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

2009

Department of the Treasury
Internal Revenue Service

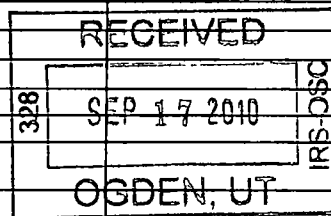
Note The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2009, or tax year beginning , 2009, 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	BLANCHE JOHNSON TRUST MIDWESTONE BANK, TRUSTEE 124 SOUTH FIRST STREET OSKALOOSA, IA 52577		A Employer identification number 42-6613277
			B Telephone number (see the instructions)
H Check type of organization <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input checked="" type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		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"/>	
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 977,145.		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))		(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 (att sch)				
	2 Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	9,341.	9,341.		
	4 Dividends and interest from securities	27,841.	27,841.		
	5a Gross rents	167,960.	167,960.		
	b Net rental income or (loss) 123,506.				
	6a Net gain/(loss) from sale of assets not on line 10	-1,580.			
	b Gross sales price for all assets on line 6a 296,814.				
	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/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	203,562.	205,142.	0.		
ADMINISTRATIVE AND EXPENSES	13 Compensation of officers directors trustees, etc	18,344.	18,344.		
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) SEE ST 1	1,200.	1,200.		
	b Accounting fees (attach sch) SEE ST 2	150.	150.		
	c Other prof fees (attach sch) SEE ST 3	1,990.	1,990.		
	17 Interest				
	18 Taxes (attach schedule) (see instr)				
	19 Depreciation (attach sch) and depletion	12,087.	12,087.		
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
23 Other expenses (attach schedule) SEE STATEMENT 4	32,378.	32,378.			
24 Total operating and administrative expenses. Add lines 13 through 23	66,149.	66,149.			
25 Contributions, gifts, grants paid PART XV	146,135.			146,135.	
26 Total expenses and disbursements. Add lines 24 and 25	212,284.	66,149.	0.	146,135.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-8,722.				
b Net investment income (if negative enter -0-)		138,993.			
c Adjusted net income (if negative, enter -0-)			0.		



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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
ASSETS	1	Cash — non-interest-bearing				
	2	Savings and temporary cash investments		242,068.	168,091.	168,091.
	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 the instructions)				
	7	Other notes and loans receivable (attach sch)				
		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)		61,642.	53,145.	57,295.
	b	Investments — corporate stock (attach schedule)		414,321.	308,157.	295,409.
	c	Investments — corporate bonds (attach schedule)		297,896.	448,764.	456,350.
	11	Investments — land, buildings, and equipment: basis	1,590,027.			
	Less: accumulated depreciation (attach schedule) SEE STMT 5	106,545.	1,455,040.	1,483,482.		
12	Investments — mortgage loans					
13	Investments — other (attach schedule)					
14	Land, buildings, and equipment: basis					
	Less: accumulated depreciation (attach schedule)					
15	Other assets (describe)					
16	Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)		2,470,967.	2,461,639.	977,145.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & 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 FUND ASSETS OR 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 and complete lines 27 through 31.			X		
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		2,470,967.	2,461,639.	
	30	Total net assets or fund balances (see the instructions)		2,470,967.	2,461,639.	
	31	Total liabilities and net assets/fund balances (see the instructions)		2,470,967.	2,461,639.	

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	2,470,967.
2	Enter amount from Part I, line 27a	2	-8,722.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	2,462,245.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 6	5	606.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	2,461,639.

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 shares MLC Company)

(b) How acquired
P — Purchase
D — Donation(c) Date acquired
(month, day, year)(d) Date sold
(month, day, year)

1 a SEE STATEMENT 7

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) Fair Market Value
as of 12/31/69(j) Adjusted basis
as of 12/31/69(k) Excess of column (i)
over column (j), if any(l) Gains (Column (h)
gain minus column (k), but not less
than -0-) or Losses (from column (h))

a

b

c

d

e

2 Capital gain net income or (net capital loss).

If gain, also enter in Part I, line 7
If (loss), enter -0- in Part I, line 7

2

-1,580.

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 the instructions). If (loss), enter -0-
in Part I, line 8

3

0.

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.)

N/A

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 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 (column (b) divided by column (c))
2008			
2007			
2006			
2005			
2004			

2 Total of line 1, column (d)

2

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

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

4

5 Multiply line 4 by line 3

5

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

6

7 Add lines 5 and 6

7

8 Enter qualifying distributions from Part XII, line 4

8

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 the instructions)

1 a 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 instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	2,780.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (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	2,780.
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	2,780.
6 Credits/Payments:			
a 2009 estimated tax pmts 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		0.
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		83.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		2,928.
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		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?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) N/A		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If 'Yes,' complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses.		X

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Part VII-A Statements Regarding Activities Continued

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>MIDWESTONE BANK, TRUSTEE</u> Telephone no <u></u> Located at <u>124 SOUTH FIRST STREET OSKALOOSA IA</u> ZIP + 4 <u>52577</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input checked="" type="checkbox"/> <u>0</u> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			

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
1 a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	X
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?	1 c	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
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 the instructions)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3 a 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)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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?	4 b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?N/A ☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No

6b X

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

If 'Yes' to 6b, file Form 8870

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

7b N/A

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see 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
MIDWESTONE BANK 124 SOUTH FIRST STREET OSKALOOSA, IA 52577	TRUSTEE 4.00	18,344.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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

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	1,099,839.
b Average of monthly cash balances	1b	123,578.
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	1,223,417.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	3,418,535.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	1,223,417.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	18,351.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,205,066.
6 Minimum investment return. Enter 5% of line 5	6	60,253.

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	60,253.
2a Tax on investment income for 2009 from Part VI, line 5	2a	2,780.
b Income tax for 2009. (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	2,780.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	57,473.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	57,473.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	57,473.

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	146,135.
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	146,135.
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 instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	146,135.

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				57,473.
2 Undistributed income, if any, as of the end of 2009.				
a Enter amount for 2008 only			0.	
b Total for prior years. 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 146,135.				
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				57,473.
e Remaining amount distributed out of corpus	88,662.			
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	88,662.			
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 instructions.			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) (see instructions)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	88,662.			
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	88,662.			

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year WILLIAM PENN UNIVERSITY NORTH MARKET & TRUEBLOOD AVE OSKALOOSA, IA 52577	NONE	501C3	ANNUAL DISTRIBUTION OF INCOME AS REQUIRED BY TRUST DOCUMENT	146,135.
Total			3a	146,135.
b Approved for future payment				
Total			3b	

2009

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BLANCHE JOHNSON TRUST
MIDWESTONE BANK, TRUSTEE

42-6613277

STATEMENT 1
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ATTORNEY FEES	\$ 1,200.	\$ 1,200.		
TOTAL	<u>\$ 1,200.</u>	<u>\$ 1,200.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION	\$ 150.	\$ 150.		
TOTAL	<u>\$ 150.</u>	<u>\$ 150.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
APPRAISAL	\$ 1,820.	\$ 1,820.		
COURT COSTS	170.	170.		
TOTAL	<u>\$ 1,990.</u>	<u>\$ 1,990.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEE	\$ 11.	\$ 11.		
RENTAL EXPENSES	32,367.	32,367.		
TOTAL	<u>\$ 32,378.</u>	<u>\$ 32,378.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

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STATEMENT 5
FORM 990-PF, PART II, LINE 11
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
BUILDINGS	\$ 252,429.	\$ 71,905.	\$ 180,524.	\$ 0.
IMPROVEMENTS	47,180.	34,640.	12,540.	0.
LAND	1,290,418.		1,290,418.	0.
TOTAL	<u>\$ 1,590,027.</u>	<u>\$ 106,545.</u>	<u>\$ 1,483,482.</u>	<u>\$ 0.</u>

STATEMENT 6
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

CORRECTION TO BOOK BASIS		
	TOTAL	<u>\$ 606.</u>
		<u>\$ 606.</u>

STATEMENT 7
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	BOND FUND OF AMER	PURCHASED	9/26/2008	4/21/2009
2	DODGE & COX INC FD	PURCHASED	6/27/2008	1/14/2009
3	FMLMC 5%	PURCHASED	6/30/2009	8/17/2009
4	FHLMC 5%	PURCHASED	6/30/2009	9/15/2009
5	FHLMC 5%	PURCHASED	6/30/2009	11/16/2009
6	FHLMC 5%	PURCHASED	6/30/2009	12/15/2009
7	FEDERATED MDT SER	PURCHASED	4/23/2009	7/17/2009
8	FEDERATED MORTGAGE FD	PURCHASED	1/14/2009	4/23/2009
9	VANGUARD SHORT TERM	PURCHASED	1/14/2009	4/23/2009
10	VANGUARD INFLATION PROTECTED	PURCHASED	1/14/2009	10/09/2009
11	VANGUARD INFLATION PROTECTED	PURCHASED	1/26/2009	10/09/2009
12	BOND FUND OF AMER	PURCHASED	11/02/1998	4/21/2009
13	DODGE & COX INC FD	PURCHASED	5/12/2004	1/14/2009
14	DUKE ENERGY CORP	PURCHASED	9/26/2006	4/21/2009
15	EXXON MOBIL CORP COM	PURCHASED	1/01/2001	4/21/2009
16	FEDERAL HOME LOAN BKS	PURCHASED	12/08/2004	2/05/2009
17	FEDERAL HOME LOAN BKS	PURCHASED	12/08/2004	12/02/2009
18	JOHNSON & JOHNSON	PURCHASED	6/15/2004	4/21/2009
19	MCDONALDS CORP	PURCHASED	1/01/2001	4/21/2009
20	PEPSICO	PURCHASED	1/01/2001	4/21/2009
21	VERIZON VA INC	PURCHASED	4/08/2003	8/28/2009
22	CAPITAL GAIN DIVIDENDS			

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	678.		770.	-92.				\$ -92.
2	3,151.		3,102.	49.				49.
3	1,672.		1,672.	0.				0.
4	541.		541.	0.				0.
5	715.		715.	0.				0.

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STATEMENT 7 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
6	1,184.		1,184.	0.				\$ 0.
7	3,669.		3,417.	252.				252.
8	2,769.		2,758.	11.				11.
9	1,874.		1,861.	13.				13.
10	6,249.		5,853.	396.				396.
11	620.		573.	47.				47.
12	39,667.		50,000.	-10,333.				-10,333.
13	70,832.		75,000.	-4,168.				-4,168.
14	3,445.		4,350.	-905.				-905.
15	16,525.		10,625.	5,900.				5,900.
16	25,000.		25,210.	-210.				-210.
17	15,000.		15,182.	-182.				-182.
18	32,185.		34,831.	-2,646.				-2,646.
19	22,244.		16,425.	5,819.				5,819.
20	9,850.		7,225.	2,625.				2,625.
21	37,925.		37,100.	825.				825.
22								1,019.
							TOTAL	\$ -1,580.

STATEMENT 8
FORM 990-PF, PART VI, LINE 9
TAX DUE

TAX DUE	\$	2,863.
LATE PAYMENT PENALTY		56.
LATE INTEREST		9.
TOTAL	\$	2,928.

BLANCHE JOHNSON TRUST
MIDWESTONE BANK, TRUSTEE

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PART X, LINE 1E
DISCOUNT TAKEN FOR OTHER ASSETS ON LINE 1C

THE MAJOR ASSET (81% OF ALL ASSETS) OF THIS TRUST IS A GREAT DEAL OF IOWA FARM REAL ESTATE. SUCH REAL ESTATE HAS NO "FAIR MARKET VALUE" INASMUCH AS THE FUNDAMENTAL TRUST DOCUMENT PROHIBITS ANY SALE OR ENCUMBRANCE.

PARAGRAPH III.E. OF THE TRUST READS: "NO FARM PROPERTY FORMING A PART OF MY ESTATE SHALL BE SOLD OR MORTGAGED."

NO IOWA LAWYER WOULD ACCEPT TITLE AS MARKETABLE OR MERCHANTABLE IN THE EVENT OF AN ATTEMPTED SALE. FOR THE SAME TOKEN, NO SMALL PARCELS COULD BE SOLD TO SATISFY NEWLY LEGISLATED TAXES. ALSO, "IOWA FARMS" ARE NOT SOLD BY SMALL PARCELS.

THE IOWA SUPREME COURT HAS CLEARLY STATED THE TESTATOR'S DESIRES ARE SUPREME, AND THAT UNDER THE FACTS OF THIS CASE, THE IOWA SUPREME COURT COULD NOT OR WOULD NOT REQUIRE A SALE. SEE IN THE MATTER OF THE J.O. MCDONOUGH TRUST...THE AMERICAN RED CROSS V. HENRY CHARLES WHITE AND MELVIN JAMES WHITE, TRUSTEES, 252 IOWA 870; 109 N.W.2D 29 (1961).

AS A CONSEQUENCE OF THESE FACTS, AS SPELLED OUT BY THE ATTORNEY FOR THE TRUST, AN 100% MARKETABILITY DISCOUNT IS TAKEN FOR THIS FARM REAL ESTATE.