS INC CL B NEW	01/09/08	02/26/09	98.17	26.45	-71.72
3	OIL STATES INTL INC	04/09/08	06/01/09	142.72	83.56	-59.16
4	OLD DOMINION FGHT LINES INC	04/09/08	06/01/09	122.47	121.93	-0.54
34	ON SEMICONDUCTOR CORP	12/08/06	02/26/09	257.95	120.84	-137.11
4	OPEN TEXT CORP	04/09/08	10/20/09	134.11	160.46	26.35
4	PAPA JOHNS INTL INC	05/23/08	11/09/09	109.69	91.91	-17.78
2	PHILLIPS VAN HEUSEN CORP	09/05/07	02/26/09	110.61	32.79	-77.82
2	PHILLIPS VAN HEUSEN CORP	11/29/07	02/26/09	82.11	32.79	-49.32
4	PLATINUM UNDERWRITERS HLDGS LTD	04/09/08	06/01/09	134.99	116.93	-18.06
6	QUEST DIAGNOSTICS INC	10/25/06	02/26/09	298.08	292.59	-5.49
12	REGAL ENTMT GROUP CLASS A	10/25/06	02/26/09	243.96	121.18	-122.78
2	SOUTHWSTN ENERGY CO	04/25/07	02/26/09	44.11	56.36	12.25
4	STIFEL FINL CORP	04/09/08	10/09/09	120.76	216.49	95.73
6	SYBASE INC	04/09/08	10/05/09	157.03	230.26	73.23
7	TOWER GROUP INC COM	04/09/08	06/01/09	178.01	172.01	-6.00
4	TUPPERWARE CORP	04/09/08	06/01/09	166.14	103.83	-62.31
1	ULTRA PETE CORP COM	10/17/07	02/26/09	69.97	36.10	-33.87
						$-3,212.74

PERSHING

CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

January 1, 2009 - December 31, 2009

For Phillips Family Foundation Angela Phillips TTEE

Account Number : 6U7-291543

Shares/ Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
	Mutual Fund / ETF – Equity					
40	ISHARES TR MSCI EAFE INDEX FD	06/03/08	06/11/09	3,045.43	1,960.64	-1,084.79
38	ISHARES TR MSCI EAFE INDEX FD	06/12/08	09/30/09	2,738.28	2,080.28	-658.00
244	STANDARD & POORS DEPOSITARY RECEIPTS UNITS	10/25/06	09/30/09	33,642.70	25,775.03	-7,867.67
90	VANGUARD EMERGING MARKETS ETF	04/05/07	03/27/09	3,662.93	2,194.18	-1,468.75
48	VANGUARD EUROPEAN STOCK ETF	11/15/06	03/27/09	3,222.24	1,535.64	-1,686.60
17	VANGUARD EUROPEAN STOCK ETF	11/15/06	06/11/09	1,141.21	721.11	-420.10
19	VANGUARD EUROPEAN STOCK ETF	11/15/06	06/12/09	1,275.47	793.27	-482.20
2	VANGUARD EUROPEAN STOCK ETF	03/07/07	06/12/09	135.47	83.50	-51.97
						$-13,720.08
	Mutual Fund / ETF – Fixed Income					
96	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	10/25/06	01/15/09	7,684.80	8,112.31	427.51
74	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	10/25/06	02/04/09	5,923.70	6,217.68	293.98
53	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	10/25/06	02/27/09	4,242.65	4,452.00	209.35
12	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	12/01/06	09/30/09	963.72	1,007.62	43.90
8	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	02/09/07	09/30/09	639.12	671.75	32.63
6	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	07/25/07	09/30/09	481.66	503.81	22.15
4	ISHARES TR BARCLAYS 1 3 YR T 1.230% 00/00/	10/17/07	09/30/09	324.55	335.87	11.32
4	SPDR SER TR LEHMAN INTL TRES 0.425% 00/00/	02/13/08	03/03/09	217.74	193.38	-24.36
26	SPDR SER TR LEHMAN INTL TRES 0.425% 00/00/	02/13/08	05/07/09	1,415.29	1,352.58	-62.71
						$953.77
	Total Long-Term Realized Gains or Losses			$79,869.05	$63,890.00	$-15,979.05

PAYER'S Name, Street Address, City, State, and ZIP code
JOHN HANCOCK LIFE INS. CO. (U.S.A.)
1-800-689-7937,WWW.JHPENSIONS.COM
PO BOX 640
BUFFALO,NY,14201-0640

1913

RECIPIENT'S Name and Address

0116040 01 AT 0 357 **AUTO H6 0 0566 44875- 8899- 03

THE PHILLIPS FOUNDATION ESTA
GRP006176700
PO BOX 125
ATTN: LORI METHENEY
SHELBY, OH 44875-0125

Customer service phone number	1st year of desig Roth contrib
(800) 689-7937	

PAYER'S Federal ID #	RECIPIENT'S ID #	Account Number (see instructions)
01-0233346	341-54-4453	GRP006176700

1 Gross distribution $ 76458 78	2a Taxable amount $ 76458 78	OMB No 1545-0119 **2009** **Form 1099-R. Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc**
2b Taxable amount not determined	Total distribution X	
3 Capital gain (included in Box 2a) $	**4 Federal income tax withheld** $ 7645 88	This information is being furnished to the Internal Revenue Service
5 Employee contributions/ Designated Roth contributions or insurance premiums $	6 Net unrealized appreciation in employer's securities $	
7 Distribution code(s) 4 | IRA/ SEP/ SIMPLE	8 Other $ %	**COPY C** For Recipient's Records
9a Your percentage of total distribution %	9b Total employee contributions $	

10 State tax withheld	11 State/Payer's state no	12 State distribution
$	OH/52-216555 4	$ 76458 78
13 Local tax withheld	14 Name of locality	15 Local distribution
$		$

FORM **1099-R** (keep for your records) Department of the Treasury - Internal Revenue Service

PAYER'S Name, Street Address, City, State, and ZIP code
JOHN HANCOCK LIFE INS. CO. (U.S.A.)
1-800-689-7937,WWW.JHPENSIONS.COM
PO BOX 640
BUFFALO,NY,14201-0640

1913

RECIPIENTS Name and Address

THE PHILLIPS FOUNDATION ESTA
GRP006176700
PO BOX 125
ATTN: LORI METHENEY
SHELBY, OH 44875-0125

Customer service phone number	1st year of desig Roth contrib
(800) 689-7937	

PAYER'S Federal ID #	RECIPIENT'S ID #	Account Number (see instructions)
01-0233346	341-54-4453	GRP006176700

1 Gross distribution $ 76458 78	2a Taxable amount $ 76458 78	OMB No 1545-0119 **2009** **Form 1099-R: Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc**
2b Taxable amount not determined	Total distribution X	
3 Capital gain (included in Box 2a) $	**4 Federal income tax withheld** $ 7645 88	
5 Employee contributions/ Designated Roth contributions or insurance premiums $	6 Net unrealized appreciation in employer's securities $	
7 Distribution code(s) 4 | IRA/ SEP/ SIMPLE	8 Other $ %	**COPY 2** File this copy with your State, City, or Local income tax return, when required
9a Your percentage of total distribution %	9b Total employee contributions $	

10 State tax withheld	11 State/Payer's state no	12 State distribution
$	OH/52-216555 4	$ 76458 78
13 Local tax withheld	14 Name of locality	15 Local distribution
$		$

FORM **1099-R** Department of the Treasury - Internal Revenue Service

PAYER'S Name, Street Address, City, State, and ZIP code
JOHN HANCOCK LIFE INS. CO. (U.S.A.)
1-800-689-7937,WWW.JHPENSIONS.COM
PO BOX 640
BUFFALO,NY,14201-0640

1913

RECIPIENTS Name and Address

THE PHILLIPS FOUNDATION ESTA
GRP006176700
PO BOX 125
ATTN: LORI METHENEY
SHELBY, OH 44875-0125

Customer service phone number	1st year of desig Roth contrib
(800) 689-7937	

PAYER'S Federal ID #	RECIPIENT'S ID #	Account Number (see instructions)
01-0233346	341-54-4453	GRP006176700

1 Gross distribution $ 76458 78	2a Taxable amount $ 76458 78	OMB No 1545-0119 **2009** **Form 1099-R Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc**
2b Taxable amount not determined	Total distribution X	
3 Capital gain (included in Box 2a) $	**4 Federal income tax withheld** $ 7645 88	This information is being furnished to the Internal Revenue Service
5 Employee contributions/ Designated Roth contributions or insurance premiums $	6 Net unrealized appreciation in employer's securities $	
7 Distribution code(s) 4 | IRA/ SEP/ SIMPLE	8 Other $ %	**COPY B** Report this income on your Federal tax return If this form shows federal income tax withheld in box 4 attach this copy to your return
9a Your percentage of total distribution %	9b Total employee contributions $	

10 State tax withheld	11 State/Payer's state no	12 State distribution
$	OH/52-216555 4	$ 76458 78
13 Local tax withheld	14 Name of locality	15 Local distribution
$		$

FORM **1099-R** Department of the Treasury - Internal Revenue Service

Additional Data

Software ID: 09000034
Software Version: 09450943
EIN: 31-1544453
Name: THE PHILLIPS FAMILY FOUNDATION

Form 990PF Part XV Line 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*				
ST MARY'S SCHOOL29 WEST STREET SHELBY,OH 44875			OPERATIONS	6,770
UNITED FUND OF SHELBYPO BOX 224 SHELBY,OH 44875			OPERATIONS	2,500
SHELBY FOUNDATION142 N GAMBLE STREET SHELBY,OH 44875			OPERATIONS	1,000
SISTERS OF ST FRANCIS200 ST FRANCIS AVE TIFFIN,OH 44883			OPERATIONS	90,000
COLORECTAL CANCER COALITI 1414 PRINCE ST SUITE 204 ALEXANDRIA,VA 22314			OPERATIONS	6,500
PCTC-J BOWMAN SCHOLARSHIP27 RYAN RD SHELBY,OH 44875			OPERATIONS	358
HEART OF OHIO COUNCILPO BOX 368 ASHLAND,OH 44805			OPERATIONS	1,500
MVNC-B MCNARY SCHOLARSHIP 800 MARTINSBURG RD MOUNT VERNON,OH 43050			OPERATIONS	5,000
Total . . . . ▶ **3a**				113,628