



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**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 <b>Koch Family Foundation Inc</b>		A Employer identification number <b>52-1859184</b>
	Number and street (or P.O. box number if mail is not delivered to street address)	Room (suite)	B Telephone number (see page 10 of the instructions)
	<b>2661 Riva Road</b>	<b>220</b>	<b>410-573-5720</b>
City or town, state, and ZIP code <b>Annapolis, MD 21401</b>		C If exemption application is pending, check here <input type="checkbox"/>	
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>	
I Fair market value of all assets at end of year (from Part II, col (c), line 16) <b>\$ 279,252.31</b>		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	
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)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (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)	<b>250,000.00</b>			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	<b>382.56</b>	<b>382.56</b>	<b>382.56</b>	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<b>(66,462.97)</b>			
	b Gross sales price for all assets on line 6a <b>157,210.89</b>				
	7 Capital gain net income (from Part IV, line 2)		<b>-0-</b>		
	8 Net short-term capital gain			<b>1472</b>	
	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	<b>183,919.59</b>	<b>382.56</b>	<b>397.28</b>		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	<b>47.99</b>			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	<b>33.47</b>		<b>33.47</b>	
	24 Total operating and administrative expenses. Add lines 13 through 23	<b>61.46</b>		<b>33.47</b>	
	25 Contributions, gifts, grants paid	<b>130,225.00</b>			<b>130,225.00</b>
26 Total expenses and disbursements. Add lines 24 and 25	<b>130,306.46</b>		<b>33.47</b>	<b>130,225.00</b>	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	<b>53,613.13</b>				
b Net investment income (if negative, enter -0-)		<b>382.56</b>			
c Adjusted net income (if negative, enter -0-)			<b>363.81</b>		

**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
<b>Assets</b>	1 Cash—non-interest-bearing . . . . .	1821.08	114.62	114.62
	2 Savings and temporary cash investments . . . . .			
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable . . . . .			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions) . . . . .			
	7 Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use . . . . .			
	9 Prepaid expenses and deferred charges . . . . .			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule) . . . . .			
	c Investments—corporate bonds (attach schedule) . . . . .			
	11 Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans . . . . .			
	13 Investments—other (attach schedule) . . . . .	223803.38	279137.69	279137.69
	14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶ )			
	16 <b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I)	225624.46	279252.31	279252.31
<b>Liabilities</b>	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 <b>Total liabilities</b> (add lines 17 through 22)	-0-	-0-	
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/> <b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24 Unrestricted . . . . .			
	25 Temporarily restricted . . . . .			
	26 Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input type="checkbox"/> <b>and complete lines 27 through 31.</b>			
	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	225624.46	279252.31	
	30 <b>Total net assets or fund balances</b> (see page 17 of the instructions) . . . . .	225624.46	279252.31	
	31 <b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions) . . . . .	225624.46	279252.31	

**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	225624.46
2 Enter amount from Part I, line 27a . . . . .	2	53613.13
3 Other increases not included in line 2 (itemize) ▶ <i>SHORT TERM CAPITAL GAIN</i>	3	14.72
4 Add lines 1, 2, and 3 . . . . .	4	279252.31
5 Decreases not included in line 2 (itemize) ▶	5	-0-
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .	6	279252.31

**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			
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	(66462.97)
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	1472

**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	176515.00	151983.15	1.16
2007	174050.00	434360.58	.40
2006	182590.00	562833.91	.32
2005	218858.00	720557.78	.31
2004	194150.00	231880.43	.84

2	Total of line 1, column (d)	2	3.03
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	.60
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	275063.53
5	Multiply line 4 by line 3	5	165038.11
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3.82
7	Add lines 5 and 6	7	165041.93
8	Enter qualifying distributions from Part XII, line 4 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.	8	130225.00

**Part V Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	382
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	-0-
3	Add lines 1 and 2	3	382
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	-0-
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	5	382
6	<b>Credits/Payments:</b>		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	-0-
8	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	-0-
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	382
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	
11	Enter the amount of line 10 to be: <b>Credited to 2010 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	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?		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)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file <b>Form 1120-POL</b> 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. ▶ \$ _____ (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? <i>If "Yes," attach a detailed description of the activities.</i>		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? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a 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 <b>Form 990-T</b> for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		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? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ <u>MARYLAND</u>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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 ▶ GARY W KOCH Telephone no. ▶ 410-573-5720  
 Located at ▶ 2661 Riva Rd. Ste 220 Annapolis MD ZIP+4 ▶ 21401-7364

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. ☐  
 and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	1b	N/A
Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c	N/A
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years ▶ 20 , 20 , 20 , 20		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions.)	2b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20 , 20 , 20 , 20		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)	3b	N/A
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)?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? ☐ 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**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**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
GARY W KOCH 2661 RIVER RD Ste 220 Annapolis MD 21401	President/ Treasurer part time	-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				

**Total** number of other employees paid over \$50,000 ☐ N/A

**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

Total number of others receiving over \$50,000 for professional services ▶ N/A**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 NONE	
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments. See page 24 of the instructions	
3	

Total. Add lines 1 through 3 ▶ N/A



**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	279252.31
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see page 24 of the instructions)	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	279252.31
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	
3	Subtract line 2 from line 1d	3	279252.31
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	4188.78
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	275063.53
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	13753.17

**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	13753.17
2a	Tax on investment income for 2009 from Part VI, line 5	2a	3.82
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	3.82
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	13749.35
4	Recoveries of amounts treated as qualifying distributions	4	-0-
5	Add lines 3 and 4	5	13749.35
6	Deduction from distributable amount (see page 25 of the instructions)	6	-0-
7	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	13749.35

**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	130225.00
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	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	130225.00
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	
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	130225.00

**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				13749.35
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	182275.96			
b From 2005	182940.61			
c From 2006	154910.02			
d From 2007	153854.24			
e From 2008	168963.83			
f Total of lines 3a through e	842944.66			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 130225.00				
a Applied to 2008, but not more than line 2a			-0-	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		-0-		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	-0-			
d Applied to 2009 distributable amount				13749.35
e Remaining amount distributed out of corpus	116475.65			
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	959420.31			
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 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			-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 page 27 of the instructions)	-0-			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	182275.96			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	777144.35			
10 Analysis of line 9:				
a Excess from 2005	182940.61			
b Excess from 2006	154910.02			
c Excess from 2007	153854.24			
d Excess from 2008	168963.83			
e Excess from 2009	116475.65			

**Part XIV Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9)

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling . . . . . **N/A**

**b** Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test—enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> "Support" alternative test—enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> 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).)

**GARY W KOCH**

**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 ☐ 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: **410-573-5720**

**GARY W KOCH 2661 RIVA RD STE 220 ANNAPOLIS MD 21401**

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

**Letter**

**c** Any submission deadlines:

**ongoing**

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

**See attachment**

**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
<div style="position: relative; height: 485px;"> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%) rotate(-45deg); font-size: 2em;">See attachment</div> </div>				
<b>Total</b>			▶ 3a	130225.00
<b>b Approved for future payment</b>				
<b>Total</b>			▶ 3b	N/A




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

- |          |  |       |            |           |
|----------|--|-------|------------|-----------|
| <b>1</b> | 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?  |       | <b>Yes</b> | <b>No</b> |
|          |  |       |            |           |
| <b>a</b> | Transfers from the reporting foundation to a noncharitable exempt organization of:   |       |            |           |
|          | (1) Cash   | 1a(1) |            | X         |
|          | (2) Other assets   | 1a(2) |            | X         |
| <b>b</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         |
| <b>c</b> | Sharing of facilities, equipment, mailing lists, other assets, or paid employees   | 1c    |            | X         |
| <b>d</b> | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. |       |            |           |




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

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

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

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.

**Sign Here**

Signature of officer or trustee 		Date 4-16-10		Title President	
Paid Preparer's Use Only	Preparer's signature 		Date		Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP code			Preparer's identifying number (see <b>Signature</b> on page 30 of the instructions)	
				EIN 	
				Phone no	

**KOCH FAMILY FOUNDATION, INC.**

**#52-1859184**

**2661 Riva Road, Suite 220  
Annapolis, Maryland 21401**

**Schedule of Contributions  
Form 990PF-Part 1 – Line 1  
December 31, 2009**

**Contribution From:**

**Gary W. Koch**

**12/31/09**

**\$ 250,000.00**

**#213-64-1497**

**1047 Trails End Road**

**Pasadena, MD 21122**

**KOCH FAMILY FOUNDATION, INC.**

**#52-1859184**

**2661 Riva Road, Suite 220**

**Annapolis, Maryland 21401**

**Schedule of Other Expenses**

**Form 990PF – Part 1 – Line 23**

**December 31, 2009**

**Bank Service Charges**

**\$ 33.47**



**KOCH FAMILY FOUNDATION, INC.**

**#52-1859184**

**2661 Riva Road, Suite 220**

**Annapolis, Maryland 21401**

**Schedule of Investments-Other**

**Form 990PF – Part II – Line 13**

**December 31, 2009**

Investments

Book Value

Market Value

Merrill Lynch  
Money Fund

\$279,137.69

\$279,137.69

**KOCH FAMILY FOUNDATION, INC.**

**#52-1859184**

**2661 Riva Road, Suite 220**

**Annapolis, Maryland 21401**

**Schedule of Supplementary Information**

**Form 990PF – Part XV 2(d)**

**December 31, 2009**

The Koch Family Foundation, Inc. will limit the benefits (i.e., financial support) it provides to those organizations described in Section 509(a)(1), (2) and (3) of the Internal Revenue Code which are engaged in charitable, scientific, literary and/or education activities.

**KOCH FAMILY FOUNDATION, INC.**  
**#52-1859184**  
**2661 Riva Road, Suite 220**  
**Annapolis, MD 21401**  
**Schedule of Grants and Contributions**  
**Form 990PF - Part XV - Line 3(a)**  
**December 31,2009**

<u>Name and Address</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
Tabor Academy Marion, MA 02738-1581	Charitable Support	\$ 10,000.00
Old Otterbein Church 112 W. Conway St. Baltimore, MD 21201	Charitable Support	\$ 250 00
ALS Association 7507 Standish Place Rockville, MD 20855	Charitable Support	\$ 100.00
Ronald McDonald House 635 E. Lexington Street Baltimore, MD 21203	Charitable Support	\$ 50.00
St. Jude's Children's Research Hospital P.O. Box 50 Memphis, TN 38101	Charitable Support	\$ 50 00
Maryland Special Olympics 8300 Guilford Road, Suite A Columbia, MD 21046	Charitable Support	\$ 50.00
MD Therapeutic Riding P.O. Box 6477 Annapolis, MD 21401	Charitable Support	\$ 1,000.00
Providence Center Foundation 370 Shore Acres Road Arnold, MD 21012	Charitable Support	\$ 1,550.00
Riva Volunteer Fire Department Riva, MD 21401	Charitable Support	\$ 50.00
SPCA of Anne Arundel County P.O. Box 2471 Annapolis, MD 21403	Charitable Support	\$ 100.00

<u>Name and Address</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
Calvert Animal Welfare League P.O. Box 1660 Prince Frederick, MD 20678	Charitable Support	\$ 100.00
Pan-Massachusetts Challenge Jimmy Fund 77 Fourth Avenue Needham, MA 02494	Charitable Support	\$ 250.00
Hospice of the Chesapeake 445 Defense Highway Annapolis, MD 21401	Charitable Support	\$ 3,800.00
American Heart Association 415 N. Charles Street Baltimore, MD 21203	Charitable Support	\$ 50 00
Partners in Care 6 S. Ritchie Highway Pasadena, MD 21122	Charitable Support	\$ 100 00
Salvation Army 351 Hilltop Lane Annapolis, MD 21403	Charitable Support	\$ 50 00
Arundel Habitat for Humanity 273D Peninsula Farm Road Arnold, MD 21012	Charitable Support	\$ 50 00
The Benedictine School Foundation 14299 Benedictine Lane Ridgely, MD 21660	Charitable Support	\$ 50.00
Jacksonville University Athletics 2800 University Blvd. North Jacksonville, FL 32211	Charitable Support	\$ 250.00
Alzheimer's Foundation of America 322 8th Ave., 7th Floor New York, NY 10001	Charitable Support	\$ 50.00

<u>Name and Address</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
University of Delaware Office of Development - Rees Hall Newark, DE 19716	Charitable Support	\$ 100.00
Gibson Island Country School 5191 Mountain Road Pasadena, MD 21122	Charitable Support	\$ 10,800.00
Severn School 201 Water Street Severna Park, MD 21146	Charitable Support	\$ 100,500.00
American Cancer Society P.O. Box 42825 Baltimore, MD 21284	Charitable Support	\$ 50.00
Folds of Honor Foundation 7030 S. Yale Suite 600 Tulsa, OK 74136	Charitable Support	\$ 200.00
St. John the Evangelist School 669 Ritchie Shighway S.E. Severna Park, MD 21146	Charitable Support	\$ 25.00
Bello Machre 7765 Freetown Road Glen Burnie, MD 21060	Charitable Support	\$ 250.00
Rally for the Cure 20 Westport Rd Box 855 Wilton, CT 06897	Charitable Support	\$ 100.00
Perry Point V.A. Medical Center Perry Point, MD 21902	Charitable Support	\$ 200.00
Florida United Methodist Children's Home 51 Children's Way Enterprise, FL 32725	Charitable Support	\$ 50.00
	<u>Total Contributions</u>	<u>\$ 130,225.00</u>

## YOUR WCMA TRANSACTIONS

PART IV  
CAPITAL GAINS AND LOSSES

December 01, 2009 - December 31, 2009

## REALIZED GAINS/(LOSSES) (continued)

## FOR TAX ON INVESTMENT INCOME

Description	Quantity	Acquired Date	Liquidation Date	Sales Price	Cost Basis	Gains/(Losses) *	
						This Statement	Year to Date
#52-1859184 KOCH FAMILY FOUNDATION INC							
LORD ABBETT TOT RET FD A	29 0000	12/03/07	12/14/09	317 26	303 91	13 35	
LORD ABBETT TOT RET FD A	29 0000	01/02/08	12/14/09	317 26	303 34	13 92	
LORD ABBETT TOT RET FD A	28 0000	02/01/08	12/14/09	306 32	294 56	11 76	
LORD ABBETT TOT RET FD A	23 0000	03/03/08	12/14/09	251 62	239 19	12 43	
LORD ABBETT TOT RET FD A	24 0000	04/01/08	12/14/09	262 56	250 79	11 77	
LORD ABBETT TOT RET FD A	24 0000	05/01/08	12/14/09	262 56	251 76	10 80	
LORD ABBETT TOT RET FD A	25 0000	06/02/08	12/14/09	273 50	260 00	13 50	
LORD ABBETT TOT RET FD A	24 0000	07/01/08	12/14/09	262 56	247 67	14 89	
LORD ABBETT TOT RET FD A	26 0000	08/01/08	12/14/09	284 44	266 23	18 21	
LORD ABBETT TOT RET FD A	27 0000	09/25/08	12/14/09	295 38	277 02	18 36	
LORD ABBETT TOT RET FD A	11 0000	10/01/08	12/14/09	120 34	109 78	10 56	
LORD ABBETT TOT RET FD A	13 0000	10/01/08	12/14/09	142 22	129 74	12 48	
LORD ABBETT TOT RET FD A	22 0000	11/03/08	12/14/09	240 68	207 24	33 44	
LORD ABBETT TOT RET FD A	23 0000	12/01/08	12/14/09	251 62	216 89	34 73	
Subtotal (Long-Term)						(6,476 80)	(6,476 80)
LORD ABBETT TOT RET FD A	18 0000	01/02/09	12/14/09	196 92	176 94	19 98	
LORD ABBETT TOT RET FD A	13 0000	02/02/09	12/14/09	142 22	128 57	13 65	
LORD ABBETT TOT RET FD A	2 0000	03/02/09	12/14/09	21 88	19 42	2 46	
LORD ABBETT TOT RET FD A	2 0000	04/01/09	12/14/09	21 88	19 88	2 00	
LORD ABBETT TOT RET FD A	2 0000	05/01/09	12/14/09	21 88	20 36	1 52	
LORD ABBETT TOT RET FD A	14 0000	06/01/09	12/14/09	153 18	141 86	11 32	
Subtotal (Short-Term)						50 93	50 93
<b>TOTAL</b>				<b>43,305.75</b>	<b>49,731.62</b>	<b>(6,425.87)</b>	<b>(6,425.87)</b>

\* - Excludes transactions for which we have insufficient data

## 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	476	FIDELITY ADVISOR LEVERAGED	03/07/08	01/21/09	\$ 7 71	\$ 17 73	(\$ 10 02)	
	1 456	COMPANY STOCK FD CL C	12/15/08		23 59	23 18		41
	739	CONFIRM #500090210008757	01/02/09		11 98	12 01	( 03)	
125000030	19 064	OPPENHEIMER VALUE FUND CLASS C	12/03/08	01/21/09	259 28	244 97		14 31
		CONFIRM #500090210008997						
125000040	9 981	PRINCIPAL EQUITY INCOME FUND	04/02/08	01/21/09	118 18	180 95	(62 77)	
	15 625	CL C	07/02/08		185 00	267 35	(82 35)	
	10 311	CONFIRM #500090210009151	10/02/08		122 08	168 69	(46 61)	
	21 42		01/05/09		253 63	278 25	(24 62)	
<b>Total</b>					<b>\$ 981 45</b>	<b>\$ 1,193 13</b>	<b>(\$ 226 40)</b>	<b>\$ 14 72</b>

END SUMMARY

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

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000040	2,100 827	PRINCIPAL EQUITY INCOME FUND	01/23/06	01/21/09	\$ 24,873 79	\$ 42,352 67	(\$ 17,478 88)	
	7 333	CL C	03/31/06		86 82	152 53	(65 71)	
	7 04	CONFIRM #500090210009151	06/30/06		83 35	141 65	(58 30)	
	9 037		09/29/06		107 00	194 20	(87 20)	
	7 72		12/07/06		91 40	166 59	(75 19)	
	201 304		12/07/06		2,383 44	4,344 13	(1,960 69)	
	6 187		12/29/06		73 25	134 39	(61 14)	
	6 16		04/03/07		72 93	134 60	(61 67)	
	7 093		07/03/07		83 98	163 36	(79 38)	
	7 36		10/02/07		87 14	170 16	(83 02)	
	112 839		12/10/07		1 336 01	2 357 20	(1,021 19)	
	235 357		12/10/07		2,786 63	4,916 60	(2,129 97)	
	10 737		01/03/08		127 13	218 06	(90 93)	
<b>Total</b>					<b>\$ 112,923 69</b>	<b>\$ 172,734 39</b>	<b>(\$ 59,810 70)</b>	

2009 YEAR END

## Details of Deposits and Withdrawals 2009

This section reflects any deposits or withdrawals made to your account during the year.

