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 , 2009, and ending , 20

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: LOCKTON FAMILY FOUNDATION

A Employer identification number: 48-1135485

Number and street (or P O box number if mail is not delivered to street address): 444 W. 47TH STREET — Room/suite: 900

B Telephone number (see page 10 of the instructions): (816) 960-9082

City or town, state, and ZIP code: KANSAS CITY,, MO 64112

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 ▶ [ ]

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

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 867,808.

J Accounting method: [X] Cash [ ] Accrual
[ ] 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 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)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ▶ [ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	15.	15.		ATCH 1
	4 Dividends and interest from securities	20,455.	20,172.		ATCH 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-88,346.			
	b Gross sales price for all assets on line 6a 176,008.				
	7 Capital gain net income (from Part IV, line 2)				
	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) (attach schedule)				
	11 Other income (attach schedule)				
	12 **Total.** Add lines 1 through 11	-67,876.	20,187.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule) ATCH 3	2,635.	1,318.	0.	1,318.
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) *	332.	0.		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ATCH 5	6,176.	4,341.		1,835.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	9,143.	5,659.	0.	3,153.
	25 Contributions, gifts, grants paid	0.			0.
	26 **Total expenses and disbursements** Add lines 24 and 25	9,143.	5,659.	0.	3,153.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-77,019.			
	b **Net investment income** (if negative, enter -0-)		14,528.		
	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	12,257.	7,182.	7,182.
	2 Savings and temporary cash investments	15,759.	19,659.	19,659.
	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 (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) ATCH 6	472,927.	618,530.	618,530.
	c Investments - corporate bonds (attach schedule) ATCH 7	193,597.	222,437.	222,437.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	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 the instructions Also, see page 1, item I)	694,540.	867,808.	867,808.
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)			
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 and complete lines 27 through 31. ▶ [X]			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	694,540.	867,808.	
	30 **Total net assets or fund balances** (see page 17 of the instructions)	694,540.	867,808.	
	31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	694,540.	867,808.	

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	694,540.
2	Enter amount from Part I, line 27a	2	-77,019.
3	Other increases not included in line 2 (itemize) ▶ ATTACHMENT 8	3	250,287.
4	Add lines 1, 2, and 3	4	867,808.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	867,808.

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 PART IV SCHEDULE			
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) 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				
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** -88,346.

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	272,638.	1,132,612.	0.240716
2007	3,845.	1,265,934.	0.003037
2006	648.	378,754.	0.001711
2005	1,633,427.	1,352,515.	1.207696
2004	687,364.	809,385.	0.849242

2	**Total** of line 1, column (d)	2	2.302402
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	0.460480
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	732,229.
5	Multiply line 4 by line 3	5	337,177.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	145.
7	Add lines 5 and 6	7	337,322.
8	Enter qualifying distributions from Part XII, line 4	8	3,153.

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 ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ____________ (attach copy of ruling 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	291.
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	
3	Add lines 1 and 2			3	291.
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	291.
6	Credits/Payments				
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	1,668.		
b	Exempt foreign organizations-tax withheld at source	6b	0.		
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	1,668.
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	1,377.
11	Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶ 1,377. **Refunded** ▶			11	

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 page 19 of the 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 (1) On the foundation ▶ $ ________ (2) On foundation managers ▶ $ ________			
e	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		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?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *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 • 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		
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	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ MO,			
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 on page 27)? *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 page 20 of the 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 ▶ CHERYL L. WILLIAMS Telephone no ▶ 816-960-9082

Located at ▶ 444 W. 47TH ST. SUITE 900 KANSAS CITY, MO ZIP + 4 ▶ 64112

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

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)?		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		
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 page 20 of the instructions.)		2b		X
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.)*		3b		X
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	☒ 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 page 22 of the 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 page 22 of the instructions)?			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? *If "Yes," attach the statement required by Regulations section 53 4945-5(d)*	☐ Yes	☐ No		
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes	☒ No		
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? *If "Yes" to 6b, file Form 8870*			6b	X
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No		
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?			7b	X

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
ATTACHMENT 9		0.	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		0.	0.	0.

Total number of other employees paid over $50,000 ▶ NONE

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		0.

Total number of others receiving over $50,000 for professional services . . . ▶ NONE

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 23 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 NONE	0.
2	
All other program-related investments See page 24 of the instructions	
3 NONE	0.
Total. Add lines 1 through 3 . . . ▶	0.

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	724,794.
b	Average of monthly cash balances	1b	18,586.
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	743,380.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	743,380.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	11,151.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	732,229.
6	**Minimum investment return.** Enter 5% of line 5	6	36,611.

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	36,611.
2a	Tax on investment income for 2009 from Part VI, line 5	2a 291.		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	291.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	36,320.
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	36,320.
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	36,320.

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	3,153.
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	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	3,153.
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	N/A
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	3,153.

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					36,320.
2 Undistributed income, if any, as of the end of 2009					
a Enter amount for 2008 only					
b Total for prior years 20 07 ,20 06 ,20 05			0.		
3 Excess distributions carryover, if any, to 2009					
a From 2004	598,266.				
b From 2005	1,566,487.				
c From 2006					
d From 2007					
e From 2008	216,478.				
f **Total** of lines 3a through e		2,381,231.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 3,153.					
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) ATTACHMENT 10		3,153.			
d Applied to 2009 distributable amount					
e Remaining amount distributed out of corpus		0.			
5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		36,320.			36,320.
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		2,348,064.			
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					
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions			0.		
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					
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)		561,946.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a		1,786,118.			
10 Analysis of line 9					
a Excess from 2005	1,566,487.				
b Excess from 2006					
c Excess from 2007					
d Excess from 2008	216,478.				
e Excess from 2009	3,153.				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

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 . . . . ▶

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			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
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/A

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 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

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 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* NONE				0.
Total . . . . ▶ **3a**				0.
b *Approved for future payment* NONE				0.
Total . . . . ▶ **3b**				0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	15.	
4 Dividends and interest from securities			14	20,455.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	-88,346.	
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)				-67,876.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 -67,876.

(See worksheet in line 13 instructions on page 28 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) (See page 29 of the instructions)
	N/A

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
	0.		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

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

Cheryl L. Williams | 5-10-10 | Trustee

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	[signature]	Date 5-5-10	Check if self-employed ☐
Preparer's identifying number (See **Signature** on page 30 of the instructions)	P00731634		
Firm's name (or yours if self-employed), address, and ZIP code	JMW & ASSOCIATES, LLC 5700 BROADMOOR ST., SUITE 203 MISSION, KS 66202	EIN ▶ 57-1224592	Phone no 913-499-4920

Form **990-PF** (2009)

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		SMITH BARNEY - SEE STMT A					VARIOUS	VARIOUS
29,631.		30,039.					-408.	
		SMITH BARNEY - SEE STMT A					VARIOUS	VARIOUS
146,377.		234,315.					-87,938.	
TOTAL GAIN(LOSS)							-88,346.	

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
COMMERCE BANK	15.	15.
TOTAL	15.	15.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
SMITH BARNEY - 0776C	20,172.	20,172.
SMITH BARNEY - 0776C - NON-TAXABLE DIV	283.	0.
TOTAL	20,455.	20,172.

ATTACHMENT 3

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
JMW & ASSOCIATES	2,635.	1,318.		1,318.
TOTALS	2,635.	1,318.	0.	1,318.

ATTACHMENT 4

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES PAID	332.	0.
TOTALS	332.	0.

ATTACHMENT 5

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
CONSULTING/ADVISORY FEES	4,341.	4,341.	
WEB HOSTING FEE	1,835.	0.	1,835.
TOTALS	6,176.	4,341.	1,835.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 6

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
SMITH BARNEY 0776C - SEE STMT B	472,927.	618,530.	618,530.
TOTALS	472,927.	618,530.	618,530.

FORM 990PF, PART II - CORPORATE BONDS

ATTACHMENT 7

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
SMITH BARNEY 0776C - SEE STMT B	193,597.	222,437.	222,437.
TOTALS	193,597.	222,437.	222,437.

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION		AMOUNT
UNREALIZED G/L		250,287.
	TOTAL	250,287.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 9

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CHERYL L. WILLIAMS 5825 OVERHILL MISSION, KS 66205	TRUSTEE 2.00	0.	0.	0.
	GRAND TOTALS	0.	0.	0.

Section 4942(h)(2) Election
as to the Treatment of Qualifying Distributions

Name:	Lockton Family Foundation
Address:	444 W. 47th Street, Suite 900
	Kansas City, MO 64112
Federal ID No.:	48-1135485
Year Ending:	12/31/2009

Pursuant to IRC Section 4942(h)(2) and Regulation 53.4942(a)-3(d)(2), the above referenced foundation hereby elects to treat current-year qualifying distributions in excess of the immediately preceding tax year's undistributed income as being made out of (check one):

________ a. Undistributed income from the tax year(s) ending:

Tax Year	Amount
________	$ ________
________	________
________	________

x b. Corpus. $ 3,153.00

Cheryl L Williams

Cheryl L. Williams, Trustee

Trustee

ATTACHMENT 10

SCHEDULE D (Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2009

Name of estate or trust: LOCKTON FAMILY FOUNDATION

Employer identification number: 48-1135485

Note: *Form 5227 filers need to complete **only** Parts I and II*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

	(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	**(b)** Date acquired (mo , day, yr)	**(c)** Date sold (mo , day, yr)	**(d)** Sales price	**(e)** Cost or other basis (see page 4 of the instructions)	**(f) Gain or (loss) for the entire year** Subtract (e) from (d)
1a						

b	Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	-408.
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4	Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet	4	( )
5	**Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	-408.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

	(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	**(b)** Date acquired (mo , day, yr)	**(c)** Date sold (mo , day, yr)	**(d)** Sales price	**(e)** Cost or other basis (see page 4 of the instructions)	**(f) Gain or (loss) for the entire year** Subtract (e) from (d)
6a						

b	Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-87,938.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9	Capital gain distributions	9	
10	Gain from Form 4797, Part I	10	
11	Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet	11	( )
12	**Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	-87,938.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Part III **Summary of Parts I and II**
Caution: *Read the instructions **before** completing this part.*

			(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			-408.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			-87,938.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			-88,346.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and **do not** complete Part IV If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary*

Part IV **Capital Loss Limitation**

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of
a The loss on line 15, column (3) **or** b $3,000 . . . 16 (3,000)

Note: *If the loss on line 15, column (3), is more than $3,000, **or** if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover*

Part V **Tax Computation Using Maximum Capital Gains Rates**

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero

Caution: *Skip this part and complete the worksheet on page 8 of the instructions if*
- *Either line 14b, col (2) or line 14c, col (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero*

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21	
22	Subtract line 21 from line 20 If zero or less, enter -0-	22	
23	Subtract line 22 from line 17 If zero or less, enter -0-	23	
24	Enter the **smaller** of the amount on line 17 or $2,300	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box ☐ **No.** Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the **smaller** of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (15)	30	
31	Figure the tax on the amount on line 23 Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17 Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	**Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

SCHEDULE D-1 (Form 1041)

Department of the Treasury Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ See instructions for Schedule D (Form 1041).

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

OMB No 1545-0092

2009

Name of estate or trust: LOCKTON FAMILY FOUNDATION

Employer identification number: 48-1135485

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a SMITH BARNEY - SEE STMT A	VARIOUS	VARIOUS	29,631.	30,039.	-408.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . -408.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. Schedule D-1 (Form 1041) 2009

JSA
9F1221 3 000

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side	Employer identification number

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a SMITH BARNEY - SEE STMT A	VARIOUS	VARIOUS	146,377.	234,315.	-87,938.
6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b					-87,938.

MorganStanley SmithBarney

Ref: 00000054 00016718

Private Wealth Management Statement 2009 Year End Summary

THE LOCKTON FAMILY FOUNDATION

Account Number 183-0776C-15 333

2009 YEAR END SUMMARY

Details of Short Term Gain (Loss) 2009

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

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	30	ISHARES BARCLAYS TREAS INFLATION PROTECTED SECS FD	09/19/08	03/17/09	$ 2,961 28	$ 3,132.30	($ 171.02)	
125000060	38	ISHARES RUSSELL 1000 VALUE IND FUND Morgan Stanley Smi th Barney LLC acted as yo	10/29/08	08/21/09	2,021.17	1,977.52		43.65
125000080	119	ISHARES RUSSELL 1000 GROWTH	09/22/08	08/21/09	5,271.56	6,116.24	(844.68)	
	135	INDEX FUND Morgan Stanley Smi th Barney LLC acted as yo	10/29/08		5,980.34	5,243.40		736.94
125000090	176	VANGUARD BD INDEX FD INC TOTAL BD MARKET ETF	09/24/08	03/17/09	13,397.11	13,569 60	(172.49)	
Total					**$ 29,631.46**	**$ 30,039.06**	**($ 1,188.19)**	**$ 780.59**

(407.60)

Details of Long Term Gain (Loss) 2009

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

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	5	ISHARES BARCLAYS TREAS	12/17/07	03/17/09	$ 493.55	$ 522.95	($ 29.40)	
	9	INFLATION PROTECTED SECS FD	02/22/08		888.38	972.00	(83.62)	
125000020	23	ISHARES RUSSELL MIDCAP VALUE	12/17/07	04/17/09	624.20	1,083 00	(458.80)	
	76	INDEX FD	01/18/08		2,062.59	3,176.49	(1,113.90)	
125000030	24	ISHARES RUSSELL MIDCAP GROWTH INDEX FD	07/20/07	03/17/09	682.21	1,420.07	(737.86)	
125000040	43	ISHARES RUSSELL MIDCAP GROWTH INDEX FD	07/20/07	04/17/09	1,440.80	2,544.30	(1,103.50)	
125000050	363	ISHARES RUSSELL 1000 VALUE IND FUND	07/20/07	04/17/09	16,258 35	32,023.68	(15,765 33)	

STATEMENT 4

Ref. 00000054 00016719

MorganStanley SmithBarney

Private Wealth Management Statement
2009 Year End Summary

THE LOCKTON FAMILY FOUNDATION
Account Number 183-0776C-15 333

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

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000060	21	ISHARES RUSSELL 1000 VALUE IND	07/20/07	08/21/09	$ 1,116 96	$ 1 852 61	($ 735 65)	
	38	FUND	09/21/07		2,021 17	3.306 71	(1,285 54)	
	180	Morgan Stanley Smi	12/17/07		9,573 95	14,494 69	(4,920.74)	
	369	th Barney LLC acted as yo	04/14/08		19 626 60	26,984 97	(7,358 37)	
125000070	30	ISHARES RUSSELL 1000 GROWTH INDEX FUND	07/20/07	03/17/09	1,004 76	1,841 70	(836 94)	
125000080	952	ISHARES RUSSELL 1000 GROWTH	07/20/07	08/21/09	42 172 52	58,443 28	(16,270 76)	
	12	INDEX FUND	09/21/07		531 59	737 28	(205.69)	
	240	Morgan Stanley Smi th Barney LLC acted as yo	12/17/07		10 631 73	14,554 97	(3 923 24)	
125000100	45	VANGUARD INTL EQUITY INDEX FD	12/17/07	04/17/09	1 841 35	3 046 89	(1 205 54)	
	139	VANGUARD PACIFIC ETF	01/18/08		5,687 73	8,654 14	(2 966.41)	
125000110	435	VANGUARD INTL EQUITY INDEX FD VANGUARD EUROPEAN ETF	07/20/07	04/17/09	15,155 01	34,156 98	(19 001 97)	
125000120	312	VANGUARD INTL EQUITY INDEX FD VANGUARD EUROPEAN ETF Morgan Stanley Smi th Barney LLC acted as yo	07/20/07	08/21/09	14,563 78	24,498 81	(9,935 03)	
Total					**$ 146,377 23**	**$ 234,315 52**	**($ 87,938.29)**	

2009 YEAR END

STATEMENT A

PORTFOLIO DETAILS

Your holdings are valued using the most current prices available to Citigroup Global Markets Inc. (CGMI). In most cases, these values are as of 12/31/09, but in some cases CGMI's sources are unable to provide timely information. To see the date of the most recent price update, please view your account online at www.smithbarney.com.

Securities purchased or sold are included or excluded in this section as of the trade-date This section may include securities that have not settled as of this statement closing date Please see the "Unsettled Purchases/Sales" section for more information Dividend yield is the estimated annual income, assuming the current dividend, divided by the security's market price at the end of the statement period We do not guarantee the accuracy of the prices reflected on the statement nor do these prices represent levels at which securities can be bought or sold

Please Note: *unrealized gain/(loss) is being shown for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor*

Money fund

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency Although money market funds seek to preserve the value of your investment at $1 00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below $1 00 per share In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders This liquidation process could take up to one month or more During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account

Number of shares	Description	Current value	Accrued dividends	Annualized % dividend yield	Anticipated Income (annualized)
19,659 34	WESTERN ASSET/ CITI U S. TREASURY RESERVES CLASS N	$ 19,659 34		01%	$ 1 96
Total money fund		$ 19,659.34	$ 0.00	01%	$ 1.96

STATEMENT B

Exchange traded & closed end funds

Citi Investment Research & Analysis (CIRA) ratings may be shown for certain closed-end funds All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance Because the research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating CIRA closed-end fund recommendations include an investment rating and a risk rating The Investment Rating code (1,2, 3) is based upon CIRA's expectation of the security's performance relative to its peer group of closed-end funds The Risk Rating (L, M, H or S) represents the fund's expected risk, taking into account the quality and liquidity of the underlying securities, financial leverage and foreign currency exposure Please refer to the end of this statement for a guide describing CIRA ratings

Closed end investment companies are grouped below by portfolio designations Gain/Loss is provided to assist in tax preparation It is not intended to calculate investment returns or performance

Consulting Group Research (CGR) rating codes (FL, AL or NL) may be shown for certain exchange-traded funds Please refer to the "Guide to Investment Ratings" at the end of this statement for a description of these rating codes All research ratings represent the "opinions" of Consulting Group Research and are not representations or guarantees of performance

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
266	ISHARES RUSSELL MIDCAP VALUE	IWS	01/18/08	$ 11,117 73	$ 41 795	$ 36 95	$ 9,828 70	($ 1,289 03) LT		
585	INDEX FD		04/14/08	25,603 50	43.766	36 95	21,615 75	(3,987 75) LT		
201	Equity portfolio		09/19/08	8,761 89	43 591	36 95	7,426 95	(1,334 94) LT		
72	**Rating:** CG RESEARCH AL		09/22/08	3,034 60	42 147	36 95	2,660 40	(374.20) LT		
146			03/17/09	3,236 82	22 17	36 95	5,394 70	2,157 88 ST		
170			08/21/09	5,723 80	33 669	36 95	6,281 50	557 70 ST		
1,440				**57,478.34**	**39.916**		**53,208.00**	**(4,270 34)**	**2.092**	**1,113.12**
54	ISHARES RUSSELL MIDCAP GROWTH	IWP	07/20/07	3,195 16	59 169	45 34	2,448 36	(746 80) LT		
2	INDEX FD		10/19/07	116 50	58 252	45 34	90 68	(25.82) LT		
64	Equity portfolio		12/17/07	3,608 00	56.375	45 34	2,901.76	(706.24) LT		
308	**Rating:** CG RESEARCH AL		01/18/08	15,374 67	49 917	45 34	13,964 72	(1,409 95) LT		
500			04/14/08	25,879 13	51 758	45 34	22,670 00	(3,209 13) LT		
40			09/19/08	1,926 06	48 151	45 34	1,813 60	(112 46) LT		
60			09/22/08	2,830 99	47 183	45 34	2,720 40	(110 59) LT		
162			08/21/09	6,561 00	40 50	45 34	7,345 08	784 08 ST		
1,190				**59,491 51**	**49 993**		**53,954 60**	**(5,536.91)**	**.873**	**471.24**
1,302	ISHARES RUSSELL 1000 VALUE IND	IWD	10/29/08	67,756 08	52 04	57 40	74,734 80	6,978.72 LT		
207	FUND		01/15/09	9,220 82	44 545	57 40	11,881 80	2,660 98 ST		
142	Equity portfolio **Rating:** CG RESEARCH AL		03/17/09	5,489 72	38 66	57 40	8,150 80	2,661 08 ST		
1,651				**82,466 62**	**49 949**		**94,767 40**	**12,300 78**	**2 444**	**2,316.35**
1,623	ISHARES RUSSELL 1000 GROWTH	IWF	10/29/08	63,037 32	38 84	49 85	80,906 55	17,869 23 LT		
165	INDEX FUND		04/17/09	6,288 15	38 11	49 85	8,225 25	1,937 10 ST		
1,788	Equity portfolio **Rating.** CG RESEARCH AL			**69,325 47**	**38.773**		**89,131 80**	**19,806 33**	**1 592**	**1,419 67**

STATEMENT B

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
36	ISHARES TR RUSSELL 2000 VALUE	IWN	07/20/07	$ 2,955 58	$ 82 099	$ 58 04	$ 2,089 44	($ 866 14) LT		
16	INDEX FUND		09/21/07	1,259 36	78 71	58 04	928 64	(330 72) LT		
14	Equity portfolio		10/19/07	1,063 86	75 99	58 04	812 56	(251 30) LT		
53	Rating. CG RESEARCH AL		12/17/07	3,709 79	69 996	58 04	3,076 12	(633 67) LT		
25			01/18/08	1,564 27	62 57	58 04	1,451 00	(113 27) LT		
192			04/14/08	12,656 68	65.92	58 04	11,143 68	(1,513 00) LT		
95			09/19/08	6,946 40	73 12	58 04	5,513.80	(1,432 60) LT		
75			03/17/09	2,719 79	36 263	58 04	4,353 00	1,633 21 ST		
109			04/17/09	4,855 86	44 549	58 04	6,326 36	1,470 50 ST		
272			08/21/09	14,946 35	54 949	58 04	15,786 88	840.53 ST		
887				**52,677 94**	**59.389**		**51,481.48**	**(1,196.46)**	**2.596**	**1,336.71**
142	ISHARES TR RUSSELL 2000 GROWTH	IWO	07/20/07	12,444 57	87 637	68 07	9,665 94	(2,778 63) LT		
13	INDEX FUND		09/21/07	1,121 02	86.232	68 07	884 91	(236.11) LT		
60	Equity portfolio		12/17/07	4,896 21	81 603	68 07	4,084 20	(812 01) LT		
28	Rating. CG RESEARCH AL		01/18/08	2,061 03	73 608	68 07	1,905 96	(155 07) LT		
2			02/22/08	146 23	73 114	68 07	136 14	(10 09) LT		
176			04/14/08	12,920 65	73 412	68 07	11,980 32	(940 33) LT		
125			09/19/08	9,841 56	78 732	68 07	8,508 75	(1,332 81) LT		
29			03/17/09	1,227 36	42 322	68 07	1,974 03	746 67 ST		
98			04/17/09	5,002 87	51 049	68 07	6,670 86	1,667 99 ST		
101			08/21/09	6,322 06	62 594	68 07	6,875 07	553 01 ST		
774				**55,983 56**	**72 33**		**52,686 18**	**(3,297 38)**	**.835**	**440 41**
683	VANGUARD EMERGING MARKETS ETF	VWO	07/20/07	33,654 42	49 274	41 00	28,003 00	(5,651 42) LT		
176	Equity portfolio		12/17/07	8,955 76	50 885	41 00	7,216 00	(1,739 76) LT		
584	Rating. CG RESEARCH AL		01/18/08	27,724 52	47 473	41 00	23,944 00	(3,780 52) LT		
176			09/19/08	6,671 03	37 903	41 00	7,216 00	544 97 LT		
563			10/29/08	12,926 48	22 96	41 00	23,083 00	10,156 52 LT		
5			03/17/09	111 20	22 24	41 00	205 00	93 80 ST		
332			04/17/09	8,957 36	26 98	41 00	13,612.00	4,654 64 ST		
175			08/21/09	6,294 75	35.97	41 00	7,175 00	880 25 ST		
2,694				**105,295 52**	**39 085**		**110,454 00**	**5,158 48**	**1.329**	**1,468 23**
282	VANGUARD INTL EQUITY INDEX FD	VPL	01/18/08	17,557 32	62.26	51 32	14,472.24	(3,085 08) LT		
1	VANGUARD PACIFIC ETF		02/22/08	62 04	62 039	51 32	51.32	(10 72) LT		
22	Equity portfolio		09/22/08	1,203 39	54 699	51 32	1,129 04	(74 35) LT		
3	Rating CG RESEARCH AL		10/29/08	123 20	41 065	51 32	153 96	30 76 LT		

STATEMENT B

Private Wealth Management Statement

December 1 - December 31, 2009

THE LOCKTON FAMILY FOUNDATION   Account number 183-0776C-15 333

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
29	VANGUARD INTL EQUITY INDEX FD	VPL	03/17/09	$ 1,021 57	$ 35 226	$ 51 32	$ 1,488 28	$ 466 71 ST		
133	VANGUARD PACIFIC ETF		08/21/09	6,780 34	50 98	51 32	6,825 56	45 22 ST		
470	Equity portfolio			26,747.86	56.91		24,120.40	(2,627.46)	2.768	667.87
112	VANGUARD INTL EQUITY INDEX FD	VGK	07/20/07	8,794 44	78 521	48 48	5,429 76	(3,364 68) LT		
42	VANGUARD EUROPEAN ETF		09/21/07	3,238 62	77 11	48 48	2,036 16	(1,202 46) LT		
218	Equity portfolio		12/17/07	16,461 16	75 509	48 48	10,568 64	(5,892 52) LT		
31	Rating: CG RESEARCH AL		02/22/08	2,070 04	66 775	48 48	1,502 88	(567.16) LT		
2			09/19/08	117 39	58 696	48 48	96 96	(20 43) LT		
34			09/22/08	1,990 97	58 558	48 48	1,648 32	(342.65) LT		
175			10/29/08	7,120 75	40.69	48 48	8,484 00	1,363 25 LT		
249			03/17/09	7,487 43	30 07	48 48	12,071.52	4,584 09 ST		
863				47,280.80	54.787		41,838.24	(5,442 56)	3.943	1,650.06
1,048	VANGUARD REIT ETF Equity portfolio Rating. CG RESEARCH AL	VNQ	08/21/09	40,851.04	38.98	44 74	46,887.52	6,036.48 ST	5.221	2,448.13
367	ISHARES BARCLAYS TREAS	TIP	09/19/08	38,318 47	104 41	103 90	38,131.30	(187 17) LT		
4	INFLATION PROTECTED SECS FD		09/23/08	415 94	103 984	103 90	415 60	(34) LT		
35	Taxable bond portfolio		04/17/09	3,543 25	101 235	103 90	3,636 50	93 25 ST		
213	Rating: CG RESEARCH AL		08/21/09	21,708 96	101 92	103 90	22,130 70	421 74 ST		
619				63,986 62	103 371		64,314 10	327 48	3 89	2,502.00
1,754	VANGUARD BD INDEX FD INC	BND	09/24/08	135,233 40	77.10	78 59	137,846 86	2,613 46 LT		
202	TOTAL BD MARKET ETF		04/17/09	15,606 52	77 26	78 59	15,875 18	268 66 ST		
56	Taxable bond portfolio		08/21/09	4,405 60	78 671	78 59	4,401 04	(4 56) ST		
2,012	Rating: CG RESEARCH AL			155,245 52	77 16		158,123 08	2,877 56	3 896	6,160.74
Total closed end fund equity allocation							$ 618,529.62			
Total closed end fund taxable bond allocation							$ 222,437.18			
Total exchange traded funds and closed end funds				$ 816,830.80			$ 840,966.80	$ 35,211.01 ST ($ 11,075.01) LT	2.61	$ 21,994.53
Total portfolio value				$ 836,490.14			$ 860,626.14	$ 35,211.01 ST ($ 11,075.01) LT	2.55	$ 21,996.49

STATEMENT B