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

2009

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 <b>THE KARDOS FAMILY FOUNDATION</b>	A Employer identification number <b>37-6371315</b>	
	Number and street (or P O box number if mail is not delivered to street address) <b>PO BOX 167</b>	Room/suite	B Telephone number <b>(847)295-8586</b>
	City or town, state, and ZIP code <b>LAKE FOREST, IL 60045-0167</b>	C If exemption application is pending, check here ► <input type="checkbox"/> D 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>	
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	I Fair market value of all assets at end of year (from Part II, col (c), line 16) ► \$ <b>3,039,892.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ► <input type="checkbox"/>

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)
Operating and Administrative Expenses Scanned May 1, 2010	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B Interest on savings and temporary cash investments				
	3 Dividends and interest from securities	48,190.	48,190.		STATEMENT 1
	5a Gross rents	56,705.	56,705.		STATEMENT 2
	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	1,009,038.	-110,699.	085	MAY 18 2010
	7 Capital gain net income (from Part IV, line 2)			0	IRS-OSC
	8 Net short-term capital gain				
	9 Income modifications a 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	-5,804.	104,895.		
	13 Compensation of officers, directors, trustees, etc	47,500.	0.		47,500.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees	STMT 3	5,235.	5,235.	0.
	b Accounting fees				
	c Other professional fees				
	17 Interest	STMT 4	-4,227.	-4,227.	0.
	18 Taxes				
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses	STMT 5	37,755.	37,755.	0.
24 Total operating and administrative expenses. Add lines 13 through 23		86,263.	38,763.	47,500.	
25 Contributions, gifts, grants paid		134,500.		134,500.	
26 Total expenses and disbursements. Add lines 24 and 25		220,763.	38,763.	182,000.	
27 Subtract line 26 from line 12:		-226,567.			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		66,132.			
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
	1 Cash - non-interest-bearing				
	2 Savings and temporary cash investments		162,579.	177,440.	177,440.
	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 ►				
Assets	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U.S. and state government obligations	STMT 6	836,149.	669,057.	690,180.
	b Investments - corporate stock	STMT 7	1,806,874.	1,800,013.	1,775,172.
	c Investments - corporate bonds	STMT 8	439,511.	372,036.	397,100.
	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 ►)				
	16 Total assets (to be completed by all filers)		3,245,113.	3,018,546.	3,039,892.
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 ► <input checked="" type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31				
	24 Unrestricted		3,245,113.	3,018,546.	
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ► <input type="checkbox"/>				
	and complete lines 27 through 31				
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds				
	30 Total net assets or fund balances		3,245,113.	3,018,546.	
	31 Total liabilities and net assets/fund balances		3,245,113.	3,018,546.	

## 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	3,245,113.
2 Enter amount from Part I, line 27a	2	-226,567.
3 Other increases not included in line 2 (itemize) ►	3	0.
4 Add lines 1, 2, and 3	4	3,018,546.
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	3,018,546.

## 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 MERRILL LYNCH #74C54 (SEE ATTACHED)		P	VARIOUS	VARIOUS
b MERRILL LYNCH #74C54 (SEE ATTACHED)		P	VARIOUS	VARIOUS
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 281,570.			310,090.	-28,520.
b 727,468.			809,647.	-82,179.
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(I) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69		(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				-28,520.
b				-82,179.
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 -110,699.
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	202,149.	3,484,856.	.058008
2007	174,500.	4,244,042.	.041116
2006	193,498.	3,823,980.	.050601
2005	187,335.	3,768,274.	.049714
2004	172,732.	3,739,309.	.046194

2 Total of line 1, column (d)

2 .245633

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 .049127

4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5

4 2,865,407.

5 Multiply line 4 by line 3

5 140,769.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 661.

7 Add lines 5 and 6

7 141,430.

8 Enter qualifying distributions from Part XII, line 4

8 182,000.

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 ► <input type="checkbox"/> and enter "N/A" on line 1.	Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	1	661.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> 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)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
3 Add lines 1 and 2	2	0.	
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	3	661.	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	4	0.	
6 Credits/Payments:	5	661.	
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	880.	
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	880.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	219.	
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax ►	11	0.	

**Part VII-A Statements Regarding Activities**

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?	Yes	No
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1a	X
<i>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</i>	1b	X
c Did the foundation file Form 1120-POL for this year?	1c	X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:		
(1) On the foundation. ► \$ 0. (2) On foundation managers. ► \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?	2	X
<i>If "Yes," attach a detailed description of the activities.</i>		
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? <i>If "Yes," attach a conformed copy of the changes</i>	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?	4b	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5	X
<i>If "Yes," attach the statement required by General Instruction T.</i>		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:		
• By language in the governing instrument, or	6	X
• 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?		
7 Did the foundation have at least \$5,000 in assets at any time during the year?	7	X
<i>If "Yes," complete Part II, col. (c), and Part XV</i>		
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
<u>IL</u>		
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? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>	9	X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	10	X

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	<input checked="" type="checkbox"/>
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	<input checked="" type="checkbox"/>
14	The books are in care of ► <u>MR. JOHN TUMBARELLO, CPA</u> Telephone no. ► <u>314-336-3600</u> Located at ► <u>12801 FLUSHING MEADOWS, # 100, ST LOUIS, MO</u> ZIP+4 ► <u>63131</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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 ►	1b	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>
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? If "Yes," list the years ► _____, _____, _____, _____, _____	2a	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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.)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► _____, _____, _____, _____	2c	
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	3a	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>

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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)?

Organizations relying on a current notice regarding disaster assistance check here  N/Ac If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

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

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?

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

## 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
SEE STATEMENT 9		47,500.	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
<b>NONE</b>		

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

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	2,714,342.
b Average of monthly cash balances	1b	194,701.
c Fair market value of all other assets	1c	0.
d Total (add lines 1a, b, and c)	1d	2,909,043.
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	2,909,043.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	43,636.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,865,407.
6 Minimum investment return Enter 5% of line 5	6	143,270.

**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	143,270.
2a Tax on investment income for 2009 from Part VI, line 5	2a	661.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	661.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	142,609.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	142,609.
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	142,609.

**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	182,000.
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	182,000.
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	661.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	181,339.

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

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				142,609.
2 Undistributed income, if any, as of the end of 2008			131,706.	
a Enter amount for 2008 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 182,000.			131,706.	
a Applied to 2008, but not more than line 2a				
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				50,294.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	0.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				92,315.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				



## 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 12				
Total			► 3a	134,500.
b Approved for future payment				
NONE				
Total			► 3b	0.

923611 02-02-10

Form 990-PF (2009)

## Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514	(e) Related or exempt function income
	(a) Business code	(b) Amount		
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	48,190.
4 Dividends and interest from securities			14	56,705.
5 Net rental income or (loss) from real estate:				
a Debt-financed property				
b Not debt-financed property				
6 Net rental income or (loss) from personal property				
7 Other investment income				
8 Gain or (loss) from sales of assets other than inventory			18	-110,699.
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.		-5,804.	0.
13 Total. Add line 12, columns (b), (d), and (e)	13		-5,804.	
(See worksheet in line 13 instructions to verify calculations.)				

## **Relationship of Activities to the Accomplishment of Exempt Purposes**



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

SOURCE	AMOUNT
MERRILL LYNCH	48,190.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	48,190.

## FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
MERRILL LYNCH	56,705.	0.	56,705.
TOTAL TO FM 990-PF, PART I, LN 4	56,705.	0.	56,705.

## FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION	5,235.	5,235.		0.
TO FORM 990-PF, PG 1, LN 16B	5,235.	5,235.		0.

## FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ILLINOIS ANNUAL REPORT FEE	15.	15.		0.
FEDERAL INCOME TAXES	-4,242.	-4,242.		0.
TO FORM 990-PF, PG 1, LN 18	-4,227.	-4,227.		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
ML TRUST FEES	37,103.	37,103.		0.
MISCELLANEOUS EXPENSE	652.	652.		0.
TO FORM 990-PF, PG 1, LN 23	37,755.	37,755.		0.

  

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	6	
DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
U.S. TREASURY & FNMA NOTES	X		669,057.	690,180.
TOTAL U.S. GOVERNMENT OBLIGATIONS			669,057.	690,180.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			669,057.	690,180.

  

FORM 990-PF	CORPORATE STOCK	STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
EQUITIES HELD IN ML 74C54	1,800,013.	1,775,172.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,800,013.	1,775,172.	

  

FORM 990-PF	CORPORATE BONDS	STATEMENT	8
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
CORP BONDS IN ML 74C54	372,036.	397,100.	
TOTAL TO FORM 990-PF, PART II, LINE 10C	372,036.	397,100.	

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PAUL KARDOS PO BOX 167 LAKE FOREST, IL 600450167	TRUSTEE 7.00	0.	0.	0.
PAULETTE KARDOS PO BOX 167 LAKE FOREST, IL 600450167	TRUSTEE 6.00	0.	0.	0.
DIANE KARDOS KAVANAGH PO BOX 167 LAKE FOREST, IL 600450167	TRUSTEE 7.00	20,000.	0.	0.
BRIAN KARDOS PO BOX 167 LAKE FOREST, IL 600450167	TRUSTEE 6.00	17,500.	0.	0.
RONALD STRZELECKI PO BOX 167 LAKE FOREST, IL 600450167	TRUSTEE 3.00	10,000.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		47,500.	0.	0.

FORM 990-PF

PART XV - LINE 1A  
LIST OF FOUNDATION MANAGERS

STATEMENT 10

## NAME OF MANAGER

PAUL KARDOS  
PAULETTE KARDOS

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION  
PART XV, LINES 2A THROUGH 2D

STATEMENT 11

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

THE KARDOS FAMILY FOUNDATION, PO BOX 167, LAKE FOREST, IL 60045-0167

TELEPHONE NUMBER

847-295-8586

FORM AND CONTENT OF APPLICATIONS

N/A

ANY SUBMISSION DEADLINES

N/A

RESTRICTIONS AND LIMITATIONS ON AWARDS

PRIMARILY TO ORGANIZATIONS RELATED TO THE ROMAN CATHOLIC FAITH

FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 12

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AID FOR WOMEN 8 SOUTH MICHIGAN AVENUE, STE 1100 CHICAGO, IL 606033311	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
ASSOCIATION OF MARIAN HELPERS 4 PROSPECT HILL ROAD STOCKBRIDGE, MA 01263	NONE GENERAL OPERATING FUND	501(C)(3)	6,500.
ASSUMPTION CHURCH 323 WEST ILLINOIS STREET CHICAGO, IL 60610	NONE GENERAL OPERATING FUND	501(C)(3)	3,000.
THE BRIDGE 55 PLAZA SQUARE ST LOUIS, MO 63103	NONE GENERAL OPERATING FUND	501(C)(3)	5,000.
ALMOST HOME KIDS 7 S. 721 ROUTE 53 NAPERVILLE, IL 60540	NONE GENERAL OPERATING FUND	501(C)(3)	5,000.
EAST LAKE ACADEMY 13911 W. LAUREL DRIVE LAKE FOREST, IL 60045	NONE GENERAL OPERATING FUND	501(C)(3)	16,000.
ELIZABETH SETON HOUSE 401 S BALDWIN STREET #1 MADISON, WI 53703	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
ELLIOTT INSTITUTE PO BOX 7348 SPRINGFIELD, IL 62791	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.

## THE KARDOS FAMILY FOUNDATION

37-6371315

FELICIAN SISTERS 1500 WOODCREST AVENUE CORAOPOLIS, PA 15108	NONE GENERAL OPERATING FUND	501(C)(3)	3,000.
FIRST PRESBYTERIAN SCHOOL 321 SOUTH SEVENTH STREET SPRINGFIELD, IL 62701	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
FRANCISCAN FRIARS PO BOX 55 LARCHMONT, NY 10538	NONE GENERAL OPERATING FUND	501(C)(3)	10,000.
FRANCISCAN SISTERS TOR 170 LITTLE CHURCH ROAD TORONTO, OH 43964	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
GIANT STEPS ILLINOIS, INC 8320 S. MADISON ST BURR RIDGE, IL 60527	NONE GENERAL OPERATING FUND	501(C)(3)	500.
HEIFER INTERNATIONAL PO BOX 1692 MERRIFIELD, VA 221161692	NONE GENERAL OPERATING FUND	501(C)(3)	2,000.
IMMACULATE HEART OF MARY 3058 BRERETON STREET PITTSBURGH, PA 152193706	NONE GENERAL OPERATING FUND	501(C)(3)	3,000.
LEGIONNARIES OF CHRIST 33 ROSSOTTO DRIVE HAMDEN, CT 06514	NONE GENERAL OPERATING FUND	501(C)(3)	5,000.
MARIAN HELPERS 4 PROSPECT HILL ROAD STOCKBRIDGE, MA 01263	NONE GENERAL OPERATING FUND	501(C)(3)	10,000.
MARIANS OF THE IMMACULATE CONCEPTION 4 PROSPECT HILL ROAD STOCKBRIDGE, MA 01263	NONE GENERAL OPERATING FUND	501(C)(3)	10,000.

## THE KARDOS FAMILY FOUNDATION

37-6371315

NAZARETH GLOBAL MISSIONS 285 BELLEVUE ROAD PITTSBURGH, PA 15229	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
NITE MINISTRY 4711 N. RAVENSWOOD AVE. CHICAGO, IL 60640	NONE GENERAL OPERATING FUND	501(C)(3)	500.
OUR LADY OF SORROWS 3121 WEST JACKSON BLVD CHICAGO, IL 60612	NONE GENERAL OPERATING FUND	501(C)(3)	10,000.
OUR LADY OF VICTORY HOMES OF CHARITY 780 RIDGE ROAD LACKAWANA, NY 14218	NONE GENERAL OPERATING FUND	501(C)(3)	5,000.
OUR LADY OF PROMPT SUCCOR 2734 NASHVILLE AVENUE NEW ORLEANS, LA 70115	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
PIAST INSTITUTE 2926 CANIFF HANTRAMICK, MI 48212	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
ST. JOSEPH'S HOME 3306 S. SIXTH STREET ROAD SPRINGFIELD, IL 627034393	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
ST. LAWRENCE SEMINARY 301 CHURCH STREET MOUNT CALVARY, WI 53057	NONE GENERAL OPERATING FUND	501(C)(3)	1,000.
ST. MARY OF THE ANGELS 1850 N. HERMITAGE AVE CHICAGO, IL 60622	NONE GENERAL OPERATING FUND	501(C)(3)	10,000.
TWELVE RIVERS FOUNDATION 112 ATEN ROAD MUNSONVILLE, NH 03457	NONE GENERAL OPERATING FUND	501(C)(3)	20,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			134,500.



Account No.  
683-74C54

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## BANK OF AMERICA (MLTC)

### 2009 ANNUAL STATEMENT SUMMARY

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

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

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

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

### 2009 CAPITAL GAIN AND LOSS TRANSACTIONS

<u>Security Description</u>	<u>Quantity</u>	<u>Date Acquired</u>	<u>Date Liquidated</u>	<u>Amortization/Accretion</u>	<u>Sales Price</u>	<u>Cost Basis</u>	<u>Gain or (Loss)</u>
		Cover of Short	Short Sale	Year-to-Date	Life-to-Date		

<b>SHORT TERM CAPITAL GAINS</b>							
AT&T INC 5.50%FEB01 18	14000.0000	02/20/08	01/30/09		13,869.38	13,780.89	88.49
PEPSICO INC 5.00%JUN01 18	1000.0000	11/21/08	10/22/09		1,062.52	954.06	108.46
FEDERAL HOME LN MTG CORP	17000 0000\$	06/05/08	01/30/09	(9.13)(A)	18,750.49	17,497.28(C)	1,253.21
US TSY 3.125% MAY 15 201	34000.0000	06/24/09	11/17/09		33,481.89	32,499.22	982.67
US TSY 3.875% MAY 15 201	520000.0000	06/05/08	02/03/09		56,594.48	51,341.89	5,252.59
CANADIAN NATL RAILWAY CO	20.0000	08/27/09	10/21/09		1,047.77	984.91	62.86
COCA COLA COM	20.0000	02/24/09	10/21/09		1,090.57	861.69	228.88
JOHNSON AND JOHNSON COM	140.0000	02/24/09	10/08/09		8,555.25	7,647.43	907.82
LORILLARD INC	20.0000	03/05/09	10/21/09		1,625.76	1,142.31	483.45
MERCK&CO INC	50.0000	01/28/09	10/08/09		1,619.49	1,419.37	200.12
NUCOR CORPORATION	30.0000	01/21/09	10/21/09		1,404.86	1,180.99	223.87



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BANK OF AMERICA (MLTC)

2009 ANNUAL STATEMENT SUMMARY

**2009 CAPITAL GAIN AND LOSS TRANSACTIONS**

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
PFIZER INC DEL PV\$0.05	170.0000	01/28/09	10/08/09			2,844.37	2,582.22	262.15
PUB SVC ENTERPRISE GRP	60.0000	03/06/09	10/21/09			1,862.95	1,504.20	358.75
RIO TINTO PLC SPNSRD ADR	111.0000	07/17/09	07/17/09			2,534.39	2,534.39	0.00
ROHM AND HAAS	314.0000	07/29/08	04/02/09			24,492.00	23,574.68	917.32
ROYAL BANK CANADA PV\$1	20.0000	07/23/09	10/21/09			1,093.57	919.89	173.68
SEMPRA ENERGY	20.0000	10/05/09	10/21/09			1,068.77	1,004.70	64.07
TOTAL S.A. SP ADR	50.0000	01/28/09	10/08/09			2,972.10	2,633.43	338.67
V F CORPORATION	20.0000	03/05/09	10/21/09			1,540.56	962.22	578.34
WYETH	380.0000	05/08/09	10/08/09			18,611.96	16,686.14	1,925.82
<b>Short Term Capital Gains Subtotal</b>						<b>196,123.13</b>	<b>181,711.91</b>	<b>14,411.22</b>
<b>SHORT TERM CAPITAL LOSSES</b>								
USTSY 2.125% JAN 31 201	32000.0000\$	07/13/09	07/30/09	(30.59)(A)	(30.59)(A)	32,283.64	32,285.77(C)	(2.13)
AT&T INC	332.0000	07/29/08	02/24/09			7,710.42	10,175.96	(2,465.54)
CBS CORP NEW CL B	667.0000	01/23/08	01/22/09			4,276.17	14,849.82	(10,573.65)
GENL DYNAMICS CORP COM	98.0000	07/29/08	02/24/09			4,811.72	8,834.23	(4,022.51)
JOHNSON AND JOHNSON COM	145.0000	10/29/08	10/08/09			8,860.79	8,980.56	(119.77)
PROCTER & GAMBLE CO	210.0000	07/29/08	02/24/09			10,471.32	13,651.03	(3,179.71)



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BANK OF AMERICA (MLTC)

2009 ANNUAL STATEMENT SUMMARY

2009 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
RIO TINTO PLC SPNSRD ADR	43 0000	07/29/08	02/18/09			4,561.37	17,547.30	(12,985.93)
	23.0000	07/30/08	02/18/09			2,439.81	9,669.49	(7,229.68)
							7,001.18	(20,215.61)
SEMPRA ENERGY	227.0000	07/29/08	01/26/09			10,031.86	12,384.22	(2,352.36)
							85,447.10	128,378.38
								(42,931.28)
								(28,520.06)
<b>NET SHORT TERM CAPITAL GAIN (LOSS)</b>								
<b>LONG TERM CAPITAL GAINS</b>								
BK OF AMER CORP 6.25% 201	11000.0000\$	03/09/07	10/22/09	(88.93)(A)	(271.87)(A)	11,803.55	11,289.46(C)	514.09
	47000.0000\$	03/09/07	11/17/09	(411.51)(A)	(1,193.12)(A)	50,673.05	48,205.30(C)	2,467.75
							62,476.60	59,494.76
JPMORGAN CHASE & CO 12%	9000 0000	06/26/07	10/22/09			9,424.71	8,604.98	819.73
TARGET CORP 5.87% MARR01 12	14000 0000\$	03/16/06	01/30/09	(8.68)(A)	(242.77)(A)	14,965.58	14,299.72(C)	665.86
	37000.0000\$	03/16/06	07/30/09	(142.53)(A)	(761.25)(A)	40,246.38	37,672.51(C)	2,573.87
	9000 0000\$	12/11/06	07/30/09	(39.89)(A)	(170.01)(A)	9,789.66	9,187.56(C)	602.10
							65,001.62	61,159.79
FEDERAL NATL MTG ASSOC	7000.0000	06/26/07	10/22/09			7,884.63	6,918.12	966.51
FEDERAL NATL MTGE ASSN	13000.0000\$	12/11/06	01/15/09	(2.35)(A)	(112.65)(A)	13,000.01	13,000.00(C)	0.01
U.S. TREASURY BOND	20000 0000\$	07/14/05	01/30/09	(6.21)(A)	(210.80)(A)	23,774.14	22,023.57(C)	1,750.57
	26000.0000\$	07/14/05	07/13/09	(45.53)(A)	(311.50)(A)	29,721.14	28,593.19(C)	1,127.95
U.S. TREASURY NOTE	34000 0000\$	08/14/06	01/28/09	(15.33)(A)	(427.50)(A)	34,521.84	34,050.64(C)	471.20
	60000.0000\$	12/11/06	01/28/09	(4.65)(A)	(113.86)(A)	6,092.09	6,015.98(C)	76.11
								40,613.93
								40,066.62
								547.31



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BANK OF AMERICA (MLTC)

2009 ANNUAL STATEMENT SUMMARY

**2009 CAPITAL GAIN AND LOSS TRANSACTIONS**

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
US TSY 3.5000% DEC 15 200	37000.0000	04/05/05 12/11/06	06/24/09 06/24/09			37.539.09 4,058.29	36,020.08 3,887.66	1,519.01 170.63
	40000.0000						41,597.38	39,907.74
	<b>Security Subtotal</b>							<b>1,689.64</b>
US TSY 5.0000% AUG 15 201	9000 0000\$	03/16/06 12/11/06	10/22/09 10/22/09	(26.34)(A) (4.17)(A)	(108.36)(A) (13.92)(A)	9,666.88 1,074.10	9,060.40(C) 1,009.59(C)	606.48 64.51
	10000 0000\$						10,069.99	670.99
	<b>Security Subtotal</b>							<b>670.99</b>
US TSY 4.125% AUG 15 201	11000.0000\$	04/16/08	10/22/09	(192.89)(A)	(353.65)(A)	11,336.84	11,189.90(C)	146.94
US TSY 4.375% DEC 15 201	11000.0000	05/09/07	10/22/09			11,486.37	10,938.98	547.39
US TSY 4.750% FEB 15 203	5000.0000\$	03/15/07	10/22/09	(0.68)(A)	(2.06)(A)	5,399.00	5,044.81(C)	354.19
US TSY 4.2500% NOV 15 201	21000.0000\$	12/20/07 12/20/07	01/30/09 11/17/09	(3.46)(A) (4.275)(A)	(38.96)(A) (90.08)(A)	23,399.33 30,344.89	21,373.65(C) 28,460.08(C)	2,025.68 1,884.81
	28000.0000\$							
	<b>Security Subtotal</b>							<b>3,910.49</b>
US TSY 3.375% NOV 30 201	29000.0000	12/20/07	08/07/09			30,391.00	28,956.95	1,434.05
US TSY 6.2500% AUG 15 202	46000.0000\$	05/09/07	07/30/09	(185.77)(A)	(670.49)(A)	54,962.63	52,353.50(C)	2,609.13
FEDERAL NATL MTG ASSOC	2000.0000\$	09/26/08	10/22/09	(4.29)(A)	(5.56)(A)	2,092.38	2,009.70(C)	82.68
ABBOTT LABS	20.0000	08/21/02	10/21/09			1,029.37	751.54	277.83
BHP BILLITON LTD ADR	30.0000	07/29/08	10/21/09			2,241.24	2,214.51	26.73
CHEVRON CORP	30.0000	07/23/01	10/21/09			2,341.14	1,325.30	1,015.84
CONOCOPHILLIPS	20 0000	01/29/03	10/21/09			1,075.37	474.25	601.12
CHUBB CORP	20.0000	07/29/08	10/21/09			1,034.97	938.57	96.40
EXXON MOBIL CORP COM	60.0000	07/23/01	10/21/09			4,444.69	2,585.80	1,858.89



Account No.  
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Taxpayer No.  
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BANK OF AMERICA (MLTC)

**2009 ANNUAL STATEMENT SUMMARY**

**2009 CAPITAL GAIN AND LOSS TRANSACTIONS**

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
FPL GROUP INC	30.0000	09/25/01	10/21/09			1,626.26	804.22	822.04
HEWLETT PACKARD CO DEL	30.0000	07/29/08	10/21/09			1,464.26	1,332.97	131.29
KIMBERLY CLARK	20.0000	07/29/08	10/21/09			1,202.57	1,146.36	56.21
OCIDENTAL PETE CORP CAL	20.0000	07/29/08	10/21/09			1,674.56	1,497.87	176.69
TRAVELERS COS INC	50.0000	03/05/08	10/21/09			2,435.94	2,369.36	66.58
UNILEVER NV NY REG SHS	80.0000	07/29/08	10/21/09			2,497.54	2,394.17	103.37
UNITED TECHS CORP COM	20.0000	07/29/08	10/21/09			1,320.97	1,297.67	23.30
WAL-MART STORES INC	20.0000	12/04/06	10/21/09			1,023.97	927.93	96.04
WELLS FARGO & CO NEW DEL	80.0000	07/29/08	10/21/09			2,406.34	2,373.19	33.15
<b>Long Term Capital Gains Subtotal</b>						<b>501,466.77</b>	<b>472,600.04</b>	<b>28,866.73</b>
<b>LONG TERM CAPITAL LOSSES</b>						<b>32,959.99</b>	<b>62,371.20</b>	<b>(29,411.21)</b>
CITIGROUP 4.8% MAY 07 15	64000.0000	04/05/05	03/10/09			2,575.01	4,894.30	(2,319.29)
	50000.0000	12/11/06	03/10/09	<b>Security Subtotal</b>		<b>35,535.00</b>	<b>67,265.50</b>	<b>(31,730.50)</b>
GOLDMAN SACHS GRO 5.35% 1	21000.0000\$	01/20/06	01/30/09	(0.36)(A)	(10.51)(A)	18,600.96	21,031.07(C)	(2,430.11)
FEDERAL NATL MTGE ASSN	490000 0000\$	03/16/06	01/15/09	(7.06)(A)	(445.81)(A)	48,999.99	49,000.00(C)	(0.01)
AT& T INC	100.00000	07/29/08	10/21/09			2,600.93	3,065.05	(464.12)
BANK OF NOVA SCOTIA	30.0000	07/29/08	10/21/09			1,339.77	1,426.20	(86.43)



Account No.  
683-74C54

Taxpayer No.  
94-1687665

BANK OF AMERICA (MLTC)

2009 ANNUAL STATEMENT SUMMARY

**2009 CAPITAL GAIN AND LOSS TRANSACTIONS**

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
BP PLC SPON ADR	20.0000	07/29/08	10/21/09		1,143.57	1,210.91		(67.34)
BANK OF AMERICA CORP	354.0000	10/28/05	01/15/09		2,876.16	15,507.12	(12,630.96)	
	370.0000	11/21/05	01/15/09		3,006.15	16,955.44	(13,949.29)	
	330.0000	11/22/05	01/15/09		2,681.17	15,083.71	(12,402.54)	
	40.0000	12/11/06	01/15/09		324.99	2,110.00	(1,785.01)	
	270.0000	05/02/07	01/15/09		2,193.69	13,799.75	(11,606.06)	
					11,082.16	63,456.02	(52,373.86)	
BRISTOL-MYERS SQUIBB CO	40.0000	03/07/07	10/21/09		912.78	1,082.38	(169.60)	
CAMECO CORP COM	60.0000	07/29/08	10/21/09		1,919.35	2,128.69	(209.34)	
CONSOL ENERGY INC COM	20.0000	07/29/08	10/21/09		1,048.17	1,614.84	(566.67)	
DIAMOND OFFSHORE DRILNG	10.0000	07/29/08	10/21/09		1,078.17	1,184.46	(106.29)	
DIAGEO PLC SPSD ADR NEW	20.0000	07/29/08	10/21/09		1,304.77	1,404.31	(99.54)	
DOMINION RES INC NEW VA	40.0000	07/29/08	10/21/09		1,409.56	1,737.20	(327.64)	
DEERE CO	60.0000	07/29/08	10/21/09		2,962.12	4,231.96	(1,269.84)	
EXELON CORPORATION	20.0000	07/29/08	10/21/09		1,009.37	1,594.70	(585.33)	
FIRSTENERGY CORP	20.0000	07/29/08	10/21/09		936.18	1,458.34	(522.16)	
GENL DYNAMICS CORP COM	20.0000	07/29/08	10/21/09		1,345.37	1,802.90	(457.53)	
INTL BUSINESS MACHINES	10.0000	07/29/08	10/21/09		1,223.77	1,275.25	(51.48)	
JPMORGAN CHASE & CO	90.0000	10/30/07	10/21/09		4,138.99	4,190.98	(51.99)	
MARATHON OIL CORP	30.0000	02/19/08	10/21/09		1,062.87	1,579.84	(516.97)	



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BANK OF AMERICA (MLTC)

2009 ANNUAL STATEMENT SUMMARY

2009 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
MCDONALDS CORP COM	20 0000	07/29/08	10/21/09			1,168.37	1,196.39	(28.02)
MERCK&CO INC	460.0000	07/29/08	10/08/09			14,899.25	14,905.66	(6.41)
NORTHEAST UTILITIES COM	40.0000	07/29/08	10/21/09			945.58	999.52	(53.94)
NORTHROP GRUMMAN CORP	20.0000	07/17/08	10/21/09			1,002.97	1,303.04	(300.07)
PEABODY ENERGY CORP COM	20.0000	07/29/08	10/21/09			914.38	1,317.40	(403.02)
PHILIP MORRIS INTL INC	20.0000	07/29/08	10/21/09			1,021.97	1,064.80	(42.83)
PFIZER INC DEL PV\$0.05	890.0000	04/23/08	10/08/09			14,891.09	17,701.84	(2,810.75)
PRAXAIR INC	20.0000	07/29/08	10/21/09			1,675.36	1,878.40	(203.04)
PROCTER & GAMBLE CO	40.0000	07/29/08	10/21/09			2,320.74	2,600.19	(279.45)
RIO TINTO PLC SPNSRD ADR	10.0000	07/30/08	10/21/09			2,013.95	3,975.80	(1,961.85)
RAYTHEON CO DELAWARE NEW	40.0000	07/29/08	10/21/09			1,834.75	2,315.58	(480.83)
SOUTHERN COMPANY	50.0000	07/29/08	10/21/09			1,682.96	1,783.51	(100.55)
TOTAL S.A. SP ADR	194.0000	07/29/08	10/08/09			11,531.72	14,703.96	(3,172.24)
	416.0000	07/30/08	10/08/09			24,727.81	31,448.44	(6,720.63)
<b>Security Subtotal</b>						<b>36,259.53</b>	<b>46,152.40</b>	<b>(9,892.87)</b>
US BANCORP (NEW)	90.0000	11/15/04	10/21/09			2,289.59	2,729.62	(440.03)
	20.0000	11/16/04	10/21/09			508.80	601.71	(92.91)
<b>Security Subtotal</b>						<b>2,798.39</b>	<b>3,331.33</b>	<b>(532.94)</b>
VERIZON COMMUNICATIONS COM	70.0000	07/23/01	10/21/09			2,019.45	3,714.50	(1,695.05)



Merrill Lynch

Taxpayer No.  
94-1687605

## BANK OF AMERICA (MLTC)

2009 ANNUAL STATEMENT SUMMARY

2009 CAPITAL GAIN AND LOSS TRANSACTIONS

Security Description	Quantity	Date Acquired Cover of Short	Date Liquidated Short Sale	Amortization/Accretion Year-to-Date	Life-to-Date	Sales Price	Cost Basis	Gain or (Loss)
VODAFONE GROUP PLC NEW	40.0000	07/29/08	10/21/09			897.98	1,065.41	(167.43)
						226,000.57	337,046.37	(111,045.80)
								(82,179.07)
<b>NET LONG TERM CAPITAL GAIN (LOSS)</b>								
<b>TOTAL CAPITAL GAINS AND LOSSES</b>							<b>1,009,037.57</b>	
<b>TOTAL REPORTABLE GROSS PROCEEDS</b>							<b>1,009,037.57</b>	
<b>DIFFERENCE</b>							<b>0.00*</b>	

Note: Capital gains and losses in this statement are not reported to the IRS.

Note. Capital gains and losses in this statement are not reported to the IRS.

- Difference reflects items that are included in the reportable gross proceeds section of your statement but are not included in the gain/loss section (e.g., liquidation of fractional shares and the proceeds from certain tender offers). It also reflects items that are included in the gain/loss section of your statement but not in the reportable gross proceeds section (e.g., option premium received).
- Bonds purchased at a premium show amortization.
- Year-to-Date and Life-to-Date amortization/accretion figures are net adjustments and may include original issue discount, and/or premium or market discount adjustments, if applicable. These figures assume that the client has made all elections to amortize bond premium and accrete market discount on a current basis. A negative figure indicates a net reduction in cost basis due to such factors as premium amortization.
- The cost basis reflects adjustments for amortized and/or accreted amounts.

## REALIZED CAPITAL GAIN AND LOSS SUMMARY

SHORT TERM GAINS	SHORT TERM LOSSES	LONG TERM GAINS	LONG TERM LOSSES
14,411.22	(42,931.28)	28,866.73	(111,045.80)
<b>TOTAL</b>			