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Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

2009

Department of the Treasury
Internal Revenue Service

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

For calendar year 2009, or tax year beginning, 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 THE HALE FOUNDATION		A Employer identification number 36-4321543
	C/O RUTH WEILER		B Telephone number (847) 381-7726
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	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 ☐
	14 LAKESIDE LANE		
City or town, state, and ZIP code NORTH BARRINGTON, IL 60010-6954		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐ F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 1,009,830. (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)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ☒ if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		3,225.	3,225.		STATEMENT 1
4 Dividends and interest from securities		19,122.	19,122.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<10,206.>			
b Gross sales price for all assets on line 6a 141,708.					
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		12,141.	22,347.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 3		1,900.	1,900.		0.
c Other professional fees					
17 Interest					
18 Taxes STMT 4		154.	154.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 5		8,293.	8,293.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		10,347.	10,347.		0.
25 Contributions, gifts, grants paid		49,577.			49,577.
26 Total expenses and disbursements. Add lines 24 and 25		59,924.	10,347.		49,577.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<47,783.>			
b Net investment income (if negative, enter -0-)			12,000.		
c Adjusted net income (if negative, enter -0-)				N/A	

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	18,946.	619.	619.
	2	Savings and temporary cash investments	19,720.	54,258.	54,258.
	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 STMT 6	696,917.	611,390.	787,229.
	c	Investments - corporate bonds STMT 7	48,247.	48,247.	51,764.
Liabilities	11	Investments - land, buildings, and equipment basis ▶			
		Less: accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 8	75,092.	96,625.	115,960.
	14	Land, buildings, and equipment: basis ▶			
		Less: accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers)	858,922.	811,139.	1,009,830.
	17	Accounts payable and accrued expenses			
	18	Grants payable			
Net Assets or Fund Balances	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.	
		Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	858,922.	811,139.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31			
Net Assets or Fund Balances	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances	858,922.	811,139.	
	31	Total liabilities and net assets/fund balances	858,922.	811,139.	

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	858,922.
2	Enter amount from Part I, line 27a	2	<47,783.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	811,139.
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	811,139.

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 SMITH BARNEY MANAGED PORTFOLIO - LT	P	VARIOUS	VARIOUS
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 141,708.		151,914.	<10,206.>
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			<10,206.>
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	<10,206.>
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	60,880.	855,225.	.071186
2007	51,700.	1,292,141.	.040011
2006	80,902.	1,200,360.	.067398
2005	78,038.	1,191,161.	.065514
2004	70,036.	1,183,816.	.059161

2 Total of line 1, column (d)	2	.303270
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	.060654
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	994,684.
5 Multiply line 4 by line 3	5	60,332.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	120.
7 Add lines 5 and 6	7	60,452.
8 Enter qualifying distributions from Part XII, line 4	8	49,577.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	240.
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	240.
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	240.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	5,402.	
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	5,402.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	5,162.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax ☐ Refunded ☐	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		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.		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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?	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	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	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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>MARK ZIVKOVIC / PASQUESI SHEPPARD L</u> Telephone no. ► <u>847 234-5000</u> Located at ► <u>585 BANK LANE, LAKE FOREST, IL</u> ZIP+4 ► <u>60045</u>			
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)? Organizations relying on a current notice regarding disaster assistance check here <u>N/A</u> ☐	1b	
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.) <u>N/A</u>	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.) <u>N/A</u>	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

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

X

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
RUTH A. WEILER 14 LAKESIDE LANE NORTH BARRINGTON, IL 60010	PRESIDENT 0.00	0.	0.	0.
KURT WEILER 2316 THAYER STREET EVANSTON, IL 60201	VICE PRESIDENT 0.00	0.	0.	0.
ANITA W. REICHE 4332 CARLISLE DRIVE PRAIRIE GROVE, IL 60012	SECRETARY / TREASURER 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 NONE	
	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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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	954,860.
b	Average of monthly cash balances	1b	54,971.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,009,831.
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	1,009,831.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	15,147.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	994,684.
6	Minimum investment return. Enter 5% of line 5	6	49,734.

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	49,734.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	240.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	240.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	49,494.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	49,494.
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	49,494.

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	49,577.
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	49,577.
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	49,577.

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				49,494.
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	11,479.			
b From 2005	19,004.			
c From 2006	21,680.			
d From 2007				
e From 2008	18,333.			
f Total of lines 3a through e	70,496.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 49,577.				
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				49,494.
e Remaining amount distributed out of corpus	83.			
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	70,579.			
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	11,479.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	59,100.			
10 Analysis of line 9:				
a Excess from 2005	19,004.			
b Excess from 2006	21,680.			
c Excess from 2007				
d Excess from 2008	18,333.			
e Excess from 2009	83.			

10

Part XV

Total

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. | | |

[illegible]

- 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		

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.

Sign Here

Signature of officer or trustee

Date _____

Title

Preparer's
signature

Firm's name (or yours if self-employed), address, and ZIP code

Mark 82 CPA

Date 3/☐ Check if self-employed

Preparer's identifying number

EIN ▶

Phone no. 847 234-5000

Form **990-PF** (2009)

THE HALE FOUNDATION

Account Number 13D-03126-18 214

Details of Long Term Gain (Loss) 2009

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than \$20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	.4945 .2327	AOL INC CASH IN LIEU OF .72727 RECORD 11/27/09 PAY 12/09/09	12/27/02 11/29/04	12/09/09	\$ 11.43 5.38	\$ 10.36 6.72	(1.34)	\$ 1.07
125000020	51 24	AOL INC MorganStanley SmithBarney LLC acted as your agent	12/27/02 11/29/04	12/11/09	1,247.29 586.96	1,068.05 692.77	(105.81)	179.24
125000030	200	ADOBE SYSTEMS INC (DE) Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	05/30/06	09/08/09	6,459.91	5,704.36		755.55
125000040	500	ADOBE SYSTEMS INC (DE) VSP 07/30/07 PRICE 40.581 Morgan Stanley Smi th Barney LLC acted as yo	07/30/07	09/21/09	16,483.72	20,290.50	(3,806.78)	
125000050	200	BRISTOL MYERS SQUIBB CO Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	06/10/08	09/08/09	4,402.68	4,035.10		367.58
125000060	.8473	CHUNGHWA TELECOM LTD ADR MERGER 03/20/09 171330304001	02/07/08	03/20/09	15.84	20.09	(4.25)	
125000070	5	CHUNGHWA TELECOM LTD ADR Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	02/07/08	07/31/09	87.64	118.57	(30.93)	
125000080	.5	CHUNGHWA TELECOM LTD ADR CASH IN LIEU OF .50000 RECORD 08/03/09 PAY 09/25/09	Unavailable	09/25/09	8.92			
125000090	150 250 50 50	WALT DISNEY CO Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/30/99 01/05/01 04/23/01 10/31/01	08/12/09	3,942.18 6,570.31 1,314.06 1,314.06	4,312.33 7,971.65 1,496.02 919.22	(370.15) c (1,401.34) (181.96)	394.84

2009 YEAR END SUMMARY

Reserved Client Statement 2009 Year End Summary

MorganStanley
SmithBarney

Ref. 00001728 00012740

THE HALE FOUNDATION

Account Number 13D-03126-18 214

Details of Long Term Gain (Loss) 2009 - continued

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000100	175	WALT DISNEY CO VSP 10/31/01 PRICE 18.384 Morgan Stanley Smi th Barney LLC acted as yo	10/31/01	09/10/09	\$ 4,754.74	\$ 3,217.28		\$ 1,537.46
125000110	100	INTL BUSINESS MACHINES CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	06/04/02	09/08/09	11,699.09	7,844.00		3,855.09
125000120	250	INTUIT INC Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	02/23/05	09/08/09	7,022.99	5,050.10		1,972.89
125000130	100	JPMORGAN CHASE & CO Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/27/02	09/08/09	4,254.09	2,430.00		1,824.09
125000140	100	JOHNSON & JOHNSON Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	12/30/99	09/08/09	6,051.99	4,673.25		1,378.74 ^c
125000150	180 90	MICROSOFT CORP Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	01/05/01 02/13/01	09/08/09	3,961.56 2,228.38	3,950.00 2,663.44	(435.06)	11.56
125000160	1,000	NATIONAL CITY CAP TR IV 8.00% SCHEDULED MATURITY 09/15/2047 STRIP YIELD = 8.737% 8.0000% DUE 08/30/2067	11/05/07	08/12/09	23,235.60	24,850.00	(1,614.40)	
125000170	1,000 250	PFIZER INC	09/27/04 05/23/06	05/26/09	14,802.02 3,700.50	29,873.20 5,965.83	(15,171.18) (2,265.33)	
125000180	63.75 136.25	PROCTER & GAMBLE CO Morgan Stanley Smi th Barney LLC acted as yo ur agent in this transa	04/23/01 07/11/01	09/08/09	3,445.73 7,364.39	1,706.54 3,992.47		1,739.19 3,371.92
125000190	.2266 1067	TIME WARNER INC REVSPLT 03/27/09 887317105000	12/27/02 11/29/04	03/27/09	4.97 2.34	6.58 4.27	(1.61) (1.93)	

2 0 0 9 Y E A R E N D S U M M A R Y

Reserved Client Statement 2009 Year End Summary

Page 8 of 9

MorganStanley
SmithBarney

Ref: 00001728 00012741

THE HALE FOUNDATION

Account Number 13D-03126-18 214

Details of Long-Term Gain (Loss) 2009 - continued

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000200	.119	TIME WARNER CABLE INC	12/27/02	03/30/09	\$ 3.25	\$ 4.53	(\$ 1.28)	
	.056	CASH IN LIEU OF .17500	11/29/04		1.53	2.94	(1.41)	
		RECORD 03/12/09 PAY 03/27/09						
		FROM: 887317105000 (SPINOFF)						
125000210	142.12	TIME WARNER CABLE INC	12/27/02	05/26/09	4,572.71	5,413.51	(840.80)	
	66.88		11/29/04		2,151.87	3,511.39	(1,359.52)	
Total					\$ 141,708.13	\$ 151,905.07	(\$ 27,595.08)	\$ 17,389.22

2009 Y

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

SOURCE	AMOUNT
SMITH BARNEY	3,225.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	3,225.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
SMITH BARNEY	19,122.	0.	19,122.
TOTAL TO FM 990-PF, PART I, LN 4	19,122.	0.	19,122.

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	1,900.	1,900.		0.
TO FORM 990-PF, PG 1, LN 16B	1,900.	1,900.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN INCOME TAX	154.	154.		0.
TO FORM 990-PF, PG 1, LN 18	154.	154.		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	
INVESTMENT FEES & ADR FEES	8,268.	8,268.			0.
STATE FEES	25.	25.			0.
TO FORM 990-PF, PG 1, LN 23	8,293.	8,293.			0.

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
CORPORATE STOCK	611,390.	787,229.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	611,390.	787,229.		

FORM 990-PF	CORPORATE BONDS		STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
CORPORATE BONDS	48,247.	51,764.		
TOTAL TO FORM 990-PF, PART II, LINE 10C	48,247.	51,764.		

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	8
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
INTEREST RECEIVABLE	COST	93.	93.	
CLOSED END FUNDS	COST	96,532.	115,867.	
TOTAL TO FORM 990-PF, PART II, LINE 13		96,625.	115,960.	

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 9

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
A SAFE PLACE	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
ADOPT A NATIVE ELDER	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,877.
AMERICAN RED CROSS	NONE OPERATING FUNDS	SECTION 501(C)(3)	3,000.
AMERICARES	NONE OPERATING FUNDS	SECTION 501(C)(3)	3,000.
ART INSTITUTE OF CHICAGO			
BIG BROTHERS BIG SISTERS			
BOYS & GIRLS CLUB	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,500.
BY&FS	NONE OPERATING FUNDS	SECTION 501(C)(3)	2,500.

BARRINGTON YOUTH & FAMILY	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
CARTER CENTER	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
CATHOLIC CHARITIES	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
CHICAGO PUBLIC RADIO	NONE OPERATING FUNDS	SECTION 501(C)(3)	750.
CHICAGO TRIBUNE HOLIDAY GIVING DRIVE	NONE OPERATING FUNDS	SECTION 501(C)(3)	7,000.
CORE INTERNATIONAL	NONE OPERATING FUNDS	SECTION 501(C)(3)	2,500.
DOCTORS WITHOUT BORDERS	NONE OPERATING FUNDS	SECTION 501(C)(3)	4,000.
FEEDING AMERICA	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
GREATER CHICAGO FOOD DEPOSITORY	NONE OPERATING FUNDS	SECTION 501(C)(3)	2,000.
HABITAT FOR HUMANITY LAKE COUNTY	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.

HOSPICE OF NE IL	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
INTL CHILDREN'S FUND	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
INTL AIDS VACCIV	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
LEUKEMIA & LYMPHOMA SOCIE	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
MAKE A WISH FOUNDATION	NONE OPERATING FUNDS	SECTION 501(C)(3)	700.
MERCY HOME	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
MISERICORDIA	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
PARTNERS IN HEALTH	NONE OPERATING FUNDS	SECTION 501(C)(3)	2,000.
PROJECT HOPE	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.
SALVATION ARMY	NONE OPERATING FUNDS	SECTION 501(C)(3)	1,000.

SAVE THE CHILDREN	NONE OPERATING FUNDS	SECTION 501(C)(3)	4,000.
SMILE TRAIN	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
TURNING POINT	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
UNICEF	NONE OPERATING FUNDS	SECTION 501(C)(3)	2,000.
UNITED WAY LAKE COUNTY	NONE OPERATING FUNDS	SECTION 501(C)(3)	500.
WTTW 11	NONE OPERATING FUNDS	SECTION 501(C)(3)	250.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

49,577.