# 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: MPS FOUNDATION

Number and street (or P O box number if mail is not delivered to street address): C/O 39533 WOODWARD AVENUE — Room/suite: 200

City or town, state, and ZIP code: BLOOMFIELD HILLS, MI 48304

A Employer identification number: 38-3421778

B Telephone number: (248)642-3700

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 ▶ [ ]

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

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 2,584,249.

J Accounting method [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

**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))

| | Line | (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 | | | | |
| | 2 Check ▶ [X] if the foundation is not required to attach Sch B | | | | |
| | 3 Interest on savings and temporary cash investments | 14. | 14. | | STATEMENT 1 |
| | 4 Dividends and interest from securities | 51,541. | 51,541. | | STATEMENT 2 |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain or (loss) from sale of assets not on line 10 | -51,804. | | | |
| | b Gross sales price for all assets on line 6a 204,479. | | | | |
| | 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 | 1,527. | 1,527. | 0. | STATEMENT 3 |
| | 12 **Total.** Add lines 1 through 11 | 1,278. | 53,082. | 0. | |
| 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 4 | 2,100. | 2,100. | 0. | 0. |
| | b Accounting fees | | | | |
| | c Other professional fees | | | | |
| | 17 Interest | | | | |
| | 18 Taxes | | | | |
| | 19 Depreciation and depletion | | | | |
| | 20 Occupancy | | | | |
| | 21 Travel, conferences, and meetings | | | | |
| | 22 Printing and publications | | | | |
| | 23 Other expenses STMT 5 | 170. | 170. | 0. | 0. |
| | 24 **Total operating and administrative expenses.** Add lines 13 through 23 | 2,270. | 2,270. | 0. | 0. |
| | 25 Contributions, gifts, grants paid | 125,050. | | | 125,050. |
| | 26 **Total expenses and disbursements.** Add lines 24 and 25 | 127,320. | 2,270. | 0. | 125,050. |
| | 27 Subtract line 26 from line 12 | | | | |
| | a Excess of revenue over expenses and disbursements | -126,042. | | | |
| | b **Net investment income** (if negative, enter -0-) | | 50,812. | | |
| | c **Adjusted net income** (if negative, enter -0-) | | | 0. | |

RECEIVED
APR 16 2010
E2-633 IRS-OSC
OGDEN, UT

SCANNED APR 19 2010

923501 02-02-10 LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form **990-PF** (2009)

614 19



08270301 759726 2391000 2009.03000 MPS FOUNDATION 23910001

**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 | | | |
| | 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 STMT 6 | 3,164,239. | 3,038,567. | 2,584,249. |
| | 14 Land, buildings, and equipment basis ▶ | | | |
| | Less accumulated depreciation ▶ | | | |
| | 15 Other assets (describe ▶ ) | | | |
| | 16 **Total assets** (to be completed by all filers) | 3,164,239. | 3,038,567. | 2,584,249. |
| 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 | 3,164,239. | 3,038,567. | |
| | 30 **Total net assets or fund balances** | 3,164,239. | 3,038,567. | |
| | 31 **Total liabilities and net assets/fund balances** | 3,164,239. | 3,038,567. | |

**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 | 3,164,239. |
| 2 | Enter amount from Part I, line 27a | 2 | -126,042. |
| 3 | Other increases not included in line 2 (itemize) ▶ YEAR END TIMING ADJUSTMENT | 3 | 370. |
| 4 | Add lines 1, 2, and 3 | 4 | 3,038,567. |
| 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 | 3,038,567. |

## 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 | SEE ATTACHED STATEMENT 8 | P | VARIOUS | / /09 |
| 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 | 204,479. | | 256,283. | -51,804. |
| 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 | | | | -51,804. |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

| | | | |
|---|---|---|---|
| 2 Capital gain net income or (net capital loss) | If gain, also enter in Part I, line 7<br>If (loss), enter -0- in Part I, line 7 | 2 | -51,804. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)<br>If gain, also enter in Part I, line 8, column (c)<br>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 | 154,277. | 2,732,809. | .056454 |
| 2007 | 164,000. | 3,330,955. | .049235 |
| 2006 | 149,855. | 3,074,796. | .048737 |
| 2005 | 142,010. | 2,841,929. | .049970 |
| 2004 | 141,891. | 2,744,762. | .051695 |

| | | |
|---|---|---|
| 2 **Total** of line 1, column (d) | 2 | .256091 |
| 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 | .051218 |
| 4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 | 4 | 2,249,847. |
| 5 Multiply line 4 by line 3 | 5 | 115,233. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 508. |
| 7 Add lines 5 and 6 | 7 | 115,741. |
| 8 Enter qualifying distributions from Part XII, line 4 | 8 | 125,050. |

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<br>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 | 508. |
| 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 | 508. |
| 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 | 508. |
| 6 | Credits/Payments | | |
| a | 2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a — 750. | | |
| 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 | 750. |
| 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 | 242. |
| 11 | Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 242. **Refunded** ▶ | 11 | 0. |

**Part VII-A Statements Regarding Activities**

| | | | Yes | No |
|---|---|---|---|---|
| 1a | During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | | X |
| b | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? | 1b | | X |
| | *If the answer is "Yes" to* **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.* | | | |
| c | Did the foundation file **Form 1120-POL** for this year? | 1c | | X |
| d | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year<br>**(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?<br>*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?<br>*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<br>• By language in the governing instrument, or<br>• 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?<br>*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) ▶<br>MI | | | |
| 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 ▶ DAWDA, MANN, MULCAHY & SADLER, PLC Telephone no ▶248/642-3700

Located at ▶39533 WOODWARD AVE #200, BLOOMFIELD HILL, MI ZIP+4 ▶48304

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.**

| | | | Line | 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 [X] 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 [X] No

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

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

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes [X] 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 |
|---|---|---|---|---|
| JOANNE N. ARBAUGH<br>P.O. BOX 465<br>HARBOR SPRINGS, MI 49740 | PRES., SEC., & TREAS.<br>0.00 | 0. | 0. | 0. |
| STEVEN L. ARBAUGH<br>2744 QUICK ROAD<br>HARBOR SPRINGS, MI 49740 | VICE PRES.<br>0.00 | 0. | 0. | 0. |
| FLORA OTTIMER ARBAUGH<br>2744 QUICK ROAD<br>HARBOR SPRINGS, MI 49740 | DIRECTOR<br>0.00 | 0. | 0. | 0. |
| | | | | |

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

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

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

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

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

| (a) Name and address of each person paid more than $50,000 | (b) Type of service | (c) Compensation |
|---|---|---|
| NONE | | |
| | | |
| | | |
| | | |
| | | |
| **Total** number of others receiving over $50,000 for professional services ▶ | | 0 |

**Part IX-A** **Summary of Direct Charitable Activities**

| List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc | Expenses |
|---|---|
| 1 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 | 2,273,952. |
| b | Average of monthly cash balances | 1b | 10,157. |
| c | Fair market value of all other assets | 1c | |
| d | **Total** (add lines 1a, b, and c) | 1d | 2,284,109. |
| 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 | 2,284,109. |
| 4 | Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 34,262. |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4 | 5 | 2,249,847. |
| 6 | **Minimum investment return.** Enter 5% of line 5 | 6 | 112,492. |

**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 | 112,492. |
| 2a | Tax on investment income for 2009 from Part VI, line 5 2a 508. | | |
| b | Income tax for 2009 (This does not include the tax from Part VI ) 2b | | |
| c | Add lines 2a and 2b | 2c | 508. |
| 3 | Distributable amount before adjustments Subtract line 2c from line 1 | 3 | 111,984. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | 0. |
| 5 | Add lines 3 and 4 | 5 | 111,984. |
| 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 | 111,984. |

**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 | 125,050. |
| 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 | 125,050. |
| 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 | 508. |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 124,542. |

**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 | | | | 111,984. |
| 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 8,871. | | | | |
| b From 2005 14,394. | | | | |
| c From 2006 405. | | | | |
| d From 2007 3,830. | | | | |
| e From 2008 19,083. | | | | |
| f **Total** of lines 3a through e | 46,583. | | | |
| 4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 125,050. | | | | |
| 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 | | | | 111,984. |
| e Remaining amount distributed out of corpus | 13,066. | | | |
| 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 | 59,649. | | | |
| 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 | 8,871. | | | |
| 9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a | 50,778. | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2005 14,394. | | | | |
| b Excess from 2006 405. | | | | |
| c Excess from 2007 3,830. | | | | |
| d Excess from 2008 19,083. | | | | |
| e Excess from 2009 13,066. | | | | |

**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<br>a "Assets" alternative test - enter<br>(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<br>(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) )

NONE

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<br>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 7 | | | | |
| **Total** | | | ▶ 3a | 125,050. |
| b *Approved for future payment* | | | | |
| NONE | | | | |
| **Total** | | | ▶ 3b | 0. |

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

| Enter gross amounts unless otherwise indicated | Unrelated business income (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 | 14. | |
| 4 Dividends and interest from securities | | | 14 | 51,541. | |
| 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 | | | 14 | 1,527. | |
| 8 Gain or (loss) from sales of assets other than inventory | | | 14 | -51,804. | |
| 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. | | 1,278. | 0. |

13 Total. Add line 12, columns (b), (d), and (e) 13 1,278.

(See worksheet in line 13 instructions to verify calculations )

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

| Line No. ▼ | Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) |
|---|---|
| | |

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

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

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

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

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

b If "Yes," complete the following schedule

| (a) Name of organization | (b) Type of organization | (c) Description of relationship |
|---|---|---|
| N/A | | |

**Sign Here**

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

Joanne M. Arbaugh | 4/12/10

Signature of officer or trustee | Date | Title

**Paid Preparer's Use Only**

Preparer's signature | Date 3/6/10 | Check if self-employed ☐ | Preparer's identifying number

Firm's name (or yours if self-employed), address, and ZIP code: DAWDA MANN MULCAHY & SADLER, 39533 WOODWARD AVE., SUITE 200, BLOOMFIELD HILLS, MI 48304

EIN

Phone no 248-642-3700

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

| SOURCE | AMOUNT |
|---|---|
| MERRILL LYNCH #676-04H04 | 14. |
| TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A | 14. |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
|---|---|---|---|
| MERRILL LYNCH #676-04H04 | 51,541. | 0. | 51,541. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 51,541. | 0. | 51,541. |

FORM 990-PF OTHER INCOME STATEMENT 3

| DESCRIPTION | (A) REVENUE PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME |
|---|---|---|---|
| US TREASURY REFUND | 1,527. | 1,527. | 0. |
| TOTAL TO FORM 990-PF, PART I, LINE 11 | 1,527. | 1,527. | 0. |

FORM 990-PF LEGAL FEES STATEMENT 4

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|---|---|---|---|
| DAWDA, MANN, MULCAHY & SADLER ATTORNEY FEES | 2,100. | 2,100. | 0. | 0. |
| TO FM 990-PF, PG 1, LN 16A | 2,100. | 2,100. | 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 |
|---|---|---|---|---|
| MERRILL LYNCH #676-04H04 | | | | |
| ANNUAL FEE | 150. | 150. | 0. | 0. |
| FILING FEE | 20. | 20. | 0. | 0. |
| TO FORM 990-PF, PG 1, LN 23 | 170. | 170. | 0. | 0. |

FORM 990-PF | OTHER INVESTMENTS | STATEMENT 6

| DESCRIPTION | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
|---|---|---|---|
| ML ACCT #676-04H04-SEE ATTACHED | COST | 3,038,567. | 2,584,249. |
| TOTAL TO FORM 990-PF, PART II, LINE 13 | | 3,038,567. | 2,584,249. |

FORM 990-PF GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR STATEMENT 7

| RECIPIENT NAME AND ADDRESS | RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT | RECIPIENT STATUS | AMOUNT |
|---|---|---|---|
| ALLEN BASS FUND<br>979 SPRUCE STREET WINNETKA, IL<br>60093 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 8,000. |
| CORKSREW SWAWP SANCTUARY<br>375 SANCTUARY ROAD NAPLES, FL<br>34102 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 8,000. |
| FRESHWATER FUTURE<br>PO BOX 2479 PETOSKEY, MI 49770 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| HARBOR INC.<br>PO BOX 37 HARBOR SPRINGS, MI<br>49740 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| HARBOR SPRINGS EDUCATIONAL<br>FOUNDATION<br>PO BOX 844 HARBOR SPRINGS, MI<br>49740 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 2,000. |
| HARBOR SPRINGS HISTORICAL<br>SOCIETY<br>PO BOX 812 HARBOR SPRINGS, MI<br>49740 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| HOSPICE OF LITTLE TRAVERSE BAY<br>ONE HIGHLAND DRIVE PETOSKEY, MI<br>49770 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 300. |
| LAKE SUPERIOR CONSERVANCY &<br>WATERSHED COUNCIL<br>319 LINCOLN PLACE PETOSKEY, MI<br>49770 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 10,000. |

| | | | |
|---|---|---|---|
| LITTLE TRAVERSE BAY HUMANE SOCIETY<br>1300 W CONWAY ROAD HARBOR SPRINGS, MI 49740 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 6,000. |
| LITTLE TRAVERSE CONSERVANCY<br>3264 POWELL ROAD PETOSKEY, MI 49770 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 9,000. |
| MI AUDUBON SOCIETY<br>6011 W ST JOE HWY SUITE 403<br>LANSING, MI 48917 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 200. |
| MICHIGAN ENVIRONMENTAL COUNCIL<br>119 PERE MARQUETTE DR., SUITE 2A<br>LANSING, MI 49812 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 3,000. |
| NATIONAL WILDLIFE FEDERATION<br>1100 WILDLIFE CENTER DRIVE<br>RESTON, VA 20190 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 1,000. |
| NORTHERN MI HOSPITAL FOUNDATION<br>360 CONNABLE AVE;, SUITE 3<br>PETOSKEY, MI 49770 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 2,500. |
| PETOSKEY HARBOR SPRINGS COMM FOUNDATION<br>616 PETOSKEY STREET PETOSKEY, MI 49770 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 1,000. |
| PLANNED PARENTHOOD OF NORTHERN MI<br>1003 SPRING STREEET PETOSKEY, MI 49770 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 1,000. |
| SCENIC MI<br>445 E. MITCHELL STREET<br>PETOSKEY, MI 49770 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 7,000. |
| SEE NORTH<br>PO BOX 844 HARBOR SPRINGS, MI 49740 | GENERAL OPERATING SUPPORT | PUBLIC CHARITY | 50,000. |

| | | | |
|---|---|---|---|
| TIP OF MITT WATERSHED COUNCIL<br>46 BAY STREET PETOSKEY, MI<br>49770 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 4,000. |
| UNITED FUND OF HARBOR SPRINGS<br>PO BOX 36 HARBOR SPRINGS, MI<br>49740 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 500. |
| WHITEFISH POINT BIRD OBSERVATORY<br>6011 W ST JOE HWY SUITE 403<br>LANSING, MI 48917 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| MICHIGAN LAND USE<br>2055 BENZIE BLVD BOX 500<br>BEULAH, MI 49617 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 500. |
| UNIVERSITY OF MICHIGAN<br>500 S STATE STREE SUITE 5000<br>ANN ARBOR, MI 48109 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 5,000. |
| HARBOR SPRINGS STRIVE<br>PO BOX 624 HARBOR SPRINGS, MI<br>49740 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 1,000. |
| NATURE CONSERVANCY<br>4245 N FAIRFAX SUITE 100<br>FAIRFAX, VA 22203 | GENERAL OPERATING<br>SUPPORT | PUBLIC<br>CHARITY | 50. |
| TOTAL TO FORM 990-PF, PART XV, LINE 3A | | | 125,050. |

MPS FOUNDATION 38-3421778

FORM 990-PF GAIN AND LOSS SCHEDULE STATEMENT 8

| Shares | Asset | Aquired | Sold | Price | Basis | Loss |
|---|---|---|---|---|---|---|
| 133.484 | Blackrock Int Val A | 8/4/05 | 3/20/09 | $ 1,806.04 | 3,689.49 | (1,883.45) |
| 821.349 | Blackrock Lg Cap Cor A | 8/4/05 | 3/20/09 | 5,864.43 | 10,841.80 | (4,977.37) |
| 273.435 | Blackrock Fundmntl Grw A | 8/4/05 | 3/20/09 | 3,661.29 | 4,921 83 | (1,260.54) |
| 257.809 | Blackrock Glbl Sm Cap A | 8/4/05 | 3/20/09 | 3,310.27 | 6,375.61 | (3,065.34) |
| 199.041 | Blackrock Basic Value A | 8/4/05 | 3/20/09 | 3,073.19 | 6,421.06 | (3,347.87) |
| 813.822 | Blackrock High Inc Fd A | 8/4/05 | 3/20/09 | 2,433.33 | 4,174 90 | (1,741.57) |
| 258.528 | Blackrock Total Return A | 8/4/05 | 3/20/09 | 2,406.90 | 3,029.94 | (623.04) |
| 217.895 | Blackrock Global Alloc A | 8/4/05 | 3/20/09 | 3,039.64 | 3,712.93 | (673.29) |
| 2,471.487 | Blackrock High Inc Fd A | 8/4/05 | 8/27/09 | 9,663.51 | 12,678.73 | (3,015.22) |
| 2,195.858 | Blackrock High Inc Fd A | 8/4/05 | 8/27/09 | 8,585.80 | 11,264.76 | (2,678.96) |
| 521.715 | Blackrock High Inc Fd A | 8/4/05 | 8/27/09 | 2,039.91 | 2,676.39 | (636.48) |
| 10.907 | Blackrock High Inc Fd A | 8/4/05 | 8/27/09 | 42.65 | 55.94 | (13.29) |
| 2,794.588 | Blackrock Total Return A | 8/4/05 | 8/27/09 | 29,063.72 | 32,752.59 | (3,688.87) |
| 1,264.155 | Blackrock Global Alloc A | 8/4/05 | 8/27/09 | 21,515.92 | 21,541.22 | (25.30) |
| 255.501 | Blackrock Global Alloc A | 8/4/05 | 8/27/09 | 4,348.63 | 4,353.73 | (5.10) |
| 53.967 | Blackrock Glbl Sm Cap A | 8/4/05 | 9/25/09 | 1,000.01 | 1,334.59 | (334.58) |
| 3.681 | Blackrock Int Val A | 8/4/05 | 11/17/09 | 79 14 | 101 74 | (22.60) |
| 365.751 | Blackrock Int Val A | 8/4/05 | 11/19/09 | 7,669 80 | 10,109 35 | (2,439.55) |
| 24 287 | Blackrock Lg Cap Cor A | 8/4/05 | 11/17/09 | 240.68 | 320 57 | (79.89) |
| 2,412 594 | Blackrock Lg Cap Cor A | 8/4/05 | 11/19/09 | 23,378 04 | 31,846 25 | (8,468.21) |
| 414.938 | Blackrock Lg Cap Cor A | 8/4/05 | 11/20/09 | 4,000.00 | 5,477.18 | (1,477.18) |
| 8 020 | Blackrock Fundmntl Grw A | 8/4/05 | 11/17/09 | 152 22 | 144 36 | 7 86 |
| 796 751 | Blackrock Fundmntl Grw A | 8/4/05 | 11/19/09 | 14,835 50 | 14,341.51 | 493.99 |
| 7.274 | Blackrock Glbl Sm Cap A | 8/4/05 | 11/17/09 | 138.79 | 179.88 | (41.09) |
| 722 639 | Blackrock Glbl Sm Cap A | 8/4/05 | 11/19/09 | 13,491.67 | 17,870.86 | (4,379 19) |
| 5 603 | Blackrock Basic Value A | 8/4/05 | 11/17/09 | 129 77 | 180 75 | (50 98) |
| 556 628 | Blackrock Basic Value A | 8/4/05 | 11/19/09 | 12,652 15 | 17,956 82 | (5,304 67) |
| 21.773 | Blackrock High Inc Fd A | 8/4/05 | 11/17/09 | 92 54 | 111 69 | (19.15) |
| 2,162.945 | Blackrock High Inc Fd A | 8/4/05 | 11/19/09 | 9,170.89 | 11,095 91 | (1,925 02) |
| 6.298 | Blackrock Total Return A | 8/4/05 | 11/17/09 | 67 33 | 73 80 | (6 47) |
| 625.692 | Blackrock Total Return A | 8/4/05 | 11/19/09 | 6,669.88 | 7,333.11 | (663.23) |
| 5 447 | Blackrock Global Alloc A | 8/4/05 | 11/17/09 | 98 97 | 92 81 | 6 16 |
| 541.139 | Blackrock Global Alloc A | 8/4/05 | 11/19/09 | 9,756.74 | 9,221.00 | 535 74 |
| TOTAL LONG TERM GAIN | | | | $ 204,479.35 | $ 256,283.10 | $ (51,803.75) |

Online at: **www.mlol.ml.com**

Account Number: 676-04H04
*** * Duplicate Copy * ***

24-Hour Assistance: (800) MERRILL
Access Code: 92-676-04404

**TOTAL MERRILL®**

CURT MANN
DAWDA MANN MULCAHY & SADLER
FAO MPS FOUNDATION
39533 WOODWARD AVE # 200
BLOOMFIELD MI 48304-5103

**Net Portfolio Value:** **$2,584,248.83**

**Your Financial Advisor:**
DICK H TUPPER
250 MONROE AVE NW SUITE 600
GRAND RAPIDS MI 49503
dick_tupper@ml com
(888) 780-1820

# EMA® ACCOUNT

December 01, 2009 - December 31 2009

## ASSETS

| | December 31 | November 30 |
|---|---|---|
| Cash/Money Accounts | 4,493.33 | 103,036 18 |
| Fixed Income | - | - |
| Equities | - | - |
| Mutual Funds | 2,579,755.50 | 2 510,589 48 |
| Options | - | - |
| Other | - | - |
| *Subtotal (Long Portfolio)* | *2,584,248.83* | *2,613,625 66* |
| **TOTAL ASSETS** | **$2,584,248.83** | $2 613,625 66 |

## LIABILITIES

| | | |
|---|---|---|
| Debit Balance | - | - |
| Short Market Value | - | - |
| **TOTAL LIABILITIES** | - | - |
| **NET PORTFOLIO VALUE** | **$2,584,248.83** | $2,613,625 66 |

## CASH FLOW

| | This Statement | Year to Date |
|---|---|---|
| **Opening Cash/Money Accounts** | **$103,036.18** | |
| **CREDITS** | | |
| Funds Received | - | 1.527 00 |
| Electronic Transfers | - | - |
| Other Credits | - | - |
| *Subtotal* | - | *1,527 00* |
| **DEBITS** | | |
| Electronic Transfers | - | - |
| Margin Interest Charged | - | - |
| Other Debits | - | (150.00) |
| Visa Purchases *(debits)* | - | - |
| ATM/Cash Advances | - | - |
| Checks Written/Bill Payment | (98,550.00) | (126,870 00) |
| *Subtotal* | *(98,550.00)* | *(127,020.00)* |
| **Net Cash Flow** | **($98,550.00)** | ($125,493 00) |
| Dividends/Interest Income | 25,978.60 | 51 554 91 |
| Dividend Reinvestments | (25,971.45) | (51 541 25) |
| Security Purchases/Debits | - | (75 260 16) |
| Security Sales/Credits | - | 204 479 35 |
| **Closing Cash/Money Accounts** | **$4,493.33** | |
| Securities You Transferred In/Out | 35.28 | (90 98) |

## YOUR EMA BANK DEPOSIT INTEREST SUMMARY

December 01, 2009 - December 31, 2009

| Money Account Description | Opening Balance | Average Deposit Balance | Current Yield% | Interest on Deposits | Closing Balance |
|---|---|---|---|---|---|
| FIA Card Services, N.A. | 98,503 | 30,137 | .25 | 6.27 | **4,493** |
| Bank of America RI, N A. | 4,532 | 4 239 | .25 | 0.88 | **0** |
| **TOTAL** *ML Bank Deposit Program* | 103,035 | | | 7.15 | **4,493** |

## YOUR EMA ASSETS

| CASH/MONEY ACCOUNTS Description | Quantity | Total Cost Basis | Estimated Market Price | Estimated Market Value | Estimated Annual Income | Est. Annual Yield% |
|---|---|---|---|---|---|---|
| CASH | 0.33 | 0.33 | | **.33** | | |
| ML BANK DEPOSIT PROGRAM | 4.493.00 | 4,493 00 | 1 0000 | **4,493.00** | **11** | .25 |
| **TOTAL** | | 4,493.33 | | **4,493.33** | **11** | 25 |

| MUTUAL FUNDS/CLOSED END FUNDS/UIT Description | Quantity | Total Client Investment | Cumulative Investment Return | Total Cost Basis | Estimated Market Price | Estimated Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Current Yield% |
|---|---|---|---|---|---|---|---|---|---|
| BLACKROCK INTERNATL *VALUE FD A* | 9,358 | 163,903 | 27,280 | 255,164 96 | 20.4300 | **191,183.94** | (63,981 02) | **4,566** | 2.38 |
| *SYMBOL· MDIVX Initial Purchase·08/04/05 .5450 Fractional Share Equity 100%* | | | | *N/A* | *20 4300* | ***11.13*** | *N/A* | ***1*** | *2 38* |
| BLACKROCK LARGE CAP *CORE FD A* | 60,488 | 612,834 | (17,027) | 776,418.35 | 9.8500 | **595,806.80** | (180,611 55) | **6,048** | 1.01 |
| *SYMBOL: MDLRX Initial Purchase 08/04/05 6960 Fractional Share Equity 100%* | | | | *N/A* | *9 8500* | ***6.85*** | *N/A* | ***1*** | *1 01* |
| BLACKROCK FUNDAMENTAL *GROWTH FD INC A* | 20,007 | 356,128 | 29,406 | 360,906 65 | 19.2700 | **385,534.89** | 24,628.24 | **1,781** | 46 |
| *SYMBOL. MDFGX Initial Purchase.08/04/05 .9660 Fractional Share Equity 100%* | | | | *N/A* | *19.2700* | ***18.61*** | *N/A* | ***1*** | *46* |
| BLACKROCK GLOBAL | 18,060 | 250,788 | 101,019 | 434,188.87 | 19.4800 | **351,808.80** | (82,380 07) | | |

# YOUR EMA ASSETS

December 01, 2009 - December 31, 2009

**MUTUAL FUNDS/CLOSED END FUNDS/UIT**

| (continued) Description | Quantity | Total Client Investment | Cumulative Investment Return | Total Cost Basis | Estimated Market Price | Estimated Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Current Yield% |
|---|---|---|---|---|---|---|---|---|---|
| SMALLCAP FD INC A | | | | | | | | | |
| SYMBOL MDGCX Initial Purchase: 08/04/05 | 4240 Fractional Share | | | N/A | 19 4800 | **8.25** | N/A | | |
| Equity 100% | | | | | | | | | |
| BLACKROCK BASIC | 14,158 | 292,041 | 33,875 | 436 032 98 | 23 0200 | **325,917.16** | (110,115 82) | **5,664** | 1 73 |
| VALUE FD INC A | | | | | | | | | |
| SYMBOL MDBAX Initial Purchase 08/04/05 | 4850 Fractional Share | | | N/A | 23 0200 | **11.16** | N/A | **1** | 1 73 |
| Equity 100% | | | | | | | | | |
| BLACKROCK HIGH INCOME | 54,441 | 176,970 | 60,392 | 265 113 31 | 4 3600 | **237,362.76** | (27 750.55) | **18,728** | 7 88 |
| FD A | | | | | | | | | |
| SYMBOL MDHIX Initial Purchase 08/04/05 | 1790 Fractional Share | | | N/A | 4 3600 | **.78** | N/A | **1** | 7 88 |
| Fixed Income 100% | | | | | | | | | |
| BLACKROCK TOTAL RETURN | 15,729 | 138,159 | 27,938 | 180,007.57 | 10 5600 | **166,098.24** | (13,909 33) | **8,431** | 5 07 |
| FUND CL A | | | | | | | | | |
| SYMBOL MDHQX Initial Purchase 08/04/05 | 5810 Fractional Share | | | N/A | 10 5600 | **6.13** | N/A | **1** | 5 07 |
| Fixed Income 100% | | | | | | | | | |
| BLACKROCK GLOBAL | 13,703 | 155,950 | 89,196 | 235.527 33 | 17.8900 | **245,146.67** | 9,619 34 | **4,248** | 1 73 |
| ALLOCATION FD INC A | | | | | | | | | |
| SYMBOL: MDLOX Initial Purchase 08/04/05 | 4900 Fractional Share | | | N/A | 17 8900 | **8.76** | N/A | **1** | 1 73 |
| Fixed Income 39% Equity 61% | | | | | | | | | |
| COLUMBIA MARSICO 21ST | 7,401 | 87,216 | (6.397) | 91.213 50 | 10 9200 | **80,818.92** | (10.394 58) | | |
| CENTURY FD CL C | | | | | | | | | |
| SYMBOL NMYCX Initial Purchase 08/17/06 | 5180 Fractional Share | | | N/A | 10 9200 | **5.65** | N/A | | |
| Equity 100% | | | | | | | | | |
| Subtotal (Fixed Income) | | | | | | 499,078 53 | | | |
| Subtotal (Equities) | | | | | | 2,080,676 97 | | | |

## YOUR EMA ASSETS

December 01, 2009 - December 31, 2009

**MUTUAL FUNDS/CLOSED END FUNDS/UIT**
(continued)

| Description | Quantity | Total Client Investment | Cumulative Investment Return | Total Cost Basis | Estimated Market Price | Estimated Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Current Yield% |
|---|---|---|---|---|---|---|---|---|---|
| **TOTAL** | | | 345,682 | 3,034,573.52 | | **2,579,755.50** | (454,895.34) | **49,473** | 1.92 |

**Total Client Investment:** Cost of shares directly purchased and still held. Does not include shares purchased through reinvestment.
**Cumulative Investment Return:** Estimated Market Value minus Total Client Investment. Cumulative Investment Return is the capital appreciation (depreciation) of all shares purchased, including shares purchased through reinvestment.

**Unrealized Gain or (Loss):** Estimated Market Value minus Total Cost Basis (total cost of shares directly purchased and still held, as well as cost of shares acquired through reinvestment). Provided for Tax Planning purposes only and is not applicable to retirement accounts.
**Initial Purchase:** Date of your initial investment in this fund.

**Market Timing:** Merrill Lynch's policies prohibit mutual fund market timing, which involves the purchase and sale of mutual fund shares within short periods of time with the intention of capturing short-term profits resulting from market volatility. Market timing may result in lower returns for long-term fund shareholders because market timers capture short-term gains that would otherwise pass to all shareholders and due to increased transaction costs and fewer assets for investment due to the need to retain cash to satisfy redemptions.

| LONG PORTFOLIO | Adjusted/Total Cost Basis | Estimated Market Value | Unrealized Gain/(Loss) | Estimated Accrued Interest | Estimated Annual Income | Current Yield% |
|---|---|---|---|---|---|---|
| **TOTAL** | 3,039,066 85 | **2,584,248.83** | (454,895.34) | | **49,484** | 1.91 |

Total values exclude N/A items

## YOUR EMA TRANSACTIONS

**DIVIDENDS/INTEREST INCOME TRANSACTIONS**

| Date | Transaction Type | Quantity | Description | Reinvestment | Income | Income Year To Date |
|---|---|---|---|---|---|---|
| 12/31 | ¤ Bank Interest | | BANK DEPOSIT INTEREST | | 5.15 | |
| | Income Total | | ML BANK DEPOSIT PROGRAM | | 2.00 | |
| | *Subtotal (Taxable Interest)* | | | | 7.15 | 13 66 |
| 12/01 | * Dividend | | BLACKROCK HIGH INCOME FD A PAY DATE 11/30/2009 | | 1,633 29 | |
| 12/01 | Reinvestment | | BLACKROCK HIGH INCOME FD A | (1,633 29) | | |