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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 Argall Hibbs Foundation	A Employer identification number 41-1875159
	Number and street (or P O box number if mail is not delivered to street address) 7512 175th St. E	Room/suite
	City or town, state, and ZIP code Prior Lake MN 55372-9309	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"/> 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"/>
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) ► \$ 439,194 (Part I, column (d) must be on cash basis)	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)

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) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)					
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		17	6	17	
4 Dividends and interest from securities		9,228	9,227	9,228	
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10	Stmt 1				
b Gross sales price for all assets on line 6a		36,366			
7 Capital gain net income (from Part IV, line 2)			-27,858		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns & allowances				0	
b Less Cost of goods sold					0
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)	Stmt 2		-864	-864	
12 Total. Add lines 1 through 11			-19,477	9,233	8,381
13 Compensation of officers, directors, trustees, etc					
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach schedule)	Stmt 3		720		
c Other professional fees (attach schedule)	Stmt 4		2,470		
17 Interest			133		
18 Taxes (attach schedule) (see page 14 of the instructions)	Stmt 5				
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)					
24 Total operating and administrative expenses.					
25 Contributions, gifts, grants paid		3,323	0		0
26 Total expenses and disbursements. Add lines 24 and 25		24,310			24,310
27 Subtract line 26 from line 12		27,633	0	0	24,310
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		-47,110			
c Adjusted net income (if negative, enter -0-)			9,233		8,381

Assets	Part II Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash—non-interest-bearing		2,420	21,252	21,252
	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 (attach schedule) (see page 16 of the instructions)				
	7 Other notes and loans receivable (att schedule) ►				
	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 (attach schedule)	See Stmt 6			
	b Investments—corporate stock (attach schedule)		517,275	451,296	417,942
	c Investments—corporate bonds (attach schedule)				
	11 Investments—land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach sch) ►				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)				
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation (attach sch) ►				
	15 Other assets (describe ►				
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)				
			519,695	472,548	439,194
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 (attach schedule)				
	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 type="checkbox"/>				
	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 ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds			770,415	770,415
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds			-250,720	-297,867
	30 Total net assets or fund balances (see page 17 of the instructions)			519,695	472,548
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)			519,695	472,548

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	519,695
2 Enter amount from Part I, line 27a	2	-47,110
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	472,585
5 Decreases not included in line 2 (itemize) ► See Statement 7	5	37
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	472,548

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 N/A					
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					
b					
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					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the 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	31,092	488,816	0.063607
2007	30,000	629,271	0.047674
2006	29,250	603,980	0.048429
2005	30,750	589,295	0.052181
2004			

2 Total of line 1, column (d)

2 0.211891

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 0.052973

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

4 378,369

5 Multiply line 4 by line 3

5 20,043

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

6 92

7 Add lines 5 and 6

7 20,135

8 Enter qualifying distributions from Part XII, line 4

8 24,310

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 on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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	92
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-)	2	0
3	Add lines 1 and 2	3	92
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	92
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	
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	92
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2010 estimated tax ►	Refunded	► 11

Part VII-A Statements Regarding Activities

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 Yes No

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities. 1b Yes No

1c Did the foundation file Form 1120-POL for this year? 1c Yes No

1d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:
(1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____

1e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____

2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities 2 Yes No

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 Yes No

4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? 4a Yes No

4b If "Yes," has it filed a tax return on Form 990-T for this year? 4b Yes No

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T 5 Yes No

6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either
● By language in the governing instrument, or
● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? 6 Yes No

7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV 7 Yes No

8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► **MN** 8a Yes No

8b 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 Yes No

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 on page 27)? If "Yes," complete Part XIV 9 Yes No

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses 10 Yes No

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 page 20 of the 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 ► N/A	13	<input checked="" type="checkbox"/>
14	The books are in care of ► Margaret Argall 7512 175th St E Located at ► Prior Lake, MN	Telephone no ► 952-447-8210	
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	ZIP+4 ► 55372	► <input type="checkbox"/> 15

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 type="checkbox"/> Yes	<input checked="" 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	N/A	► <input type="checkbox"/> 1b
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	N/A	► <input type="checkbox"/> 1c
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If "Yes," list the years ► 20 , 20 , 20 , 20		
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 page 20 of the instructions)	N/A	► <input type="checkbox"/> 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 ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<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)	N/A	► <input type="checkbox"/> 3b
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
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?	N/A	► <input type="checkbox"/> 4a
			► <input type="checkbox"/> 4b

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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? (see page 22 of the instructions)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	5b
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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6b	X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 (see page 22 of the instructions).

(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
Margaret Argall 7512 175th Street E	Prior Lake MN 55372	Director 2.00	0	0
J Susan Argall Haas 15165 Wood Duck Trail	Prior Lake MN 55372	Director 1.00	0	0
Brian Haas 15165 Wood Duck Trail	Prior Lake MN 55372	Director 1.00	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). 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

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). 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 ►

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 (see page 24 of the instructions)

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 page 24 of the instructions

3

Total. Add lines 1 through 3 ►

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the 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	372,295
b	Average of monthly cash balances	1b	11,836
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	384,131
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	384,131
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	5,762
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	378,369
6	Minimum investment return. Enter 5% of line 5	6	18,918

Part XI Distributable Amount (see page 25 of the 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	
2a	Tax on investment income for 2009 from Part VI, line 5	2a	
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	

Part XII Qualifying Distributions (see page 25 of the 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	24,310
b	Program-related investments—total from Part IX-B	1b	
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	24,310
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 (see page 26 of the instructions)	5	92
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	24,218

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 page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20_____, 20_____, 20_____				24,307
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				
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$ _____				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)				
d Applied to 2009 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				24,307
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
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 XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a	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				►	N/A	
b	Check box to indicate whether the foundation is a private operating foundation described in section				<input checked="" type="checkbox"/> 4942(j)(3) or	<input type="checkbox"/> 4942(j)(5)	
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed						
b	85% of line 2a						
c	Qualifying distributions from Part XII, line 4 for each year listed						
d	Amounts included in line 2c not used directly for active conduct of exempt activities						
e	Qualifying distributions made directly for active conduct of exempt activities						
	Subtract line 2d from line 2c						
3	Complete 3a, b, or c for the alternative test relied upon						
a	"Assets" alternative test—enter						
(1)	Value of all assets						
(2)	Value of assets qualifying under section 4942(j)(3)(B)(i)						
b	"Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed						
c	"Support" alternative test—enter:						
(1)	Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)						
(2)	Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)						
(3)	Largest amount of support from an exempt organization						
(4)	Gross investment income						

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of 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))

N/A

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

N/A2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ► 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 page 28 of the 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

Margaret Argall**7512 175th Street E Prior Lake MN 55372**

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

See Statement 8

c Any submission deadlines:

None

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

None

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year See Statement 9				24,310
Total			► 3a	24,310
b Approved for future payment N/A				
Total			► 3b	
DAA				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See page 28 of the instructions)
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	211110	11	14	6	
4 Dividends and interest from securities	211110	1	14	9,227	
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					-27,858
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b <u>Enterprise Product Partners</u>	211110	-864	14		
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		-852		9,233	-27,858
13 Total. Add line 12, columns (b), (d), and (e)				13	-19,477

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

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

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?

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

- a Transfers from the reporting foundation to a noncharitable exempt organization of
 - (1) Cash
 - (2) Other assets
- b Other transactions
 - (1) Sales of assets to a noncharitable exempt organization
 - (2) Purchases of assets from a noncharitable exempt organization
 - (3) Rental of facilities, equipment, or other assets
 - (4) Reimbursement arrangements
 - (5) Loans or loan guarantees
 - (6) Performance of services or membership or fundraising solicitations
- c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

b. If "Yes," complete the following schedule.

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

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

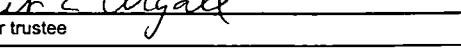
► Margaret E Argall
Signature of officer or trustee

13/17/10

Date _____

Director

Title

<p>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.</p>				
 Sign Here	 Signature of officer or trustee	 3/17/10 Date	 Director Title	
	 Paid Preparer's Use Only	Preparer's signature 	Date 03/13/10	Check if self-employed <input type="checkbox"/> P00227280
Firm's name (or yours if self-employed), address, and ZIP code  Tenney Coons & Associates, LLP 4510 W 77th St Ste 100 Edina, MN 55435-5502			EIN  41-0956806 Phone no 952-921-9504	

41-1875159

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Whom Sold	Description	Date Acquired	Date Sold	How Received		Expense	Depreciation	Net Gain / Loss
				Sale Price	Cost			
Pentair Inc. 1000 sh		6/11/08	7/20/09	\$ 27,453	\$ 34,922	\$		\$ -7,469
Seagate - Merger		3/11/02	9/23/09	Purchase 102				102
Symantec Corp 501 sh		3/11/02	12/07/09	Purchase 8,811	29,302			-20,491
Total				\$ 36,366	\$ 64,224	\$ 0	\$ 0	\$ -27,858

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books		Net Investment Income	Adjusted Net Income
	\$ -864	\$ -864		
Enterprise Product Partners				
Total			\$ 0	\$ -864

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment		Adjusted Net
		\$ 720	\$ 0	
Accounting				
Total				\$ 0

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment		Adjusted Net
		\$ 2,470	\$ 0	
Investment Management fees				
Total				\$ 0

41-1875159

Federal Statements**Statement 5 - Form 990-PF, Part I, Line 18 - Taxes**

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
Minnesota Registration	\$ 25	\$	\$	\$
Federal tax	108			
Total	\$ 133	\$ 0	\$ 0	\$ 0

Federal Statements**Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments**

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Common Stock	\$ 517,275	\$ 451,296	Market	\$ 417,942
Total	\$ 517,275	\$ 451,296		\$ 417,942

Statement 7 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
1231 Losses from K-1 Enterprise Production Partner	\$ 37
Total	\$ 37

Federal Statements

Statement 8 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

Formal letter of request. Only qualifying 501(c)(3) Organizations.

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description

None

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description

None

Federal Statements

Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name	Address	Relationship	Status	Purpose	Amount
Hammer Residence Wayzata MN	None		501 (C) (3)	Endowment Fund	8,310
American Heart Assoc. Minneapolis MN	None		501 (C) (3)	Unrestricted	2,000
American Diabetes Assoc. Minneapolis MN	None		501 (C) (3)	Unrestricted	2,000
American Cancer Society Minneapolis MN	None		501 (C) (3)	Unrestricted	2,000
American Lung Association Minneapolis MN	None		501 (C) (3)	Unrestricted	2,000
Minnesota Zoo Foundation Apple Valley MN	None		501 (C) (3)	Unrestricted	1,000
Animal Humane Society Minneapolis MN	None		501 (C) (3)	Unrestricted	1,000
Mayo Foundation Rochester MN	None		501 (C) (3)	Unrestricted	500
Univ of MN Pediatric Fdn Minneapolis MN	None		501 (C) (3)	Unrestricted	500
Friendship Church Prior Lake MN	None		501 (C) (3)	Unrestricted	2,000
Opportunity Partner Minneapolis MN	None		501 (C) (3)	Unrestricted	500
Courage Center Minneapolis MN	None		501 (C) (3)	Unrestricted	500
ARC Hennepin-Carver Minneapolis MN	None		501 (C) (3)	Unrestricted	1,000
Memorial Sloan Kettering New York NY	None		501 (C) (3)	Unrestricted	500
National Arbor Day Fdn Nebraska City NE	None		501 (C) (3)	Unrestricted	500
Total					<u>24,310</u>