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
GRAFF FAMILY FOUNDATION
C/O SQUAR MILNER

Number and street (or P O box number if mail is not delivered to street address): 12121 WILSHIRE BLVD — Room/suite: 1221

City or town, state, and ZIP code: LOS ANGELES, CA 90025

A Employer identification number: 36-4300685

B Telephone number: (310) 826-4474

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)* ▶$ 1575953.

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	1016849.			
	2 Check ▶☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	13445.	13445.	13445.	STATEMENT 1
	4 Dividends and interest from securities				
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	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				
	12 **Total.** Add lines 1 through 11	1030294.	13445.	13445.	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 2	21441.	0.	0.	0.
	b Accounting fees STMT 3	5724.	0.	0.	0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	307.	0.	0.	0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	14054.	0.	0.	0.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	41526.	0.	0.	0.
	25 Contributions, gifts, grants paid	495117.			495117.
	26 **Total expenses and disbursements.** Add lines 24 and 25	536643.	0.	0.	495117.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	493651.			
	b **Net investment income** (if negative, enter -0-)		13445.		
	c **Adjusted net income** (if negative, enter -0-)			13445.	

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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	1040858.	1575953.	1575953.
	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 ▶			
		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			
	b	Investments - corporate stock			
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other			
	14	Land, buildings, and equipment: basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶ MISC RECEIVABLES)	41444.	0.	0.
	16	**Total assets** (to be completed by all filers)	1082302.	1575953.	1575953.
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 ▶ [X] 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	1082302.	1575953.	
	30	**Total net assets or fund balances**	1082302.	1575953.	
	31	**Total liabilities and net assets/fund balances**	1082302.	1575953.	

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	1082302.
2	Enter amount from Part I, line 27a	2	493651.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1575953.
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	1575953.

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	NONE			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

	(i) 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				

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

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	361907.	559992.	.646272
2007	258298.	355731.	.726105
2006	374914.	295243.	1.269849
2005	180446.	267126.	.675509
2004	352696.	345593.	1.020553

2	**Total** of line 1, column (d)	2	4.338288
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	.867658
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	890904.
5	Multiply line 4 by line 3	5	773000.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	134.
7	Add lines 5 and 6	7	773134.
8	Enter qualifying distributions from Part XII, line 4	8	495117.

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 **c** All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)	1	269.
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	269.
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	269.
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 269.		
d Backup withholding erroneously withheld — 6d		
7 Total credits and payments. Add lines 6a through 6d	7	269.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	0.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ **Refunded** ▶	11	

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) ▶ CA			
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)*

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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 ▶ GRAFF FAMILY FOUNDATION Telephone no. ▶ (310) 826-4474
Located at ▶ 12121 WILSHIRE BLVD #1221, LOS ANGELES, CA ZIP+4 ▶ 90025

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)? 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 (No)

If "Yes" to 6b, file Form 8870.

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? 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
JACOB GRAFF 1141 S BEVERLY DRIVE, 3RD FLOOR LOS ANGELES, CA 90035	PRESIDENT/DIRECTOR 5.00	0.	0.	0.
PNINA GRAFF 1141 S BEVERLY DRIVE, 3RD FLOOR LOS ANGELES, CA 90035	SECRETARY/TREASURER 5.00	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
N/A	0.00	0.	0.	0.

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
N/A		0.
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	0.
b	Average of monthly cash balances	1b	904471.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	904471.
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	904471.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	13567.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	890904.
6	**Minimum investment return.** Enter 5% of line 5	6	44545.

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	44545.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 269.		
b	Income tax for 2009. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	269.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	44276.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	44276.
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	44276.

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	495117.
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	495117.
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	495117.

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.

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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				44276.
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 335509.				
b From 2005 167194.				
c From 2006 360300.				
d From 2007 240676.				
e From 2008 334129.				
f **Total** of lines 3a through e	1437808.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 495117.				
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				44276.
e Remaining amount distributed out of corpus	450841.			
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	1888649.			
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	335509.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	1553140.			
10 Analysis of line 9:				
a Excess from 2005 167194.				
b Excess from 2006 360300.				
c Excess from 2007 240676.				
d Excess from 2008 334129.				
e Excess from 2009 450841.				

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).)

SEE STATEMENT 6

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 STATEMENT				495117.
Total			▶ **3a**	495117.
b *Approved for future payment*				
NONE				
Total			▶ **3b**	0.

923611 02-02-10

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) 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			14	13445.	
4 Dividends and interest from securities					
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					
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.		13445.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 13445.

(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).

923621
02-02-10

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

▶ Signature of officer or trustee — Date 10/12/10 — ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶	Date 10/1/10	Check if self-employed ▶ ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code ▶ SQUAR MILNER PETERSON MIRANDA WILLIAMSON, 12121 WILSHIRE BOULEVARD, SUITE 1221, LOS ANGELES, CALIFORNIA 90025		EIN ▶	
		Phone no. (310)826-4474	

Form **990-PF** (2009)

923622
02-02-10

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
GRAFF FAMILY FOUNDATION
C/O SQUAR MILNER

Employer identification number
36-4300685

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.** **Schedule B (Form 990, 990-EZ, or 990-PF) (2009)**

Name of organization
GRAFF FAMILY FOUNDATION
C/O SQUAR MILNER

Employer identification number
36-4300685

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	JACOB & PNINA GRAFF 1154 S BEVERLY DRIVE 3RD FLOOR LOS ANGELES, CA 90035	$ 1016849.	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.)

Graff Family Foundation
2009 Contributions
36-11300658

	Purpose	Amount
ACHDUS Foundation 472 malbone street, #2 Brooklyn, NY 11225	Charity	180 00
Adas Torah 1135 S Beverly Dr , Los Angeles, CA 90035	Religious	3 991 08
AIPAC 6310 San Vicente Boulevard Los Angeles, CA 90048-5454	Religious	75 000 00
Aish Ha Torah 1417 South Doheny Dr , Los Angeles CA 90036	Religious	9 049 80
Adas Torah 135 3rd Anita Drive Los Angeles, CA 90035	Religious	1583 54
Aish Tamid of Los Angeles 1417 South Doheny Drive Los Angeles, CA 90035	Religious	240 36
American Friends of Shalva 315 FIFTH AVENUE, 6TH FL NY, NY 10016	Charity	1,000 00
American Jewish Committee 9911 West Pico Boulevard Los Angeles CA 90035-2701	Religious	180 00
AMIT 817 Boadway NY, NY 10003	Charity	20,000 00
Bais Yaakov High School for Girls 7353 Beverly Boulevard Los Angeles, CA 90036-2502	Education	1,500 18
Beth Jacob Congregation - BH 9030 W Olympic Blvd , Beverly Hills, CA 90211	Religious	4,690 54
Beth Medrash Gevoha of Eretz Yisrael P O Box 277 Lakewood, NJ 08701-9	Education	18 00
Bnai Brith International 2020 K Street, NW, 7th Floor Washington, DC 20006	Charity	144 00
Bni Zion Foundation 136 East 39th Street NY, NY 10016	Charity	1,000 00
Chabad in The Hills 1012 Cory Ave , Los Angeles, CA 90069	Religious	17,414 52
Chabad Jewish Center of Newport 3412 Via Oporto Newport Beach, CA 92663	Religious	4,520 54
Chabad of Aliso Viejo 25 Tanglewood Aliso Viejo, CA 92656-1821	Religious	1 720 18
Chabad of Conejo 30345 Canwood Street Agoura Hill, CA 91301	Religious	19,350 18

	Purpose	Amount
Chabad of North Beverly Hills 409 N Foothill Rd , Beverly Hills CA 90210	**Religious**	32 803 24
Chabad of San Diego 10785 Pomerado Rd , San Diego, CA 92131	**Religious**	12 001 26
Cheder Menachem 1606 South La Cienega Boulevard Los Angeles, CA 90035-4510	**Religious**	1,800 00
Chai Lifeline 9701 West Pico Blvd Suite 120 Los Angeles, CA 90035	**Charity**	180 00
Cheder Chabad of Monsey 232 Blauvelt Road Monsey, NY 10952-2564	**Religious**	1,540 18
Chicago Center for Torah & Chesed 7542 Saint Louis Avenue Skokie, IL 60076-4034	**Religious**	360 00
Children's Cancer Research Fund P O Box 7006 Albert Lea, MN 56007	**Scientific**	46 00
City of Hope 1500 Duarte Rd Duarte, CA 91010	**Scientific**	18 00
Eirgun Baruch U'Marpeh 1269 44th Street Brooklyn, NY 11219	**Religious**	1,000 18
Ezer Yoldot Homercazi 1312 44th Atreet, Suite 247 Brooklyn, NY 11219	**Religious**	180 00
Friends of Yeshivat Sha'Alvim 1144 E 29th Street Brooklyn, NY 11210	**Religious**	1,500 00
Gateways 11 Wallenberg Circle Monsey, NY 10952	**Religious**	35,996 00
Ida Crown Jewish Academy 2828 West Pratt Blvd , Chicago, IL 60645	**Education**	750 00
Jewish Education Program of Rockland 450 West Nyack Road, West Nyack, NY, 10994	**Education**	500 00
Jews for Judaism 9911 W Pico Blvd , #1240 Los Angeles, CA 90035	**Education**	100 18
Kollel Los Angeles 223 S Formosa Ave , Los Angeles, CA 90036	**Religious**	27,582 34
KYA Kol Yisroel Arevim 151 West 30th Street, 3rd floor NY, NY 10001	**Religious**	5,418 18
Los Angeles Chader 801 North La Brea Ave , Los Angeles, CA 90038	**Charity**	5,900 18
Marbeh Tzedakah	**Religious**	1,800 00

	Purpose	Amount
455 N DETROIT ST Los Angeles, CA 90036		
March of Dimes P O Box 55877 Boston MA 02205	Research/Education	100 00
Mesivta Birkas Yitzchok 6022 W Pico Blve , Los Angeles CA 90035	Religious	41 800 54
Mesivta of Greater Los Angeles 25115 Mureau Road Hidden Hills CA 91302	Religious	1,800 00
Mesivta Tifereth Israel of Rizhin 247 E Broadway NY. NY 10002-5660	Religious	74,002 16
Mesivta Yeshiva Chaim Berlin 1585 Coney Island Avenue Brooklyn, NY 11230	Religious	180 00
Mesorah Heritage Foundation 4401 Second Avenue Brooklyn, NY 11232	Education	40 000 00
MUNK 1555 53rd Street NY, NY 11219	Religious	2,500 00
Ohr Torah Stone Ins of Israel 49 W 45th Street, Suite 701 NY, NY 10036	Education	377 82
Orthodox Union 9831 W Pico Blvd , #3 Los Angeles CA 90035	Religious	2,550 00
Providence Hebrew Day School 450 Elmgrove Avenue Providence, RI 02906-3469	Education	2 000 36
Yoshiva University High School 1619 South Robertson Boulevard Los Angeles, CA 90035	Religious	540 00
Simon Wiesenthal Center 1399 Roxbury Drive Los Angeles, CA 90035-4709	Education	18 00
The American Friends of C.R.I.B. - EFRAT 333 West 86th Street, #1003 NY, NY 10024	Charity	6,000 00
The Hebron Fund 1760 Ocean Avenue Brooklyn, NY 11230	Charity	2,160 18
Kever Rachel Fund 1435 46th Street Brooklyn, NY 11219	Charity	298 36
United States Holocaust Memorial Museum 100 Raoul Wallenberg Place Southwest Washington, DC 20024-2126	Education	72 00
Va'ad Ha Chesed PO Box 3147 NY NY 10277-0074	Religious	180 00
West Coast Va'ad Ha Chesed 2053 E 13 Brooklyn, NY 11229	Religious	100 18

	Purpose	Amount
World Jewish Congress P O Box 90400 Washington, DC 20090	**Charity**	175 00
Yad L'Achim 579 Fifth Avenue, #1420 NY, NY 10017	**Religious**	54 00
Yeshiva Gedolah of LA 5444 W Olympic Blvd Los Angeles, CA 90036	**Religious**	7 200 36
Young Israel of Century City 9315 W Pico Blvd Los Angeles, CA 90035	**Religious**	905 36
Yeshiva Gedolah of LA 5444 West Olympic Boulevard Los Angeles, CA 90036	**Religious**	2.600 00
Young Israel of N. Beverly Hills P O Box 269, Beverly Hills, CA 90213	**Religious**	1.150 18
Tomchei Shabbos of Los Angeles PO Box 481270 Los Angeles, CA 90048	**Charity**	500 00
American Friends of Tzohar 1431 Coney Island Ave Brooklyn, NY 11230	**Charity**	45 00
Global Kindness 9224 Alcott Street Los Angeles, CA 90035	**Charity**	500 00
Derech Chaim Alei Sinch 741 Montgomery St Brooklyn, NY 11213	**Education**	360 18
Congregation Zichron Moshe 1441 Monmouth Ave Lakewood, NJ 08701	**Religious**	100 00
Sulam 1513 45th St Brooklyn, NY 11219	**Religious**	540 00
House of Jacob SR Citizens Center 904 51st Street Brooklyn, NY 11219	**Religious**	10,000 00
Misc Organizations		5,248 84
Total		495,117 18

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

SOURCE	AMOUNT
BANK FINANCIAL	13445.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	13445.

FORM 990-PF	LEGAL FEES	STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	21441.	0.	0.	0.
TO FM 990-PF, PG 1, LN 16A	21441.	0.	0.	0.

FORM 990-PF	ACCOUNTING FEES	STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	5724.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 16B	5724.	0.	0.	0.

FORM 990-PF	TAXES	STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INTERNAL REVENUE SERVICE	222.	0.	0.	0.
OFFICE OF ATTORNEY GENERAL	75.	0.	0.	0.
FRANCHISE TAX BOARD	10.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	307.	0.	0.	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 CHARGES	180.	0.	0.	0.
OFFICE	13874.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 23	14054.	0.	0.	0.

FORM 990-PF PART XV - LINE 1A STATEMENT 6
LIST OF FOUNDATION MANAGERS

NAME OF MANAGER

JACOB GRAFF
PNINA GRAFF

GRAFF FAMILY FOUNDATION, INC.
CONFLICT OF INTEREST POLICY

ARTICLE 1.
PURPOSE

Section 1 1 Purpose The purpose of this Conflict of Interest Policy (this "Policy") is to protect the interests of Graff Family Foundation, Inc. (the "Foundation"), when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Interested Person (as that term is defined below) or might result in a Private Foundation Rule violation This Policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations. To the extent any provision of this Policy may conflict with any federal or state rules applicable to the Foundation, the federal and/or state rules shall supersede the applicable provision of this Policy.

ARTICLE 2.
DEFINITIONS

Section 2.1. Compensation. Compensation includes direct and indirect remuneration as well as gifts or favors or incidental benefits of any kind.

Section 2.2. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family (and regardless of whether such ownership or investment interest might, under certain circumstances be considered *de minimis*):

(a) An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement;

(b) A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement; or

(c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement

A financial interest is not necessarily a conflict of interest. Under Section 3.2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 2 3. Interested Person. For the purposes of this Policy, an Interested Person is any director or officer of the Foundation, or any member of a committee or employee of the Foundation with governing-board delegated powers, who has a direct or indirect financial interest in any transaction relating to the Foundation.

ARTICLE 3.
PROCEDURES

Section 3.1. Duty to Disclose. In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers (including any audit committee formed as required by Section 12586(e) of the California Government Code) considering the proposed transaction or arrangement

Section 3.2. Determining Whether a Conflict of Interest Exists. Except as necessary to facilitate the analysis of any Interested Person's financial interest and all material facts, the Interested Person shall not participate in the determination of whether the financial interest in question precludes the Foundation from proceeding with a proposed transaction or arrangement.

Section 3.3 Procedures for Addressing the Conflict of Interest.

(a) The board of directors (or committee) shall, if appropriate, appoint a disinterested person or committee to consider the nature of the potential conflict of interest and, if necessary, investigate alternatives to the proposed transaction or arrangement.

(b) After exercising due diligence, the board of directors (or committee) shall determine whether the proposed transaction or arrangement would likely result in a violation of the Private Foundation Rules or private inurement. If not, then the board of directors (or committee) shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(c) If the transaction or arrangement will not result in a violation of the Private Foundation Rules or private inurement, and if a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board of directors (or committee) shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Section 3 4. Violations of the Conflicts of Interest Policy

(a) If the board of directors (or committee) has reasonable cause to believe that any director, officer or other relevant individual has failed to disclose actual or possible conflicts of interest, it shall inform that individual of the basis for such belief and afford him or her an opportunity to explain the alleged failure to disclose

(b) If, after hearing the individual's response and after making further investigation as warranted by the circumstances, the board of directors (or committee) determines the individual has failed to disclose an actual or possible conflict of interest, appropriate disciplinary and corrective action shall be taken.

ARTICLE 4.
RECORDS OF PROCEEDINGS

Section 4 1. Contents of Minutes The minutes of the governing board and all committees with board delegated powers shall contain:

(a) The names of the persons who were found to be Interested Persons with respect to a proposed transaction or arrangement;

(b) The nature of the financial interest;

(c) Any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed; and

(d) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE 5.
COMPENSATION

Section 5.1. Voting Member Who Receives Compensation.

(a) A director or committee member who receives compensation, directly or indirectly, from the Foundation for services shall not vote on matters pertaining to his or her compensation.

(b) A director or committee member who receives compensation, directly or indirectly, from the Foundation for services shall not vote on matters pertaining to that member's compensation.

(c) No director or committee member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 5 2 Compensation Survey No compensation of any interested person shall be approved until the Foundation has undertaken a compensation survey The board of directors shall determine the nature and extent of any such survey, based upon the facts and circumstances then existing and taking into consideration any guidance published by the Internal Revenue Service, California Attorney General or other applicable authority.

ARTICLE 6.
ANNUAL STATEMENTS

Section 6 1. Annual Statements. Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person

(a) Has received a copy of the Conflicts of Interest Policy;

(b) Has read and understands the Policy,

(c) Has agreed to comply with the Policy, and

(d) Understands the Foundation is charitable and in order to maintain its federal and state tax exempt status and to remain in compliance with rules promulgated by the California Attorney general (and such other regulatory entities as may have oversight of any part of the Foundation's activities), its activities must accomplish one or more of its tax-exempt purposes and must not cause the Foundation to cease to qualify for exempt status.

ARTICLE 7.
PERIODIC REVIEWS

Section 7.1. Content of Periodic Reviews. To ensure the Foundation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

(b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Foundation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE 8.
USE OF OUTSIDE EXPERTS

Section 8 1 Use of Outside Experts. When conducting the periodic reviews as provided for in Article 7, the Foundation may, but need not, use outside advisors If outside experts are used, their use shall not relieve the board of directors of its responsibility for ensuring that periodic reviews are conducted.

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	Name of Exempt Organization	**Employer identification number**
	GRAFF FAMILY FOUNDATION C/O SQUAR MILNER	36-4300685
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O. box, see instructions 12121 WILSHIRE BLVD, NO. 1221	
	City, town or post office, state, and ZIP code For a foreign address, see instructions. LOS ANGELES, CA 90025	

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 ▶ GRAFF FAMILY FOUNDATION 12121 WILSHIRE BLVD #1221 - LOS ANGELES, CA 90025

  Telephone No ▶ (310) 826-4474 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	$ 269.
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	$ 269.

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.** Form **8868** (Rev. 4-2009)

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05-26-09

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

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	Name of Exempt Organization GRAFF FAMILY FOUNDATION C/O SQUAR MILNER	**Employer identification number** 36-4300685
File by the extended due date for filing the return See instructions	Number, street, and room or suite no If a P O box, see instructions 12121 WILSHIRE BLVD, NO. 1221	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions LOS ANGELES, CA 90025	

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 [X] 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 ▶ GRAFF FAMILY FOUNDATION 12121 WILSHIRE BLVD #1221 - LOS ANGELES, CA 90025
  Telephone No ▶ (310) 826-4474 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 NEEDED TO PREPARE A COMPLETE AND ACCURATE RETURN IS NOT YET 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	$ 0.
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	$ 0.
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 ▶ Ayn Ackers Title ▶ CPA Date ▶ 8/12/10

Form **8868** (Rev 4-2009)

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OCT 18 2010
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OGDEN, UT

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