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 , and ending

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
JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
900 MOUNT PLEASANT ROAD

City or town, state, and ZIP code
WINNETKA, IL 60093

A Employer identification number
36-3858388

B Telephone number
(847)441-6592

C If exemption application is pending, check here ▶ ☐
D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶$ 48,686,776.

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

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

			(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	43,326.		N/A	
	2	Check ▶ ☐ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	595,186.	595,186.		STATEMENT 1
	4	Dividends and interest from securities	560,849.	560,849.		STATEMENT 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-4,233,051.			
	b	Gross sales price for all assets on line 6a 3,751,774.				
	7	Capital gain net income (from Part IV, line 2)		0.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss)				
	11	Other income	-273,063.	454.		STATEMENT 3
	12	Total. Add lines 1 through 11	-3,306,753.	1,156,489.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.	0.		0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees				
	b	Accounting fees				
	c	Other professional fees				
	17	Interest				
	18	Taxes STMT 4	207,589.	16,654.		0.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses STMT 5	136,531.	130,721.		0.
	24	Total operating and administrative expenses. Add lines 13 through 23	344,120.	147,375.		0.
	25	Contributions, gifts, grants paid	1,721,851.			1,721,851.
	26	Total expenses and disbursements. Add lines 24 and 25	2,065,971.	147,375.		1,721,851.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	-5,372,724.			
	b	Net investment income (if negative, enter -0-)		1,009,114.		
	c	Adjusted net income (if negative, enter -0-)			N/A	

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	4,507,044.	7,656,281.	7,656,281.
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶ 150,000.			
		Less: allowance for doubtful accounts ▶		150,000.	150,000.
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock STMT 6	21,390,176.	15,957,747.	23,571,687.
	c	Investments - corporate bonds STMT 7	3,037,071.	2,282,324.	1,968,375.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 8	7,859,160.	13,859,412.	15,179,662.
	14	Land, buildings, and equipment: basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶ STATEMENT 9)	9,133,951.	160,771.	160,771.
	16	**Total assets** (to be completed by all filers)	45,927,402.	40,066,535.	48,686,776.
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			
	22	Other liabilities (describe ▶ OTHER LIABILITIES)	867,478.	72,061.	
	23	**Total liabilities** (add lines 17 through 22)	867,478.	72,061.	
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	45,059,924.	39,994,474.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30	**Total net assets or fund balances**	45,059,924.	39,994,474.	
	31	**Total liabilities and net assets/fund balances**	45,927,402.	40,066,535.	

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	45,059,924.
2	Enter amount from Part I, line 27a	2	-5,372,724.
3	Other increases not included in line 2 (itemize) ▶ TIMING DIFFERENCES - K-1'S	3	307,274.
4	Add lines 1, 2, and 3	4	39,994,474.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	39,994,474.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b	SEE ATTACHED STATEMENT			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	3,751,774.			-4,233,051.

	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				-4,233,051.

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	-4,233,051.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	1,563,192.	49,376,562.	.031659
2007	2,137,074.	49,639,822.	.043052
2006	2,373,128.	42,062,711.	.056419
2005	1,927,348.	32,743,721.	.058862
2004	1,057,919.	31,340,561.	.033756

2 Total of line 1, column (d)	2	.223748
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	.044750
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	40,497,707.
5 Multiply line 4 by line 3	5	1,812,272.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	10,091.
7 Add lines 5 and 6	7	1,822,363.
8 Enter qualifying distributions from Part XII, line 4	8	1,721,851.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	20,182.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3 Add lines 1 and 2			3	20,182.
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	20,182.
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	40,000.		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d			7	40,000.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	604.
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	19,214.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶	19,214.	**Refunded** ▶	11	0.

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		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?	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*	3		X
4a 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? N/A	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?	7	X	
If "Yes," complete Part II, col. (c), and Part XV			
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *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	10		X

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

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	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 ▶ JOHN D. NICHOLS Telephone no. ▶ 847-441-6592

Located at ▶ 900 MT. PLEASANT ROAD, WINNETKA, IL ZIP+4 ▶ 60093

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

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

		Yes	No
File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
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)? N/A	1b		
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 instructions.) N/A	2b		
c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ______, ______, ______, ______			
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.)* N/A	3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b		X

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? N/A 5b

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 6b X

If "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? N/A 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.

(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
JOHN D. NICHOLS 900 MT. PLEASANT ROAD WINNETKA, IL 60093	TRUSTEE 0.00	0.	0.	0.
ALEXANDRA C. NICHOLS 900 MT. PLEASANT ROAD WINNETKA, IL 60093	TRUSTEE 0.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over $50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:				
a	Average monthly fair market value of securities			1a	25,337,038.
b	Average of monthly cash balances			1b	10,399,335.
c	Fair market value of all other assets			1c	5,378,050.
d	**Total** (add lines 1a, b, and c)			1d	41,114,423.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.		
2	Acquisition indebtedness applicable to line 1 assets			2	0.
3	Subtract line 2 from line 1d			3	41,114,423.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	616,716.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	40,497,707.
6	**Minimum investment return.** Enter 5% of line 5			6	2,024,885.

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

1	Minimum investment return from Part X, line 6			1	2,024,885.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	20,182.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	20,182.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	2,004,703.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	2,004,703.
6	Deduction from distributable amount (see instructions)			6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	2,004,703.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,721,851.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,721,851.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,721,851.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				2,004,703.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			795,055.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 1,721,851.				
a Applied to 2008, but not more than line 2a			795,055.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				926,796.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				1,077,907.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

923581
02-02-10

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

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

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

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

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see the instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

JOHN D. NICHOLS

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

NONE

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

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

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

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

Part XV **Supplementary Information** (continued)

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

Recipient 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 ATTACHED STATEMENT	NONE	501(C)(3)	UNRESTRICTED	1721848.
FROM ENBRIDGE ENERGY LP K1				3.
Total			▶ **3a**	1721851.
b *Approved for future payment*				
NONE				
Total			▶ **3b**	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) 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	595,186.	
4 Dividends and interest from securities			14	560,849.	
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	-4,233,051.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a SEE STATEMENT 10		-273,517.		454.	
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		-273,517.		-3,076,562.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 -3,350,079.

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
	NOT APPLICABLE

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

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

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

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

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
	NOT	
	APPLICABLE	

Sign Here

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

▶ Signature of officer or trustee | 11-03-10 Date | ▶ Trustee Title

Paid Preparer's Use Only

Preparer's signature ▶ | Date 11/2/10 | Check if self-employed ▶ ☐ | Preparer's identifying number P00916845

Firm's name (or yours if self-employed), address, and ZIP code ▶
RSM MCGLADREY INC
ONE SOUTH WACKER DRIVE, SUITE 800
CHICAGO, IL 60606-3392

EIN ▶ 41-194416

Phone no. 312-634-3400

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 the organization
JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION

Employer identification number
36-3858388

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).

LHA **For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.**

Name of organization	Employer identification number
JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION	36-3858388

Part I **Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	JOHN NICHOLS 900 MOUNT PLEASANT ROAD WINNETKA, IL 60093	$ 43,326.	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.)

JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION STATEMENT, PAGE 1
FEIN: 36-3858388
TAX YEAR ENDED: DECEMBER 31, 2009

DETAIL OF CHARITABLE CONTRIBUTIONS

Date	Name	Amount
1/6/09	PAWS Chicago	600 00
1/9/09	Alliance Francaise	1,000 00
1/9/09	High Jump	2,500 00
1/16/09	Music Institute of Chicago	40,102 00
1/26/09	Chicago Symphony Orchestra	3,500 00
1/27/09	The Auditorium Theatre of Roosevelt Univ	1,000 00
1/30/09	Music Institute of Chicago	728 48
2/13/09	The League of the Chgo Symp Orch Assoc	90 00
2/13/09	Common Threads	1,000 00
2/13/09	Catholic Theological Union	4,000 00
2/16/09	Chicago Zoological Society (Brookfield Zo	12,000 00
2/16/09	Music Institute of Chicago	40,102 00
2/20/09	Music Institute of Chicago	25,000 00
2/20/09	Harris Theater for Music and Dance	25,000 00
2/26/09	Columbia Univ School of Intl and Public	1,000 00
2/26/09	The Women's Board of the Field Museum	2,000 00
3/4/09	Chicago Foundation for Education	1,000 00
3/5/09	Good News After School Reading Program	1,000 00
3/9/09	Music Institute of Chicago	40,102 00
3/10/09	The League of the Chgo Symp Orch Assoc	1,000 00
3/10/09	The Chicago Community Trust	1,000 00
3/10/09	WTTW 11	25,000 00
3/11/09	The Casino	1,357 55
3/31/09	Chicago Academy for the Arts	1,000 00
4/3/09	Harris Theater for Music and Dance	10,000 00
4/6/09	Apostolic Church of God	2,842 50
4/6/09	The Art Institute of Chicago	25,000 00
4/8/09	American Express	7,324 00
4/9/09	Music Institute of Chicago	40,102 00
5/4/09	PWDF, Inc	100 00
5/4/09	Winnetka Historical Society	1,000 00
5/4/09	Chicago Humanities Festival	2,500 00
5/4/09	Access Living	5,000 00
5/4/09	American Express	10,000 00
5/19/09	The Chicago Council on Global Affairs	2,500 00
5/22/09	Chicago Botanic Garden	1,200 00
5/26/09	Music Institute of Chicago	40,102 00
6/1/09	Village of Winnetka Cenotaph Resoration F	500 00
6/1/09	WFMT Fine Arts Circle	500 00
6/1/09	Conservation International	3,000 00
6/10/09	Music Institute of Chicago	40,102 00
6/11/09	The Humane Society of the U S	1,000 00
6/19/09	Conservation International	10,000 00
6/27/09	Loomis-Chaffee	25,000 00
6/29/09	Rush NeuroBehavioral Center	5,000 00
6/29/09	The Field Museum	12,000 00
7/7/09	The League of the Chgo Symp Orch Assoc	100 00
7/7/09	The Wetlands Initiative	1,000 00
7/7/09	Music Institute of Chicago	40,102 00
7/21/09	FIA Card Services	550 00
7/24/09	Alliance Francaise	1,000 00
8/11/09	Music Institute of Chicago	1,000 00
8/11/09	Music Institute of Chicago	40,102 00
8/13/09	Harris Theater for Music and Dance	2,000 00
8/26/09	Music Institute of Chicago	50,000 00
9/3/09	City of Hope	250 00
9/8/09	Music Institute of Chicago	40,102 00
9/9/09	Chicago Public Library Foundation	5,000 00
9/11/09	Harris Theater for Music and Dance	20,000 00
9/11/09	Music Institute of Chicago	200,000 00
9/16/09	Boys and Girls Clubs of Chicago	25,000 00
9/21/09	Lincoln Park Zoo	250 00
9/21/09	Music Institute of Chicago	1,000 00
9/21/09	Pathways Foundation	5,000 00
9/22/09	Indian Hill Club	500 00

STATEMENT, PAGE 2

9/28/09	Korean War National Museum	15,000 00
9/29/09	Chicagoland Chamber of Commerce Fdn	2,500 00
10/2/09	American Express	2,500 00
10/13/09	Music Institute of Chicago	81 70
10/13/09	Chicago Botanic Garden	10,000 00
10/13/09	Music Institute of Chicago	40,102 00
10/19/09	Museum of Science and Industry	5,000 00
10/30/09	Chicago Zoological Society (Brookfield Zo	2,500 00
11/2/09	Chicago Shakespeare Theater	500 00
11/11/09	The Field Museum	500 00
11/12/09	International House	1,500 00
11/12/09	Horizon Hospice and Palliative Care	2,500 00
11/12/09	Chicago Public Radio	2,500 00
11/12/09	Music Institute of Chicago	40,102 00
11/16/09	Northwestern University Settlement	350 00
11/16/09	Newberry Library	500 00
11/16/09	The Antiquarian Society	1,000 00
11/18/09	North Shore Senior Center	2,500 00
11/18/09	Lyric Opera of Chicago	25,000 00
11/24/09	Target National Bank	1,000 00
11/24/09	Shedd Aquarium	1,500 00
11/24/09	Chicago Foundation for Education	5,000 00
12/4/09	Good News Community Kitchen	1,000 00
12/4/09	Rachel Elizabeth Barton Foundation	5,000 00
12/16/09	Music Institute of Chicago	40,102 00
12/17/09	Harris Theater for Music and Dance	30,000 00
12/20/09	The Salvation Army	100 00
12/20/09	Harvard Magazine	250 00
12/20/09	Greater Chicago Food Depository	1,000 00
12/20/09	WYCC-20	1,000 00
12/20/09	Winnetka Community House	1,000 00
12/20/09	Office for the Arts at Harvard	1,000 00
12/20/09	Openlands Project	1,000 00
12/20/09	Chicago History Museum	1,000 00
12/20/09	Springboard Foundation	1,000 00
12/20/09	Inner City Teaching Corp	1,000 00
12/20/09	Urban Gateways	1,000 00
12/20/09	Harvard Divinity School	1,000 00
12/20/09	R I S E	5,000 00
12/20/09	Goodman Theatre	10,000 00
12/20/09	Millennium Park, Inc	10,000 00
12/20/09	Museum of Science and Industry	10,000 00
12/20/09	Harvard College Fund	10,000 00
12/20/09	Harvard Business School	15,000 00
12/20/09	Junior Achievement	25,000 00
12/20/09	Harvard Graduate School of Education	25,000 00
12/20/09	Chicago Symphony Orchestra	50,000 00
12/20/09	Lyric Opera of Chicago	250,000 00
12/22/09	Kappa Kappa Gamma Foundation	100 00
12/22/09	Greater Chicago Food Depository	500 00
12/22/09	Harvard Varsity Club	500 00
12/22/09	Ars Viva Symphony Orchestra	1,000 00
12/22/09	American Red Cross of Greater Chicago	3,000 00
12/23/09	Pathways Foundation	1,000 00
12/28/09	Music Institute of Chicago	100,000 00
12/30/09	Doctors Without Borders	100 00
12/30/09	Christopher House	500 00
12/30/09	Academy for Urban School Leadership	1,000 00
12/30/09	Chicago State University Foundation	1,000 00
12/31/09	Family Focus	250 00
12/31/09	Harvard Club of Chicago	250 00
12/31/09	Friends of Winnetka/Northfield Library	250 00
12/31/09	Family Service of Winnetka-Northfield	500 00
12/31/09	Montclair Cobra Football Assoc	2 000 00
12/31/09	Adler Planetarium	2,500 00
12/31/09	Glenwood School for Boys and Girls	2,500 00
12/31/09	Rehabilitation Institute of Chicago	2,500 00
12/31/09	Chicago History Museum	5,000 00
12/31/09	Writers' Theatre	5,000 00
12/31/09	Homan Square Community Center Fdn	25,000 00
		1,721,848 23

JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION

CONTINUATION FOR 990-PF, PART IV
36-3858388 PAGE 1 OF 1

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	NORTHERN TR - SEE ATT'D	P		
b	NORTHERN TR - SEE ATT'D	P		
c	HIGH RISE K1	P		
d	HIGH RISE K1	P		
e	WLR K1	P		
f	RESOURCE AP'L K1	P		
g	UBS SEE ATT'D	P		
h	UBS SEE ATT'D	P		
i	MERRILL LYNCH SEE ATT'D	P		
j	MERRILL LYNCH SEE ATT'D	P		
k				
l				
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	4.			4.
b	724,309.			-1,430,505.
c				3,196.
d				74,777.
e				2,869.
f				17,302.
g	492,480.			-1,157,926.
h	822,464.			-1,780,155.
i	994,352.			244,352.
j	718,165.			-206,965.
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) 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				4.
b				-1,430,505.
c				3,196.
d				74,777.
e				2,869.
f				17,302.
g				-1,157,926.
h				-1,780,155.
i				244,352.
j				-206,965.
k				
l				
m				
n				
o				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter "-0-" in Part I, line 7 }	2	-4,233,051.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

923591
04-24-09

2009 Supplemental Information

Account No.	Taxpayer ID.	Page
NT2-056855	36-3858388	6 of 8

National Financial Services LLC

JOHN D NICHOLS JR & ALEXANDRA C
900 MT PLEASANT ROAD
WINNETKA IL 60093-3613

Customer Service: 800-621-4482

Additional Information

This detail information is not reported to the IRS. It may assist you in tax return preparation.

	Amount
Short-Term Realized Gain/Loss	3.55
Long-Term Realized Gain/Loss	1,430,505.09-

Detail Information — Short-Term Realized Gain/Loss

Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes. This information is not reported to the IRS. It may assist you in tax return preparation.

Description / CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss (-)
HSBC HOLDINGS PLC RTS EXP 03/31/2009 /404280992					
04/13/09	04/13/09	0.000	3.55	0.00 f	3.55

Short-Term Realized Gain	3.55
Short-Term Realized Loss	0.00
Short-Term Realized Disallowed Loss	0.00
Total Short-Term Realized Gain/Loss	3.55

f - FIFO (First-in, First-out)

Detail Information — Long-Term Realized Gain/Loss

Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes. This information is not reported to the IRS. It may assist you in tax return preparation.

Description / CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss (-)
LLIED CAPITAL CORP /019030108					
various	10/12/09	45,000.000	136,832.40	1,008,190.15 f t	871,357.75-
ANK OF AMERICA CORP /060505104					
08/31/07	10/12/09	4,800.000	84,093.83	245,816.45 f	161,722.62-
various	10/12/09	10,200.000	178,714.68	508,930.35 f	330,215.67-
		USD Subtotal	262,808.51	754,746.80	
ANK NEW YORK MELLON CORP /064058100					
12/31/02	10/21/09	2,825.000	80,709.75	92,255.38 f t	11,545.63-
EDTRONIC INC /585055106					
12/[illegible]/02	10/21/09	2,425.000	90,466.45	114,731.56 f t	24,265.11-
OLEX INC CL A /608554200					
12/31/02	10/21/09	2,700.000	52,781.47	80,347.92 f t	27,566.45-

National Financial Services LLC

2009 Supplemental Information

Account No.	Taxpayer ID.	Page
NT2-056855	36-3858388	7 of 8

JOHN D NICHOLS JR & ALEXANDRA C
900 MT PLEASANT ROAD
WINNETKA IL 60093-3613

Customer Service: 800-621-4482

Detail Information

Long-Term Realized Gain/Loss

Description / CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis		Gain/Loss (-)
Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes. This information is not reported to the IRS. It may assist you in tax return preparation.						
OMNICOM GROUP /681919106						
12/31/02	10/21/09	2,700.000	100,707.13	104,538.99	f t	3,831.86-

Long-Term Realized Gain	0.00
Long-Term Realized Loss	1,430,505.09-
Long-Term Realized Disallowed Loss	0.00
Total Long-Term Realized Gain/Loss	**1,430,505.09-**

f - FIFO (First-in, First-out)

t - Cost basis information was provided by a third party. We treat it as original cost basis, as of the date it is provided, and we assume that for equities, it reflects any prior corporate actions, and for asset-backed fixed income securities, it reflects any prior principal pay downs. We do not apply any wash sale rules to tax lots with third party-provided cost basis.

Amortization, accretion, and similar adjustments to cost basis are not provided for short-term instruments, unit investment trusts, or securities of foreign issuers.

Important Tax Return Document Enclosed

UBS

UBS Financial Services Inc.
1 NORTH WACKER DRIVE
SUITE 37
CHICAGO IL 60606-2883

APZ2003625755 1209 Y4 1

2009 Year End Summary

Duplicate statement for the account of:
JOHN D AND ALEXANDRA C NICHOLS
FAMILY FOUNDATION
SMITH-DAVIS-MORSE EQUITY
900 MOUNT PLEASANT STREET
WINNETKA IL 60093-3613
Account number: Y4 72491 PW

00002682 01 AV 0.335 01 TR 00014 B201B081 000000 cpl
PHYLLIS GANNON
1 S WACKER DRIVE
SUITE 800
CHICAGO IL 60606-4650

Summary of gains and losses

	Amount ($)
Short term	11,114 96
Long term	-1,169,040.49
Total	**$-1,157,925.53**

Realized gains and losses

Estimated 2009 gains and losses for transactions with trade dates through 12/31/09 have been incorporated into this statement To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order *See Important information about your statement* on the last page of this statement for more information

We may not adjust gains and losses for all capital changes Cost basis for coupon tax-exempt municipal securities, include securities subject to AMT, has been adjusted for mandatory amortization of bond premium Estimates in the Unclassified section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
NYSE EURONEXT	FIFO	1,034.000	Feb 17, 09	Sep 29, 09	29,902.64	18,787.68		11,114.96	11,114 96

Realized gains and losses (continued)

Long-term capital gains and losses

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
DYNEGY INC NEW (DELA) CL A	FIFO	13,000.000	Oct 29, 07	Feb 24, 09	16,509.96	115,370.00	-98,860.04		
	FIFO	50,000.000	Oct 24, 07	Feb 20, 09	65,255.58	420,374 00	-355,118 42		
GOLDMAN SACHS GROUP INC	FIFO	2,300.000	Oct 24, 07	Feb 20, 09	185,714.26	503,289.00	-317,574.74		
LONDON STOCK EXCHANGE GROUP PLC NEW	FIFO	1,414 000	Jan 20, 06	Sep 29, 09	18,812 62	20,891.10	-2,078.48		
	FIFO	217 000	Mar 05, 07	Sep 29, 09	2,887.09	5,257.71	-2,370.62		
	FIFO	203 000	Sep 12, 07	Sep 29, 09	2,700.82	5,781.38	-3,080.56		
	FIFO	5,370.000	Nov 13, 07	Sep 29, 09	71,445 40	202,172.98	-130,727 58		
NYSE EURONEXT	FIFO	769.000	Jan 20, 06	Sep 29, 09	22,239.01	40,324.41	-18,085.40		
	FIFO	3,697 000	Oct 30, 07	Sep 29, 09	106,914.96	348,059.61	-241,144.65		
Total					**$492,479.70**	**$1,661,520.19**	**-$1,169,040.49**		**-$1,169,040.49**
Net capital gains/losses:									**-$1,157,925.53**

UBS

UBS Financial Services Inc.
1 NORTH WACKER DRIVE
SUITE 37
CHICAGO IL 60606-2883

APZ2003625805 1209 Y4 2

2009 Year End Summary

Duplicate statement for the account of:
JOHN D AND ALEXANDRA C NICHOLS
FAMILY FOUNDATION
SMITH-DAVIS-MORSE CREDIT
900 MOUNT PLEASANT STREET
WINNETKA IL 60093-3613
Account number: Y4 74514 PW

00002684 01 AV 0.335 01 TR 00014 B201B081 000000 cpl
PHYLLIS GANNON
1 S. WACKER DRIVE
SUITE 800
CHICAGO IL 60606-4650

Summary of gains and losses

	Amount ($)
Short term	-408,956.08
Long term	-1,371,199.05
Total	**$-1,780,155.13**

Realized gains and losses

Estimated 2009 gains and losses for transactions with trade dates through 12/31/09 have been incorporated into this statement To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order *See Important information about your statement* on the last page of this statement for more information

We may not adjust gains and losses for all capital changes Cost basis for coupon tax-exempt municipal securities, include securities subject to AMT, has been adjusted for mandatory amortization of bond premium Estimates in the Unclassified section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
ANGLO AMERN PLC NEW ADR	FIFO	46 000	Aug 20, 08	Feb 20, 09	341 33	1,202.51	-861.18		
	FIFO	27.000	Aug 21, 08	Feb 20, 09	200.35	727 20	-526 85		
	FIFO	226 000	Nov 04, 08	Feb 20, 09	1,676.97	2,997.37	-1,320.40		

continued next page

Account name. JOHN D AND ALEXANDRA C NICHOLS
Account number: Y4 74514 PW

Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
	FIFO	1,873.000	Nov 05, 08	Feb 20, 09	13,898 05	23,241 31	-9,343.26		
	FIFO	830 000	Nov 06, 08	Feb 20, 09	6,158 77	9,010 48	-2,851.71		
BERKSHIRE HATHAWAY INC CL B	FIFO	26 000	Mar 05, 08	Feb 20, 09	60,965 97	119,382.93	-58,416 96		
BHP BILLITON LTD SPON ADR	FIFO	254 000	Jul 31, 08	Feb 20, 09	9,948 43	19,046 06	-9,097.63		
BURLINGTON NTHN SANTA FE CORP	FIFO	1,238 000	Jun 02, 08	Feb 20, 09	76,525 80	139,282.55	-62,756.75		
CARNIVAL CORP NEW (PAIRED STOCK)	FIFO	2,976 000	Sep 02, 08	Feb 20, 09	57,170 23	117,857 34	-60,687 11		
HENDERSON LAND DEVELOPMENT CO LTD	FIFO	13,000.000	Oct 31, 08	Feb 25, 09	42,616.31	45,158.10	-2,541.79		
LAS VEGAS SANDS CORP	FIFO	648 000	Aug 18, 08	Feb 20, 09	1,548 30	33,710.58	-32,162 28		
MASTERCARD INC CL A	FIFO	141 000	Jul 22, 08	Feb 20, 09	21,919 27	37,459.13	-15,539.86		
RIO TINTO PLC SPON ADR	FIFO	51.000	Aug 05, 08	Feb 20, 09	5,337.99	18,365.67	-13,027.68		
TIME WARNER INC **REVERSE SPLIT EFF 3/2009**	FIFO	3,088 000	Aug 28, 08	Feb 20, 09	22,886.34	50,107.12	-27,220.78		
	FIFO	6,002.000	Aug 29, 08	Feb 20, 09	44,483.11	98,156.11	-53,673.00		
UNION PACIFIC CORP	FIFO	991.000	Jun 05, 08	Feb 20, 09	39,507 67	80,479 01	-40,971 34		
VISA INC CL A	FIFO	513 000	Jul 21, 08	Feb 20, 09	28,410 69	38,174 07	-9,763.38		
WALT DISNEY CO (HOLDING CO) DISNEY COM	FIFO	1,687 000	Nov 24, 08	Feb 20, 09	29,503.58	37,697 70	-8,194.12		
Total					**$463,099.16**	**$872,055.24**	**-$408,956.08**		**-$408,956.08**

Long-term capital gains and losses

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
ALLEGHENY ENERGY INC	FIFO	232 000	Jan 20, 06	Feb 20, 09	5,731.08	8,085 20	-2,354.12		
	FIFO	2,097 000	Oct 30, 07	Feb 20, 09	51,802 00	126,174.59	-74,372.59		
BEIJING CAPITAL INTL ARPT CO LTD	FIFO	16,000 000	Jan 05, 07	Feb 20, 09	6,559 96	13,276 80	-6,716 84		
	FIFO	24,000 000	Feb 09, 07	Feb 20, 09	9,838.48	23,527 20	-13,688.72		
	FIFO	8,000 000	Mar 05, 07	Feb 20, 09	3,279.14	6,860 80	-3,581 66		

continued next page

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
	FIFO	28,000 000	Nov 20, 07	Feb 20, 09	11,476.99	43,752.80	-32,275.81		
BERKSHIRE HATHAWAY INC CL B	FIFO	11 000	May 07, 07	Feb 20, 09	25,793.29	40,310.82	-14,517.53		
CNOOC LTD SPON ADR	FIFO	248.000	Jan 20, 06	Feb 20, 09	21,259.21	20,439.90		819.31	
	FIFO	835 000	Oct 30, 07	Feb 20, 09	71,578.41	175,570.37	-103,991.96		
HUANENG POWER INTL INC SPONSORED ADR SER N SHS ADR	FIFO	712.000	Jan 20, 06	Feb 20, 09	18,820.25	19,738.54	-918.29		
	FIFO	2,464.000	Oct 30, 07	Feb 20, 09	65,130.74	118,489.87	-53,359.13		
ICICI BANK LTD SPON ADR	FIFO	300.000	Aug 29, 07	Feb 20, 09	4,028.06	12,870.00	-8,841.94		
	FIFO	736 000	Oct 30, 07	Feb 20, 09	9,882.16	49,075.57	-39,193.41		
IMPERIAL OIL LTD NEW CANADA	FIFO	579 000	Jan 20, 06	Feb 20, 09	17,753.96	20,312.86	-2,558.90		
	FIFO	2,519.000	Oct 30, 07	Feb 20, 09	77,240.44	134,106.59	-56,866.15		
LAS VEGAS SANDS CORP	FIFO	150.000	Aug 22, 07	Feb 20, 09	358.40	14,861.00	-14,502.60		
	FIFO	100 000	Aug 28, 07	Feb 20, 09	238.94	9,713.61	-9,474 67		
	FIFO	100 000	Aug 29, 07	Feb 20, 09	238.94	9,703.00	-9,464.06		
	FIFO	50.000	Sep 06, 07	Feb 20, 09	119.47	5,138.31	-5,018.84		
	FIFO	947 000	Oct 30, 07	Feb 20, 09	2,262 72	133,820.80	-131,558.08		
LEGG MASON INC	FIFO	1,207.000	Oct 30, 07	Feb 20, 09	16,175 42	98,488.38	-82,312.96		
	FIFO	828 000	Feb 11, 08	Feb 20, 09	11,096.31	57,869.67	-46,773.36		
MARATHON OIL CORP	FIFO	49.000	Oct 25, 07	Feb 20, 09	1,172.21	2,861.11	-1,688.90		
NASDAQ OMX GROUP (THE)	FIFO	4,038 000	Oct 30, 07	Feb 20, 09	81,407 33	188,129 64	-106,722.31		
NV ENERGY INC	FIFO	4,409.000	Jan 20, 06	Feb 20, 09	39,455.28	59,734.90	-20,279.62		
	FIFO	91.000	Feb 10, 06	Feb 20, 09	814.34	1,227.34	-413.00		
	FIFO	13,654 000	Oct 31, 07	Feb 20, 09	122,186.98	230,986.53	-108,799.55		
OAO GAZPROM LEVEL 1 ADR PROGRAM (RUSSIA) SPON ADR	FIFO	526.000	Oct 08, 07	Feb 20, 09	6,463.58	24,669.40	-18,205.82		
	FIFO	2,476.000	Oct 30, 07	Feb 20, 09	30,425 54	121,559.95	-91,134.41		

continued next page

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
RELIANT ENERGY INC **NAME CHANGE EFF: 05/2009**	FIFO	3,917.000	Jan 20, 06	Feb 20, 09	16,304 78	41,572.69	-25,267.91		
	FIFO	6,792.000	Oct 30, 07	Feb 20, 09	28,272.16	188,615.06	-160,342.90		
STUDENT LOAN CORP	FIFO	91 000	Jan 20, 06	Feb 20, 09	4,280.17	19,838.00	-15,557 83		
	FIFO	617 000	Oct 30, 07	Feb 20, 09	29,020 49	102,406.42	-73,385 93		
SUNCOR INC **MEREGR EFF· 07/2009**	FIFO	570.000	Jan 20, 06	Feb 20, 09	10,261.33	20,776.50	-10,515.17		
WASH POST CO CL B	FIFO	34.000	Jan 20, 06	Feb 20, 09	13,118.67	26,554.00	-13,435 33		
WESTERNZAGROS RES LTD	FIFO	595.000	Oct 25, 07	Feb 20, 09	362 31	1,999.20	-1,636.89		
WHITE MOUNTAINS INSURANCE GROUP LTD	FIFO	22 000	Aug 01, 06	Feb 20, 09	4,540.09	11,087.54	-6,547 45		
	FIFO	18 000	Sep 11, 06	Feb 20, 09	3,714.62	9,458.34	-5,743.72		
Total					**$822,464.25**	**$2,193,663.30**	**-$1,372,018.36**	**$819.31**	**-$1,371,199.05**
Net capital gains/losses:									**-$1,780,155.13**

JOHN D AND ALEXANDRA C NICHOLS

2009 ANNUAL STATEMENT SUMMARY

Your Tax Reporting Statement information that follows is a personal summary of your account activity and is not reported to the IRS.

The Capital Gain and Loss Transaction section is provided to facilitate your review and may not include return of capital, sales load deferral, or wash sales adjustments. RICs (which may include mutual funds and unit investment trusts) may reclassify principal distributions as capital gains. The cost basis for these securities may not have been adjusted on your statement to reflect such reclassifications. Please refer to information provided by the RIC and discuss with your tax advisor. Securities distributed from a retirement account reflect the tax basis on the date of distribution. Other methods for calculating gain (loss) are available. The cost basis for most Original Issue Discount ("OID") obligations includes the accretion of OID. For purposes of allocating original purchase price to the components of an equity unit consisting of a purchase contract and a debt security subject to a remarketing event, we assumed the fair market value of the debt security on purchase date was equal to its adjusted issue price. The difference between your original cost and the amount allocable to the debt component was allocated to the purchase contract. In making adjustments to the cost basis of the purchase contract, it was assumed that the unit holder included contract adjustment payments in income received. In calculating gain (loss), unless otherwise noted, it was assumed that the oldest position was liquidated first, and that an election was in effect to amortize premium paid on the purchase of taxable bonds.

Dividend and Interest details are repeated in the following pages for your convenience. Additionally, we have included items such as margin interest and select account fees if applicable. Please discuss the deductibility of these items with your tax advisor. For select clients, we have also included a summary of Visa charges and checking activity.

Merrill Lynch is neither a tax return preparer or tax advisor. Please see your tax advisor for more information.

2009 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
SHORT TERM CAPITAL GAINS								
E V INC FD OF BOSTON	185185.1850	02/20/09	11/13/09			994,351.85	749,999.80	244,352.05
		Short Term Capital Gains Subtotal				**994,351.85**	**749,999.80**	**244,352.05**
NET SHORT TERM CAPITAL GAIN (LOSS)								**244,352.05**
TOTAL CAPITAL GAINS AND LOSSES						**994,351.85**	**749,999.80**	**244,352.05**
TOTAL REPORTABLE GROSS PROCEEDS						**994,351.85**		
DIFFERENCE						**0.00 ***		

Note: Capital gains and losses in this statement are not reported to the IRS
* Difference reflects items that are included in the reportable gross proceeds section of your statement but are not included in the gain/loss section (e.g., liquidation of fractional shares and the proceeds from certain tender offers). It also reflects items that are included in the gain/loss section of your statement but not in the reportable gross proceeds section (e.g., option premium received).

JOHN D AND ALEXANDRA C NICHOLS

2009 ANNUAL STATEMENT SUMMARY

Your Tax Reporting Statement information that follows is a personal summary of your account activity and is not reported to the IRS.

The Capital Gain and Loss Transaction section is provided to facilitate your review and may not include return of capital, sales load deferral, or wash sales adjustments. RICs (which may include mutual funds and unit investment trusts) may reclassify principal distributions as capital gains. The cost basis for these securities may not have been adjusted on your statement to reflect such reclassifications. Please refer to information provided by the RIC and discuss with your tax advisor. Securities distributed from a retirement account reflect the tax basis on the date of distribution. Other methods for calculating gain (loss) are available. The cost basis for most Original Issue Discount ("OID") obligations includes the accretion of OID. For purposes of allocating original purchase price to the components of an equity unit consisting of a purchase contract and a debt security subject to a remarketing event, we assumed the fair market value of the debt security on purchase date was equal to its adjusted issue price. The difference between your original cost and the amount allocable to the debt component was allocated to the purchase contract. In making adjustments to the cost basis of the purchase contract, it was assumed that the unit holder included contract adjustment payments in income received. In calculating gain (loss), unless otherwise noted, it was assumed that the oldest position was liquidated first, and that an election was in effect to amortize premium paid on the purchase of taxable bonds.

Dividend and Interest details are repeated in the following pages for your convenience. Additionally, we have included items such as margin interest and select account fees if applicable. Please discuss the deductibility of these items with your tax advisor. For select clients, we have also included a summary of Visa charges and checking activity.

Merrill Lynch is neither a tax return preparer or tax advisor. Please see your tax advisor for more information.

2009 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
LONG TERM CAPITAL GAINS								
HONG KONG EXCHANGES AND	3000.0000	03/20/06	11/20/09			54,454.61	15,630.00	38,824.61
	500.0000	06/06/07	11/20/09			9,075.76	5,750.00	3,325.76
		Security Subtotal				**63,530.37**	**21,380.00**	**42,150.37**
		Long Term Capital Gains Subtotal				**63,530.37**	**21,380.00**	**42,150.37**
LONG TERM CAPITAL LOSSES								
EL PASO CORPORATION	8000.0000	03/03/05	11/13/09			79,761.94	98,320.00	(18,558.06)
	4800.0000	04/26/05	11/13/09			47,857.17	49,920.00	(2,062.83)
	4300.0000	06/30/05	11/13/09			42,872.04	49,579.00	(6,706.96)
	12000.0000	01/06/06	11/13/09			119,642.93	148,080.00	(28,437.07)
	7400.0000	02/17/06	11/13/09			73,779.80	98,938.00	(25,158.20)
	3000 0000	08/07/06	11/13/09			29,910.73	44,700.00	(14,789.27)
	10808.0000	02/08/07	11/13/09			107,758.41	164,930.07	(57,171.66)
	5692.0000	02/08/07	11/13/09			56,121.67	86,859.93	(30,738.26)
	4308.0000	10/30/07	11/13/09			42,475.80	74,313.00	(31,837.20)
		Security Subtotal				**600,180.49**	**815,640.00**	**(215,459.51)**

JOHN D AND ALEXANDRA C NICHOLS

2009 ANNUAL STATEMENT SUMMARY

2009 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Amortization/Accretion Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
HONG KONG EXCHANGES AND	3000.0000	11/13/07	11/20/09			54,454.63	88,110.00	(33,655.37)
		Long Term Capital Losses Subtotal				**654,635.12**	**903,750.00**	**(249,114.88)**
NET LONG TERM CAPITAL GAIN (LOSS)								**(206,964.51)**
TOTAL CAPITAL GAINS AND LOSSES						**718,165.49**	**925,130.00**	**(206,964.51)**
TOTAL REPORTABLE GROSS PROCEEDS						**718,165.49**		
DIFFERENCE						**0.00 ***		

Note. Capital gains and losses in this statement are not reported to the IRS.
* Difference reflects items that are included in the reportable gross proceeds section of your statement but are not included in the gain/loss section (e.g., liquidation of fractional shares and the proceeds from certain tender offers). It also reflects items that are included in the gain/loss section of your statement but not in the reportable gross proceeds section (e g., option premium received).

REALIZED CAPITAL GAIN AND LOSS SUMMARY

	SHORT TERM GAINS	SHORT TERM LOSSES	LONG TERM GAINS	LONG TERM LOSSES
TOTAL	0.00	0.00	42,150.37	(249,114.88)

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
BAIRD CAPITAL PARTNERS	878.
COPANO ENERGY LP	539.
ENBRIDGE ENERGY PARTNERS	6.
GOLDMAN SACHS	2.
HIGH RISE INSTITUTIONAL PARTNERS LP	29,134.
INERGY LP	68.
MAGELLAN MIDSTREAM K1	10.
MERRILL LYNCH/PRIVATE BANK	45.
NORTHERN TRUST - CD INTEREST	78,029.
NORTHERN TRUST CHECKING	38,672.
NORTHERN TRUST INVESTMENT ACCOUNTS	68,781.
RESOURCE CAPITAL FUND II, LP	17.
UBS ACCOUNTS	378,637.
US GOVT - TAX REFUND INTEREST	322.
WLR RECOVERY FUND LP	46.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	595,186.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BAIRD CAPITAL K-1	4.	0.	4.
DIVIDEND INCOME - ANCHOR ACCT	427,198.	0.	427,198.
HIGH RISE INSTITUTIONAL PARTNERS LP K1	36,016.	0.	36,016.
MAGELLAN MIDSTREAM K1	1.	0.	1.
MERRILL LYNCH/PRIVATE BANK	97,630.	0.	97,630.
TOTAL TO FM 990-PF, PART I, LN 4	560,849.	0.	560,849.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
INERGY LP - ORDINARY LOSS (UBTI)	-17,316.	0.	
WLR RECOVERY - OTHER PORTFOLIO INCOME	-1,494.	-1,494.	
MAGELLAN MIDSTREAM PARTNERS (UBTI)	-1,726.	0.	
ENBRIDGE ENERGY K1	52.	52.	
ENBRIDGE ENERGY K1 (UBTI)	1,550.	0.	
INERGY LP - ORDINARY LOSS	-1.	-1.	
COPANO ENERGY K1 (UBTI)	-256,025.	0.	
ENBRIDGE ENERGY K1 S. 1231	1,897.	1,897.	
TOTAL TO FORM 990-PF, PART I, LINE 11	-273,063.	454.	

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	16,428.	16,428.		0.
FEDERAL TAX	190,935.	0.		0.
FOREIGN TAX PAID - HIGH RISE K-1	226.	226.		0.
TO FORM 990-PF, PG 1, LN 18	207,589.	16,654.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	66.	0.		0.
MEMBERSHIP FEES	305.	0.		0.
INVESTMENT FEES	38,909.	38,908.		0.
IL STATE FILING FEES	115.	0.		0.
MISCELLANEOUS EXPENSE	5,323.	0.		0.
K-1 - BAIRD CAPITAL	263.	263.		0.
K-1 - BAIRD CAPITAL	57,566.	57,566.		0.
K-1 - WLR RECOVERY	624.	624.		0.
K-1 - RESOURCE CAPITAL FUND II	1,317.	1,317.		0.

K-1 - HIGH RISE INST. PTRS	13,376.	13,376.		0.
K-1 - HIGH RISE INST. PTRS	18,667.	18,667.		0.
TO FORM 990-PF, PG 1, LN 23	136,531.	130,721.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NORTHERN TRUST EQUITIES - SEE ATTACHED 6.1	5,718,644.	13,677,305.
ARCELORMITTAL (F/K/A: MITTAL STEEL)	2,474,153.	2,264,030.
SEE STATEMENT - UBS INVESTMENT DETAIL	0.	0.
ROUND TABLE INVESTMENTS	195,085.	195,085.
VITALIA NUTRITIONAL PRODUCTS	250,000.	250,000.
TASTE INC	100,000.	100,000.
GOLDMAN SACHS INVESTMENT ACCOUNT	2,500,626.	2,500,626.
PRIVATE BANK STOCKS SEE ATTACHED 6.2	4,719,239.	4,584,641.
TOTAL TO FORM 990-PF, PART II, LINE 10B	15,957,747.	23,571,687.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
5,000 SHS BANK OF AMERICA	0.	0.
10,000 SHS BANK OF AMERICA	0.	0.
ML CAPITAL TRUST III	600,000.	522,480.
66,000 SHS EATON VANCE TAX MG	1,092,457.	813,780.
4,900 BANK OF AMERICA	122,500.	118,433.
300,000 GENERAL ELECTRIC	288,428.	318,925.
187,000 GENERAL ELECTRIC	178,939.	194,757.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,282,324.	1,968,375.

JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION
FEIN: 36-3858388
TAX YEAR ENDED: DECEMBER 31, 2009
NORTHERN TRUST INVESTMENTS

STATEMENT 6.1

SHARES	INVESTMENT DESCRIPTION	BOOK VALUE	FAIR MKT VALUE
35,100	APPLIED	198,425	489,294
19,600	APTARGROUP	254,842	700,504
2,433	CITIGROUP	90,888	8,053
2,300	EXXON	93,352	156,837
10,000	FOREST LABS	55,569	321,100
30,717	HOST MARRIOT	299,628	358,467
25,960	HSBC Holdings	1,524,587	1,482,055
182,422	IL TOOL WORKS	1,957,972	8,754,431
7,800	ISHARES	193,726	329,628
1,400	JOHNSON & JOHNSON	57,056	90,174
1,650	JP Morgan BANK ONE	50,073	68,755
186	MEDCO	1,985	11,887
15,000	PENN WEST ENERGY	397,045	264,000
2,150	PEPSICO	79,268	130,720
7,400	VANGUARD INT'L EQUITY	247,598	303,400
2,300	VANGUARD INT'L EQUITY	149,178	118,036
2,450	WALGREENS	67,452	89,964
	SUBTOTAL - STOCKS	5,718,644	13,677,305

STATEMENT 6.2

JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION
FEIN: 36-3858388
TAX YEAR ENDED: DECEMBER 31, 2009
MERRILL LYNCH PRIVATE BANKING INVESTMENT DETAIL - STOCK

SHARES	DESCRIPTION	BOOK VALUE	FAIR MKT VALUE
6,914	Brookfield Asst Mgmt	$ 249,512	$ 153,353
24,500	Canadian Oil Sands Tr	$ 714,870	$ 698,997
4,500	Cenovus Energy Inc	$ 116,388	$ 113,400
7,800	Conocophillips	$ 548,397	$ 398,346
15,000	Dominion Res Inc New Va	$ 533,668	$ 583,800
4,500	Encana Corp	$ 123,587	$ 145,755
6,500	Leucadia Natl Corp	$ 237,951	$ 154,635
32,000	Penn West Energy Tr	$ 529,600	$ 563,200
25,000	US Bankcorp	$ 589,095	$ 562,750
28,000	Wells Fargo	$ 743,161	$ 755,720
5,500	3M Company	$ 333,010	$ 454,685
		$ 4,719,239	$ 4,584,641

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
WLR RECOVERY FUND LP	Cost	109,720.	109,720.
RESOURCE CAPITAL FUND II LP	COST	15,497.	15,497.
HIGH RISE INSTITUTIONAL PTS LP	COST	1,937,629.	1,937,629.
INERGY LP	FMV	246,391.	713,600.
BAIRD CAPITAL PARTNERS	COST	2,207,942.	2,207,942.
26,500 EATON VANCE TAX ADV	FMV	0.	0.
65,720 EATON VANCE LTD DURATION	FMV	0.	0.
45,000 EATON VANCE TAX MANAGED	FMV	0.	0.
HAMILTON VANCE MTN GATE	COST	1,500,000.	1,500,000.
ENBRIDGE ENERGY PARTNERS L.P.	FMV	473,899.	536,900.
MAGELLAN MIDSTREAM PARTNERS LP	FMV	390,933.	433,300.
COPANO ENERGY LLO	FMV	2,708,184.	3,706,050.
PRIVATE BANK MUTUAL FUNDS - SEE ATTACHED 8.1	FMV	4,269,217.	4,019,024.
TOTAL TO FORM 990-PF, PART II, LINE 13		13,859,412.	15,179,662.

FORM 990-PF OTHER ASSETS STATEMENT 9

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
NT CERTIFICATE OF DEPOSIT	9,016,496.	0.	0.
CHARLES SCHWAB MONEY MARKET	117,455.	160,771.	160,771.
TO FORM 990-PF, PART II, LINE 15	9,133,951.	160,771.	160,771.

FORM 990-PF OTHER REVENUE STATEMENT 10

DESCRIPTION	BUS CODE	UNRELATED BUSINESS INC	EXCL CODE	EXCLUDED AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
INERGY LP - ORDINARY LOSS (UBTI)	531390	-17,316.			
WLR RECOVERY - OTHER PORTFOLIO INCOME			14	-1,494.	
MAGELLAN MIDSTREAM PARTNERS (UBTI)	531390	-1,726.			
ENBRIDGE ENERGY K1			14	52.	

STATEMENT 8.1

JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION
FEIN: 36-3858388
TAX YEAR ENDED: DECEMBER 31, 2009
MERRILL LYNCH PRIVATE BANKING INVESTMENT DETAIL - MUTUAL FUNDS

UNITS	DESCRIPTION	BOOK VALUE	FAIR MKT VALUE
108,538	Eaton Vance Floating	749,998	958,394
83,000	Eaton Vance Ltd Dur Inc	1,259,642	1,236,700
61,000	Eaton Vance TX-AD GL Div	1,073,845	837,530
80,000	Eaton Vance - Tax Managed	1,185,732	986,400
		4,269,217	4,019,024

ENBRIDGE ENERGY K1 (UBTI)	531390	1,550.			
INERGY LP - ORDINARY LOSS			14	-1.	
COPANO ENERGY K1 (UBTI)	531390	-256,025.			
ENBRIDGE ENERGY K1 S. 1231			14	1,897.	
TOTAL TO FORM 990-PF, PG 11, LN 11		-273,517.		454.	

Form 8868
(Rev. April 2009)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print

File by the due date for filing your return See instructions

Name of Exempt Organization
JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION

Employer identification number
36-3858388

Number, street, and room or suite no. If a P.O. box, see instructions
900 MOUNT PLEASANT ROAD

City, town or post office, state, and ZIP code. For a foreign address, see instructions.
WINNETKA, IL 60093

Check type of return to be filed(file a separate application for each return):

☐ Form 990
☐ Form 990-BL
☐ Form 990-EZ
☒ Form 990-PF
☐ Form 990-T (corporation)
☐ Form 990-T (sec. 401(a) or 408(a) trust)
☐ Form 990-T (trust other than above)
☐ Form 1041-A
☐ Form 4720
☐ Form 5227
☐ Form 6069
☐ Form 8870

- The books are in the care of ▶ JOHN D. NICHOLS 900 MT. PLEASANT ROAD - WINNETKA, IL 60093

  Telephone No. ▶ 847-441-6592 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ ☐ If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2010 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☒ calendar year 2009 or

▶ ☐ tax year beginning ______________, and ending ______________.

2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$ 40,000.
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	$ 0.
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	$ 40,000.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA **For Privacy Act and Paperwork Reduction Act Notice, see Instructions.**

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ ☒

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization JOHN D & ALEXANDRA NICHOLS FAMILY FOUNDATION	**Employer identification number** 36-3858388
	Number, street, and room or suite no. If a P.O. box, see instructions. 900 MOUNT PLEASANT ROAD	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WINNETKA, IL 60093	

Check type of return to be filed (File a separate application for each return):

☐ Form 990 ☐ Form 990-EZ ☐ Form 990-T (sec. 401(a) or 408(a) trust) ☐ Form 1041-A ☐ Form 5227 ☐ Form 8870
☐ Form 990-BL ☒ Form 990-PF ☐ Form 990-T (trust other than above) ☐ Form 4720 ☐ Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ JOHN D. NICHOLS 900 MT. PLEASANT ROAD - WINNETKA, IL 60093

Telephone No.▶ 847-441-6592 FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ________. If this is for the whole group, check this box ▶ ☐. If it is for part of the group, check this box ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2010.

5 For calendar year 2009 , or other tax year beginning ________, and ending ________.

6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX RETURN HAS NOT YET BEEN MADE AVAILABLE.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$ 40,000.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$ 40,000.
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Title ▶ CPA Date ▶ 8/5/2010

Form 8868 (Rev. 4-2009)

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05-26-09