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
KENNETH & HARLE MONTGOMERY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
2150 N. LINCOLN PARK WEST | 406

City or town, state, and ZIP code
CHICAGO, IL 60614

A Employer identification number
36-3871012

B Telephone number
(773) 404-0741

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: [X] 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)* ▶$ 4,251,553.

J Accounting method: [X] 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	14,476.		N/A	
2 Check ▶ [ ] if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	20,968.	20,968.		STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	<101,972.>			
b Gross sales price for all assets on line 6a 1,810,189.				
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	501,046.	501,046.		STATEMENT 2
12 **Total.** Add lines 1 through 11	434,518.	522,014.		
Operating and Administrative Expenses				
13 Compensation of officers, directors, trustees, etc	85,907.	85,907.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits	2,280.	2,280.		0.
16a Legal fees STMT 3	14,866.	14,866.		0.
b Accounting fees				
c Other professional fees				
17 Interest				
18 Taxes STMT 4	28,962.	6,929.		0.
19 Depreciation and depletion				
20 Occupancy	14,476.	0.		0.
21 Travel, conferences, and meetings				
22 Printing and publications	342.	342.		0.
23 Other expenses STMT 5	9,280.	9,280.		0.
24 **Total operating and administrative expenses.** Add lines 13 through 23	156,113.	119,604.		0.
25 Contributions, gifts, grants paid	680,157.			680,157.
26 **Total expenses and disbursements.** Add lines 24 and 25	836,270.	119,604.		680,157.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<401,752.>			
b **Net investment income** (if negative, enter -0-)		402,410.		
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			
	2 Savings and temporary cash investments	515,681.	162,410.	162,410.
	3 Accounts receivable ▶ 4,003.			
	Less: allowance for doubtful accounts ▶		4,003.	4,003.
	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 ▶			
	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 STMT 8	847,074.	569,528.	569,528.
	b Investments - corporate stock STMT 9	655,760.	876,022.	1,229,071.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 10	2,286,451.	2,286,541.	2,286,541.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,304,966.	3,898,504.	4,251,553.
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 ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	4,304,966.	3,898,504.	
	30 **Total net assets or fund balances**	4,304,966.	3,898,504.	
	31 **Total liabilities and net assets/fund balances**	4,304,966.	3,898,504.	

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	4,304,966.
2	Enter amount from Part I, line 27a	2	<401,752.>
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 6	3	89.
4	Add lines 1, 2, and 3	4	3,903,303.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 7	5	4,799.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,898,504.

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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 STATEMENTS			
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	1,810,189.		1,912,161.	<101,972.>

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				<101,972.>

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 <101,972.>

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	682,000.	4,530,540.	.150534
2007	615,050.	4,460,838.	.137878
2006	586,405.	4,305,612.	.136196
2005	524,482.	4,115,210.	.127450
2004	649,869.	3,979,596.	.163300

2	**Total** of line 1, column (d)	2	.715358
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	.143072
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,058,537.
5	Multiply line 4 by line 3	5	580,663.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,024.
7	Add lines 5 and 6	7	584,687.
8	Enter qualifying distributions from Part XII, line 4	8	680,157.

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 ▶ [X] and enter 1% of Part I, line 27b		1	4,024.
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	4,024.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-		5	4,024.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 20,400.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	20,400.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	16,376.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 4,400. **Refunded** ▶		11	11,976.

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? *If "Yes," attach a detailed description of the activities.*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
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? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
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)*

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

Website address ▶ N/A

14 The books are in care of ▶ CYNTHIA KOBEL Telephone no. ▶ 773/404-0741

Located at ▶ 2150 NORTH LINCOLN PARK WEST, #406, CHICAGO, IL ZIP+4 ▶ 60614

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		X
	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

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

5a During the year did the foundation pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ 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 | No: 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
HARLE G. MONTGOMERY 2150 NORTH LINCOLN PARK WEST CHICAGO, IL 60614	DIR/PRES 0.00	0.	0.	0.
CYNTHIA KOBEL 2150 NORTH LINCOLN PARK WEST CHICAGO, IL 60614	DIR 40.00	85,907.	0.	0.
WALTER W. BELL 200 W. ADAMS SUITE 2600 CHICAGO, IL 60606	DIR/SEC/TREAS 0.00	0.	0.	0.
BRYANT G. GARTH 2150 NORTH LINCOLN PARK WEST CHICAGO, IL 60614	DIR/VP 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

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

3 Five highest-paid independent contractors for professional services. 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 N/A	
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	3,851,663.
b	Average of monthly cash balances	1b	268,679.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	4,120,342.
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	4,120,342.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	61,805.
5	**Net value of noncharitable-use assets**. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,058,537.
6	**Minimum investment return**. Enter 5% of line 5	6	202,927.

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	202,927.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	4,024.		
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	4,024.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	198,903.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	198,903.
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	198,903.

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	680,157.
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	680,157.
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	4,024.
6	**Adjusted qualifying distributions** Subtract line 5 from line 4	6	676,133.

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					198,903.
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only				0.	
b Total for prior years: ______ , ______ , ______			0.		
3 Excess distributions carryover, if any, to 2009:					
a From 2004	460,600.				
b From 2005	336,075.				
c From 2006	387,997.				
d From 2007	410,140.				
e From 2008	475,506.				
f **Total** of lines 3a through e		2,070,318.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 680,157.					
a Applied to 2008, but not more than line 2a				0.	
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					198,903.
e Remaining amount distributed out of corpus		481,254.			
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		2,551,572.			
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					0.
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		460,600.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		2,090,972.			
10 Analysis of line 9:					
a Excess from 2005	336,075.				
b Excess from 2006	387,997.				
c Excess from 2007	410,140.				
d Excess from 2008	475,506.				
e Excess from 2009	481,254.				

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).)

HARLE G. MONTGOMERY

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 ▶ [X] 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:

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE SCHEDULE C-1 ATTACHED				680,157.
Total			▶ 3a	680,157.
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)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
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					
4 Dividends and interest from securities			14	20,968.	
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			18	501,046.	
8 Gain or (loss) from sales of assets other than inventory			18	<101,972.>	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		420,042.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 420,042.

(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).

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
N/A		

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

Walter Bell

Signature of officer or trustee | Date: 6-24-10 | Title: TREASURER

Paid Preparer's Use Only

Preparer's signature | Date: 6/24/10 | Check if self-employed ☐ | Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code: BELL & ANDERSON LLC, 200 W ADAMS ST - STE 2600, CHICAGO, IL 60606-5233

EIN

Phone no. (312) 425-2700

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	Employer identification number
KENNETH & HARLE MONTGOMERY FOUNDATION	36-3871012

Organization type (check one).

Filers of:	Section:
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year. ▶ $ ____________

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

Name of organization	Employer identification number
KENNETH & HARLE MONTGOMERY FOUNDATION	36-3871012

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	HARLE G. MONTGOMERY 2150 N. LINCOLN PARK WEST CHICAGO, IL 60614	$ 14,476.	Person [X] 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.)

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	US BANCORP - 400 SHARES	P	10/24/07	02/19/09
b	US BANCORP - 400 SHARES	P	12/20/07	02/19/09
c	WELLS FARGO - 900 SHARES	P	10/24/07	02/19/09
d	ADOBE SYSTEMS - 500 SHARES	P	06/27/09	02/26/09
e	CME GROUP - 30 SHARES	P	06/27/06	02/26/09
f	CME GROUP - 20 SHARES	P	07/28/08	02/26/09
g	WALT DISNEY - 500 SHARES	P	06/29/05	02/26/09
h	WALT DISNEY - 500 SHARES	P	10/24/07	02/26/09
i	TARGET CORPORATION - 400 SHARES	P	03/28/09	02/26/09
j	ISHARES NASDAQ BIOTECH INDEX - 400 SHARES	P	09/21/06	02/27/09
k	U.S. TREASURY BILLS	P	09/29/08	03/26/09
l	U.S. TREASURY BILLS	P	10/23/08	04/23/09
m	U.S. TREASURY BILLS	P	12/12/08	06/11/09
n	CONOCOPHILLIPS - 300 SHARES	P	03/16/07	06/16/09
o	ILLINOIS TOOL WORKS - 200 SHARES	P	03/28/08	06/16/09

	(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	4,266.		12,851.	<8,585.>
b	4,266.		12,762.	<8,496.>
c	10,776.		31,207.	<20,431.>
d	8,187.		15,348.	<7,161.>
e	5,444.		14,435.	<8,991.>
f	3,629.		7,521.	<3,892.>
g	8,308.		12,959.	<4,651.>
h	8,308.		17,762.	<9,454.>
i	10,928.		21,648.	<10,720.>
j	25,066.		29,741.	<4,675.>
k	99,563.		99,563.	0.
l	198,726.		198,726.	0.
m	199,945.		199,945.	0.
n	12,910.		19,873.	<6,963.>
o	7,318.		9,858.	<2,540.>

	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				<8,585.>
b				<8,496.>
c				<20,431.>
d				<7,161.>
e				<8,991.>
f				<3,892.>
g				<4,651.>
h				<9,454.>
i				<10,720.>
j				<4,675.>
k				0.
l				0.
m				0.
n				<6,963.>
o				<2,540.>

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	
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	

923591
04-24-09

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	PFIZER - 2,200 SHARES	P	12/21/95	06/16/09
b	VARIAN MEDICAL SYSTEMS INC. - 150 SHARES	P	03/28/06	06/16/09
c	U.S. TREASURY BILLS	P	12/23/08	06/18/09
d	U.S. TREASURY BILLS	P	06/16/09	07/23/09
e	U.S. TREASURY BILLS	P	09/29/08	08/27/09
f	U.S. TREASURY BILLS	P	02/26/09	08/27/09
g	U.S. TREASURY BILLS	P	03/27/09	09/24/09
h	U.S. TREASURY BILLS	P	06/16/09	12/17/09
i	U.S. TREASURY BILLS	P	06/18/09	12/17/09
j	500 ILLINOIS TOOL WORKS	P	10/24/07	06/16/09
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	31,041.		22,834.	8,207.
b	5,312.		8,567.	<3,255.>
c	249,932.		249,932.	0.
d	69,820.		69,925.	<105.>
e	98,908.		98,908.	0.
f	99,887.		99,887.	0.
g	99,930.		99,930.	0.
h	279,699.		279,699.	0.
i	249,726.		249,726.	0.
j	18,294.		28,554.	<10,260.>
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				8,207.
b				<3,255.>
c				0.
d				<105.>
e				0.
f				0.
g				0.
h				0.
i				0.
j				<10,260.>
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	<101,972.>
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

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04-24-09

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ACCRUED INTEREST PURCHASED	<20.>	0.	<20.>
COMMON STOCK DIVIDENDS	16,580.	0.	16,580.
NORTHERN TRUST CHECKING ACCOUNT INTEREST	506.	0.	506.
TREASURY INTEREST	3,902.	0.	3,902.
TOTAL TO FM 990-PF, PART I, LN 4	20,968.	0.	20,968.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
OCCIDENTAL PERMIAN LTD	597,201.	597,201.	
AD VALOREM TAXES	<18,710.>	<18,710.>	
OTHER EXPENSES	<405.>	<405.>	
OTHER PRODUCTION TAX	<77,040.>	<77,040.>	
TOTAL TO FORM 990-PF, PART I, LINE 11	501,046.	501,046.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL AND ACCOUNTING FEES	14,866.	14,866.		0.
TO FM 990-PF, PG 1, LN 16A	14,866.	14,866.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2009 ESTIMATED TAX	20,400.	0.		0.
2008 EXCISE TAX DUE	1,633.	0.		0.
EMPLOYER PAYROLL TAXES	6,572.	6,572.		0.
FOREIGN TAX	357.	357.		0.
TO FORM 990-PF, PG 1, LN 18	28,962.	6,929.		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
ILLINOIS CHARITY BUREAU	15.	15.		0.
TELEPHONE	967.	967.		0.
MISCELLANEOUS EXPENSES	8,295.	8,295.		0.
OTHER STOCK FEE	3.	3.		0.
TO FORM 990-PF, PG 1, LN 23	9,280.	9,280.		0.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 6

DESCRIPTION	AMOUNT
2009 NOBLE RETURN OF CAPITAL	86.
OTHER ADJUSTMENTS	3.
TOTAL TO FORM 990-PF, PART III, LINE 3	89.

FORM 990-PF OTHER DECREASES IN NET ASSETS OR FUND BALANCES STATEMENT 7

DESCRIPTION	AMOUNT
2008 FEDERAL TAX DEPOSITS PAID IN 2009	4,602.
2008 STATE DEPOSITS PAID IN 2009	197.
TOTAL TO FORM 990-PF, PART III, LINE 5	4,799.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
TREASURY BILLS-SEE ATTACHED	X		569,528.	569,528.
TOTAL U.S. GOVERNMENT OBLIGATIONS			569,528.	569,528.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			569,528.	569,528.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCKS-SEE ATTACHED ASSET STATMENT	812,154.	1,130,293.
CORPORATE STOCKS-FOREIGN-SEE ATTACHED ASSET STATEMENT	63,868.	98,778.
TOTAL TO FORM 990-PF, PART II, LINE 10B	876,022.	1,229,071.

FORM 990-PF OTHER INVESTMENTS STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INTEREST IN OIL,GAS AND MINERALS	FMV	2,286,541.	2,286,541.
TOTAL TO FORM 990-PF, PART II, LINE 13		2,286,541.	2,286,541.

Montgomery Foundation
List of Securities
31-Dec-09

Face Value/ Shares	Description	Book Value	Fair Market Value
50,000	U S Treasury Bill due 5/11	49,775.38	50,060 50
520,000	U S Treasury Bill due 06/10	519,752.50	519,589.20
	Total U.S. Treasury Note and Bill	569,527.88	569,649.70
900	Abbott Laboratories	23,028.18	48,591.00
600	Aecom Technology Corporation	15,052 50	16,500.00
150	Apache Corporation	10,225.76	15,475.50
230	Apple Computers	23,548.35	48,468 36
6	Berkshire Hathaway	19,737.95	19,716 00
130	Chicago Mercantile Exchange	37,398.63	43,674.80
2300	Cisco Systems	9,548.95	55,062.00
950	Emerson Electric Company	35,472 75	40,470.00
600	Express Scripts Inc.	16,880.83	51,852.00
2000	General Electric	23,598.75	30,260.00
100	Goldman Sachs	17,909.79	16,884 00
70	Google	33,335.90	43,398.60
700	ITT Inds	34,708.57	34,818 00
2400	Intel	20,164.92	48,960.00
320	IBM	37,246.42	41,888 00
430	J.P. Morgan Chase	19,054.68	17,918.10
700	Johnson & Johnson	40,335.75	45,087 00
1600	Microsoft	17,052.58	48,768.00
1000	Nestle SA	31,349.26	48,350 00
1700	Oracle Systems	36,460.61	41,701.00
1200	Paychex Inc	34,466.44	36,768 00
750	Pepsico	45,743.24	45,600 00
1100	PowerShares Exchange Traded Fund Water	17,367.95	18,546 00
720	Procter & Gamble	19,585.95	43,653 60
400	Schlumberger	15,431.68	26,036.00
850	Stericycle	31,089.39	46,894 50
800	Teva Pharn.	38,539.49	44,944.00
630	UPS	35,275 47	36,143 10
350	Varian Medical	13,407.19	16,397.50
900	Walgreen	35,359 30	33,048.00
600	Noble Corporation	23,776 52	24,420 00
	Total Corporate Stocks-U S	812,153.75	1,130,293 06
2100	Vanguard ETF Emerging Mkts	52,193.13	86,100 00
300	Ishares FTSE Xinhau China 25 Index Fund	11,674.63	12,678.00
	Total Corporate Stocks-Foreign	63,867.76	98,778 00

ASSET STATEMENT

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KENNETH AND HARLE MONTGOMERY FOUNDATION
EIN: 36-3871012
FORM 990-PF 2009

GRANTS AND CONTRIBUTIONS PAID DURING 2009
STATEMENT FOR PART XV

Grants as of December 31, 2009	Date	Amount	Relationship if Individual	Status	Purpose
AGIA 360 Highland Avenue Newark, New Jersey 07104 973-412-1907	02/23/09	15,000.00	N/A	Public Charity	General
Athenaeum 1008 Wall Street La Jolla, California 92037 858-454-5872	03/18/09 12/17/09	900.00 250.00	N/A N/A	Public Charity Public Charity	General General
California Council for the Humanities 315 West Ninth Street, Suite 702 Los Angeles, California 90015 213-623-5993	04/30/09	500.00	N/A	Public Charity	General
Caprock Cultural Center P.O Box 37 Post, Texas 79356 806-495-4148	11/04/09	2,000.00	N/A	Public Charity	General
Carter Center One Copenhill 453 Freedom Parkway Atlanta, Georga 30307 404-420-5193	12/17/09	10,000.00	N/A	Public Charity	General

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Center on Wrongful Convictions Northwestern University 2020 Ridge Avenue Evanston, Illinois 60208-4305 312-503-2391	06/16/09	5,000.00	N/A	Public Charity	General
City Club of Chicago 360 North Michigan Avenue Chicago, Illinois 60601 312-565-6500	07/23/09	1,000.00	N/A	Public Charity	General
Community Media Workshop Columbia College 600 South Michigan Avenue Chicago, Illinois 60605-1996 312-344-6400	01/16/09	2,200.00	N/A	Public Charity	General
Crow Canyon Archaeology 23390 Road K Cortez, Colorado 81321 970-565-8975	12/15/09	5,000.00	N/A	Public Charity	General
Dartmouth College 6068 Blunt Center Hanover, New Hampshire 03755 603-646-2258	04/22/09	15,000.00	N/A	Public Charity	General
Doctors Without Borders 333 Seventh Avenue, 2nd Floor New York, New York 10001-5004 212-679-6800	08/19/09	1,000.00	N/A	Public Charity	General

DuSable Museum of African-American History 740 East 56th Place Chicago, Illinois 60637 773-947-0600	08/19/09	1,000 00	N/A	Public Charity	General
Family Focus 310 South Peoria Street, Suite 301 Chicago, Illinois 60607 312-421-5200	03/18/09	1,000 00	N/A	Public Charity	General
Friends of Vista Hills 8787 Complex Drive, Suite 200 San Diego, California 92123 858-514-5100	03/18/09	5,000.00	N/A	Public Charity	General
Garza County Historical Museum 119 North Avenue N Post, Texas 79356 806-495-2207	11/04/09	2,000.00	N/A	Public Charity	General
Goodman Theatre 170 North Dearborn Chicago, Illinois 60601 312-443-3811	08/31/09 12/08/09	10,000.00 1,260.00	N/A N/A	Public Charity Public Charity	General General
Greater Chicago Food Depository 4100 West Ann Laurie Place Chicago, Illinois 60632 773-247-3663	03/24/09	500 00	N/A	Public Charity	General
Health & Medicine Policy Research Group 29 East Madison Street, Suite 602 Chicago, Illinois 60601 312-372-4292	08/31/09	5,000.00	N/A	Public Charity	General

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H.O.M.E. - In Memory of Heneritta Moore P.O. Box 10 Orland, Maine 04472	03/18/09	2,500.00	N/A	Public Charity	General
Illinois Coalition to Abolish the Death Penalty 332 South Michigan Avenue, Suite 500 Chicago, Illinois 60604 312-673-3816	11/05/09	1,250.00	N/A	Public Charity	General
John Hazard Institute 4 West Wheelock Street Hanover, New Hampshire 03755 603-643-5548	08/31/09	40,000.00	N/A	Public Charity	General
John Howard Association of Illinois	01/07/09	3,300.00	N/A	Public Charity	General
300 West Adams Street, Suite 423	01/30/09	2,050.00	N/A	Public Charity	General
Chicago, Illinois 60606	06/02/09	150.00	N/A	Public Charity	General
312-782-1901	06/29/09	5,000.00	N/A	Public Charity	General
	08/26/09	2,200.00	N/A	Public Charity	General
	08/26/09	3,000.00	N/A	Public Charity	General
	09/09/09	2,370.00	N/A	Public Charity	General
	11/18/09	200.00	N/A	Public Charity	General
Mary Ann Kellog - Facets Award 1035A 9th Street Santa Monica, California 90403 310-600-8354	11/02/09	2,500.00	N/A	Public Charity	General

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KPBS San Diego State University 5200 Campanile Drive San Diego, California 92182-5400 619-594-1515	02/23/09	16,000.00	N/A	Public Charity	General
La Jolla Historical Society 7846 Eads Avenue La Jolla, California 92037 858-459-5335	03/18/09 04/02/09 12/15/09	3,000.00 100,000.00 5,000.00	N/A N/A N/A	Public Charity Public Charity Public Charity	General General General
La Jolla Playhouse P.O. Box 12039 La Jolla, California 92039 858-550-1070	06/16/09	50,000.00	N/A	Public Charity	General
La Jolla YMCA 8355 Cliffridge Avenue La Jolla, California 92037 858-453-3483	04/30/09	500.00	N/A	Public Charity	General
Meals-On-Wheels 2254 San Diego Avenue, Suite 200 San Diego, California 92110 619-260-6110	08/18/09	500.00	N/A	Public Charity	General
Mingei International Museum 1439 El Prado San Diego, California 92101 619-239-0003	04/30/09	4,597.00	N/A	Public Charity	General

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NCMC - Northern Michigan Community College					
1515 Howard Street	02/06/09	4,000.00	N/A	Public Charity	General
Petoskey, Michigan 49770	04/20/09	4,000.00	N/A	Public Charity	General
	06/29/09	4,000.00	N/A	Public Charity	General
	08/18/09	4,000.00	N/A	Public Charity	General
Northwestern University School of Law	02/12/09	30,000.00	N/A	Public Charity	General
375 East Chicago Avenue					
Chicago, Illinois 60611					
312-503-3100					
Old Globe	10/27/09	5,000.00	N/A	Public Charity	General
P.O. Box 122171					
San Diego, California 92112					
619-231-1941					
Partners in Health	06/15/09	5,000.00	N/A	Public Charity	General
641 Huntington Avenue 1st Floor					
Boston, MA 02115					
617-432-5256					
Progressive Community Center	05/12/09	4,000.00	N/A	Public Charity	General
56 East 48th Street	10/07/09	600.00	N/A	Public Charity	General
Chicago, Illinois 60615	11/12/09	4,000.00	N/A	Public Charity	General
312-538-2677	12/15/09	3,000.00	N/A	Public Charity	General
Shiropa Purna - Facets Award	11/02/09	2,500.00	N/A	Public Charity	General
Arjo Cholochitro Foundation					
Dhanmondi R/A House: 36/1 Rd:4					
Dhaka, 1205 Bangladesh					
011-88-02-861-4560					

Roger Baldwin Foundation of ACLU	05/18/09	25,000 00	N/A	Public Charity	General
180 North Michigan Avenue, Suite 2300	06/15/09	5,000.00	N/A	Public Charity	General
Chicago, Illinois 60601-1287					
312-201-9740					
Salk Institute	06/15/09	9,200.00	N/A	Public Charity	General
10010 North Torrey Pines Road	12/15/09	25,000.00	N/A	Public Charity	General
La Jolla, California 92037					
858-453-4100					
San Diego Museum of Art	04/30/09	1,500.00	N/A	Public Charity	General
P.O. Box 122107					
San Diego, California 92112-2107					
619-232-7931					
San Diego Natural History Museum	02/19/09	4,110.00	N/A	Public Charity	General
P.O. Box 121390	04/30/09	2,000.00	N/A	Public Charity	General
San Diego, California 92112-1390					
619-232-3821					
San Diego Opera	05/04/09	30,000.00	N/A	Public Charity	General
18th Floor, Civic Center Plaza					
1200 Third Avenue					
San Diego, California 92101					
619-232-7636					
San Diego Public Library	12/02/09	50,000.00	N/A	Public Charity	General
820 E Street					
San Diego, California 92101-6478					
619-238-6638					

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Shepard's Hope Chicago 5732 South Lowe Avenue Chicago, Illinois 60621 773-846-9494	02/27/09	500.00	N/A	Public Charity	General
South Plains College 1401 South College Avenue Levelland, Texas 79336 806-894-9611	11/04/09	2,000.00	N/A	Public Charity	General
Southwestern Law School 3050 Wilshire Boulevard Los Angeles, California 990010-1106 213-738-6710	03/26/09	30,000.00	N/A	Public Charity	General
Special Children's Charities 541 North Fairbanks Court Chicago, Illinois 60611 312-527-3743	09/02/09	1,000.00	N/A	Public Charity	General
Stanford Law School 326 Galvez Street Stanford, California 94305-6105 650-725-4360	12/17/09	25,000.00	N/A	Public Charity	General
Steppenwolf Theatre 758 West North Avenue, 4th Floor Chicago, Illinois 60610 312-335-1888	05/18/09	5,000.00	N/A	Public Charity	General
Sundt Memorial Foundation 7817 Ivanhoe Avenue, Suite 304 La Jolla, California 92037 858-551-7006	09/14/09	2,500.00	N/A	Public Charity	General

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UC San Diego Foundation	04/30/09	2,350.00	N/A	Public Charity	General
9500 Gilman Drive #0940	06/15/09	50,000 00	N/A	Public Charity	General
La Jolla, California 92093-0940					
858-534-5289					
Uptown People's Law Center	09/24/09	5,000.00	N/A	Public Charity	General
4413 North Sheridan Road					
Chicago, Illinois 60640					
773-769-1411					
WBEZ	05/19/09	5,000.00	N/A	Public Charity	General
East Grand Avenue					
Navy Pier					
Chicago, Illinois					
312-832-9150					
Zoological Society of San Diego	04/30/09	1,170.00	N/A	Public Charity	General
P.O. Box 120551	12/17/09	1,000.00	N/A	Public Charity	General
San Diego, California 92112					
619-231-1515					
	Total	680,157.00			

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 ▶ [X]
- 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 KENNETH & HARLE MONTGOMERY FOUNDATION	Employer identification number 36-3871012
	Number, street, and room or suite no If a P.O. box, see instructions. 2150 N. LINCOLN PARK WEST, NO. 406	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60614	

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

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

- The books are in the care of ▶ CYNTHIA KOBEL 2150 NORTH LINCOLN PARK WEST, #406 - CHICAGO, IL 60614
  Telephone No ▶ 773/404-0741 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.
▶ [X] 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	$ 4,024.
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	$ 20,400.
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	$ 0.

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