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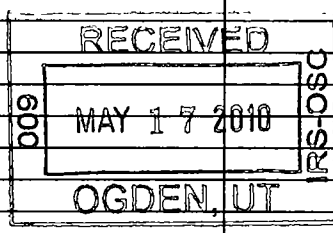
Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

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

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 WILLIAM & RUTH PENDLETON MEMORIAL FUND		A Employer identification number 74-2475483
	U.S. BANK NATIONAL ASSOCIATION 0000 32519100		B Telephone number (see page 10 of the instructions) (602) 257-5435
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	
	P.O. BOX 3168		
City or town, state, and ZIP code PORTLAND, OR 97208			C If exemption application is pending, check here <input type="checkbox"/>
			D 1. Foreign organizations, check here <input type="checkbox"/>
			2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation			E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 3,570,502.			
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)			

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see 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 <input checked="" 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			99,280.	99,280.		
	5a	Gross rents						
	b	Net rental income or (loss)						
	6a	Net gain or (loss) from sale of assets not on line 10			-761,916.			
	b	Gross sales price for all assets on line 6a						
	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						
Operating and Administrative Expenses	b	Less Cost of goods sold						
	c	Gross profit or (loss) (attach schedule)						
	11	Other income (attach schedule)			5,403.			
	12	Total. Add lines 1 through 11			-657,233.	99,280.		
	13	Compensation of officers, directors, trustees, etc.			35,126.	31,613.	0.	3,513.
	14	Other employee salaries and wages						
	15	Pension plans, employee benefits						
	16a	Legal fees (attach schedule)						
	b	Accounting fees (attach schedule) ATCH 2			4,500.	2,250.	0.	2,250.
	c	Other professional fees (attach schedule)						
	17	Interest						
	18	Taxes (attach schedule) (see page 14 of the instructions)						
	19	Depreciation (attach schedule) and depletion						
	20	Occupancy						
	21	Travel, conferences, and meetings						
	22	Printing and publications						
	23	Other expenses (attach schedule)						
	24	Total operating and administrative expenses. Add lines 13 through 23			39,626.	33,863.	0.	5,763.
	25	Contributions, gifts, grants paid			189,700.			189,700.
	26	Total expenses and disbursements. Add lines 24 and 25			229,326.	33,863.	0.	195,463.
	27	Subtract line 26 from line 12:						
	a	Excess of revenue over expenses and disbursements			-886,559.			
	b	Net investment income (if negative, enter -0-)				65,417.		
	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	158,749.	218,365.	218,365.
	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			
	10 a Investments - U S and state government obligations (attach schedule)			
	b Investments - corporate stock (attach schedule) <u>ATCH 3</u>	2,539,962.	1,543,787.	1,949,770.
	c Investments - corporate bonds (attach schedule) <u>ATCH 4</u>	1,315,454.	1,365,454.	1,402,367.
	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)	4,014,165.	3,127,606.	3,570,502.	
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 ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	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	4,014,165.	3,127,606.	
30 Total net assets or fund balances (see page 17 of the instructions)	4,014,165.	3,127,606.		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	4,014,165.	3,127,606.		

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	4,014,165.
2 Enter amount from Part I, line 27a	2	-886,559.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	3,127,606.
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	3,127,606.

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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) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	-761,916.	
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	267,296.	3,965,758.	0.067401
2007	270,791.	4,700,252.	0.057612
2006	252,526.	4,523,738.	0.055822
2005	237,976.	4,421,729.	0.053820
2004	360,642.	4,492,135.	0.080283
2 Total of line 1, column (d)			2 0.314938
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 0.062988
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 3,160,289.
5 Multiply line 4 by line 3			5 199,060.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 654.
7 Add lines 5 and 6			7 199,714.
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			8 195,463.

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of ruling letter if necessary - see instructions)		1	1,308.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b.			
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	1,308.
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	1,308.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a 3,500.		
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	3,500.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached		8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	2,192.
11 Enter the amount of line 10 to be Credited to 2010 estimated tax	1,600. Refunded	11	592.

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (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		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV.	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ARIZONA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see 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 <input type="checkbox"/> N/A				
14 The books are in care of <input type="checkbox"/> US BANK C/O KERRY HALL Telephone no <input type="checkbox"/> 602-257-5443				
Located at <input type="checkbox"/> 101 NORTH 1ST AVENUE #1600 PHOENIX, AZ ZIP + 4 <input type="checkbox"/> 85003				
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.

	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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b	X
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	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If "Yes," list the years <input type="checkbox"/>		
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	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="checkbox"/>		
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	
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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see 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? ☐ 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? ☐ **6b** X

If "Yes" to 6b, file Form 8870

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

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ **7b**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 5		35,126.	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 ☐

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

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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	3,016,487.
b	Average of monthly cash balances	1b	241,543.
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	3,258,030.
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	3,258,030.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) ATTACHMENT 6	4	97,741.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,160,289.
6	Minimum investment return. Enter 5% of line 5	6	158,014.

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	158,014.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	1,308.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,308.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	156,706.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	156,706.
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	156,706.

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	195,463.
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	195,463.
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	195,463.

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				156,706.
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				
3 Excess distributions carryover, if any, to 2009.				
a From 2004 141,927.				
b From 2005 28,020.				
c From 2006 30,911.				
d From 2007 44,553.				
e From 2008 72,254.				
f Total of lines 3a through e	317,665.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 195,463.				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2009 distributable amount				156,706.
e Remaining amount distributed out of corpus	38,757.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	356,422.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010.				NONE
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)	141,927.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	214,495.			
10 Analysis of line 9:				
a Excess from 2005 28,020.				
b Excess from 2006 30,911.				
c Excess from 2007 44,553.				
d Excess from 2008 72,254.				
e Excess from 2009 38,757.				

Form 990-PF (2009)

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)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
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 ☐ 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:

ATTACHMENT 7

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

APPLICATION FOR SUBMISSION SHOULD BE ACQUIRED FROM TRUSTEE

c Any submission deadlines:

SEPTEMBER 30 OF EACH YEAR

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

ATTACHMENT 8

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

<div>Recipient</div> <div>Name and address (home or business)</div>	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 <i>Paid during the year</i> SEE ATTACHED				189,700.
Total.			▶ 3a	189,700.
b <i>Approved for future payment</i>				
Total.			▶ 3b	

Form 990-PF (2009)

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

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				
4 Dividends and interest from securities			14	99,280.
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	-761,916.
9 Net income or (loss) from special events				
10 Gross profit or (loss) from sales of inventory . .				
11 Other revenue: a _____				
b FEDERAL TAX REFUND			01	5,403.
c _____				
d _____				
e _____				
12 Subtotal. Add columns (b), (d), and (e)				-657,233.
13 Total. Add line 12, columns (b), (d), and (e)				-657,233.

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

[illegible]

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)	
147,000.		2100 EXXON MOBILE PROPERTY TYPE: SECURITIES 32,141.				P	08/18/1994 114,859.	03/27/2009
598,689.		77964 1ST AMERICAN LARGE CAP PROPERTY TYPE: SECURITIES 1,181,000.				P	VAR -582,311.	03/27/2009
33,159.		300 GOLDMAN SACHS GR PROPERTY TYPE: SECURITIES 32,670.				P	07/21/2005 489.	03/27/2009
518,593.		13575 ISHARES MSCI EAFE INDEX PROPERTY TYPE: SECURITIES 840,912.				P	VAR -322,319.	03/27/2009
65,130.		1500 SCHLUMBERGER LTD PROPERTY TYPE: SECURITIES 37,927.				P	08/19/1998 27,203.	03/27/2009
163.		NICOR, INC. LITIGATION PROCEEDS PROPERTY TYPE: SECURITIES				P	VAR 163.	08/27/2009
TOTAL GAIN (LOSS)							<u>-761,916.</u>	

ATTACHMENT 1FORM 990PF, PART I - OTHER INCOMEDESCRIPTION

FEDERAL TAX REFUND

REVENUE
AND
EXPENSES
PER BOOKS

5,403.

TOTALS

5,403.

ATTACHMENT 2FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
TAX PREPARATION FEES	4,300.	2,150.		2,150.
TAX SERVICE FEE	200.	100.		100.
TOTALS	<u>4,500.</u>	<u>2,250.</u>	<u>0.</u>	<u>2,250.</u>

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 3

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
BOEING CO. - 500 SHS	33,005.	27,065.
EXXON MOBIL CORP - 400 SHS	6,122.	27,276.
GENERAL DYNAMICS - 500 SHS	28,750.	34,085.
GOLDMAN SACHS GROUP - 200 SHS	21,780.	33,768.
SCHLUMBERGER LTD. - 500 SHS	12,642.	32,545.
UNITED TECH CORP - 550 SHS	26,416.	38,175.
FIRST AM. MID - 28728.396 SHS	350,000.	300,499.
FIRST AM. LG -	0.	0.
ISHS MSCI EAFE - 13575 SHS	0.	0.
ABBOTT LAB - 550 SHS	25,861.	29,695.
AMERICAN TOWER CORP - 800 SHS	25,638.	34,568.
AMGEN - 500 SHS	26,133.	28,285.
APPLE - 250 SHS	26,729.	52,683.
B M C SOFTWARE - 700 SHS	23,435.	28,070.
CVS/CAREMARK - 800 SHS	22,719.	25,768.
CELGENA CORP - 550 SHS	25,055.	30,624.
CISCO SYS - 1200 SHS	20,434.	28,728.
EMERSON ELEC - 800 SHS	23,238.	34,080.
EXELON CORP - 600 SHS	27,377.	29,322.
HOME DEPOT - 1000 SHS	23,558.	28,930.
INTEL CORP - 1300 SHS	20,082.	26,520.
JP MORGAN CHASE - 800 SHS	22,982.	33,336.
MCDONALDS CORP - 500 SHS	27,619.	31,220.
MONSANTO CO - 300 SHS	25,733.	24,525.
ORACLE CORP - 1000 SHS	18,128.	24,530.
PEPSICO - 500 SHS	26,264.	30,400.
PFIZER INC - 1800 SHS	25,340.	32,742.
PROCTOR & GAMBLE - 500 SHS	24,429.	30,315.
QUALCOMM INC - 500 SHS	19,574.	23,130.
SCHWAB CHARLES CORP - 1500 SHS	23,233.	28,230.
ST JUDE MED INC - 700 SHS	26,537.	25,746.

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 3 (CONT'D)

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
TARGET CORP - 700 SHS	23,764.	33,859.
X T O ENERGY INC - 800 SHS	25,525.	37,224.
ACCENTURE PIC - 800 SHS	22,359.	33,200.
ACE LTD - 500 SHS	20,204.	25,200.
WEATHERFORD INT'L - 2000 SHS	23,280.	35,820.
AMER EUROPACIFIC - 8033.665 SH	210,000.	307,770.
1ST AM. SM CAP - 15170.670 SHS	120,000.	176,587.
ISHARES MSCI EMERG - 3500 SHS	89,842.	145,250.
TOTALS	<u>1,543,787.</u>	<u>1,949,770.</u>

FORM 990PF, PART II - CORPORATE BONDS

<u>ATTACHMENT 4</u>	
<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
METLIFE INC	103,297.
HONEYWELL INTL	202,816.
WACHOVIA CORP	100,440.
JP MORGAN CHASE	202,908.
MORGAN STANLEY	97,749.
GOLDMAN SACHS GROUP	102,456.
NATIONAL RURAL UTIL COOP	202,452.
PITNEY BOWES INC	203,336.
FIRST AMER HI INC BOND FD	100,000.
AMERICAN CENTY INTL BD FD	50,000.
TOTALS	<u>1,365,454.</u>
	<u>ENDING FMV</u>
	106,278.
	209,968.
	103,526.
	207,110.
	103,326.
	105,400.
	208,584.
	210,164.
	94,683.
	53,328.
	<u>1,402,367.</u>

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

ATTACHMENT 5

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
WILLIAM A. MILLER P.O. BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER	0.	0.	0.
DONNA BURT P.O. BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER	0.	0.	0.
JANET WILSON P.O. BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER	0.	0.	0.
DON PRIOR P.O. BOX 3168 PORTLAND, OR 97208	COMMITTEE MEMBER	0.	0.	0.
US BANK NATIONAL ASSOCIATION P.O. BOX 3168 PORTLAND, OR 97208	MANAGER 20.00	35,126.	0.	0.
GRAND TOTALS		35,126.	0.	0.

FORM 990PF, PART X - CASH DEEMED HELD FOR CHARITABLE ACTIVITIES EXPL.

THE FUND IS MANAGED BY US BANK, AN INDEPENDENT CORPORATE TRUSTEE. THE BANK'S POLICY IS TO REQUIRE A CASH BALANCE OF APPROXIMATELY 3% OF THE ASSETS IN ORDER TO FUND CHARITABLE GRANTS AND CONTRIBUTIONS. THIS POLICY IS BASED ON A VARIETY OF FACTORS, WHICH INCLUDE THE SIZE OF INDIVIDUAL GRANTS, THE AGGREGATE ANNUAL GRANT REQUIREMENTS, AND THE SIZE OF THE FUND.

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

KERRY HALL/US BANK
101 N. FIRST AVE. STE. 1600
PHOENIX, AZ 85003
602-257-5435

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

IT IS THE TRUSTOR'S STRONG DESIRE THAT INCOME FROM THE FUND BE USED TO
BENEFIT QUALIFIED ORGANIZATIONS FORMED AND OPERATED WITHIN THE STATE
OF ARIZONA WHICH PROVIDE SERVICES AND BENEFITS TO CHILDREN AND THE
ELDERLY.

WM. & R. PENDLETON MEMORIAL FUND

74-2475483

12/31/2009

ATTACHMENT TO 990-PF PART XV LINE 3A

NAME	ADDRESS	RELATIONSHIP	STATUS	PURPOSE	AMOUNT
ABOUT CARE, INC	PO BOX 3278				
SAHUARO GIRL SCOUT COUNCIL, INC	4300 E. BROADWAY BLVD.	CHANDLER, AZ 85244	EXEMPT	GENERAL	7,000
FRIENDS OF SCOTTSDALE PUBLIC LIBRARY	3839 N DRINKWATER BLVD	TUCSON, AZ 85711	EXEMPT	GENERAL	7,500
NEIGHBORS WHO CARE	10450 E. RIGGS ROAD #113	SCOTTSDALE, AZ 85251	EXEMPT	GENERAL	5,000
TSUNAMI ON THE SQUARE	PO BOX 2570	SUN LAKES, AZ 85248	EXEMPT	GENERAL	5,000
SCOTTSDALE CULTURAL COUNCIL	7380 E. SECOND ST	PRESCOTT, AZ 86302	EXEMPT	GENERAL	4,400
PHOENIX SYMPHONY GUILD	5328 W LONE CACTUS DR.	SCOTTSDALE, AZ 85251	EXEMPT	GENERAL	5,000
FAMILY PROMISE	7221 E BELLEVUE ST STE 5	GLENDAL, AZ 85308	EXEMPT	GENERAL	19,250
RAINBOW ACRES	PO BOX 1326	SCOTTSDALE, AZ 85257	EXEMPT	GENERAL	8,000
ROSIE'S HOUSE	PO BOX 13446	CAMP VERDE, AZ 86322	EXEMPT	GENERAL	5,000
MOBILE MEALS OF TUCSON, INC	3003 S COUNTRY CLUB #219	PHOENIX, AZ 85002	EXEMPT	GENERAL	3,000
WASTE NOT, INC	1700 NORTH GRANITE REEF	TUCSON, AZ 85713	EXEMPT	GENERAL	4,000
AREA AGENCY ON AGING	1366 E. THOMAS RD., STE 108	SCOTTSDALE, AZ 85227	EXEMPT	GENERAL	6,550
ARIZONA THEATER COMPANY	P.O. BOX 1631	PHOENIX, AZ 85014	EXEMPT	GENERAL	7,000
ASSISTANCE LEAGUE OF EAST VALLEY	1950 N ARIZONA AVE STE 3	TUCSON, AZ 85702	EXEMPT	GENERAL	5,000
TREMBLE CLEFTS	1206 E HARBOR VIEW DR	CHANDLER, AZ 85225	EXEMPT	GENERAL	5,000
PHOENIX THEATER	100 E. MCDOWELL RD	TEMPE, AZ 85283	EXEMPT	GENERAL	10,000
CIVITAN FOUNDATION, INC	3509 E SHEA BLVD #117	PHOENIX, AZ 85004	EXEMPT	GENERAL	10,000
ARIZONANS FOR CHILDREN	2435 E LA CHOLLA DR	PHOENIX, AZ 85028	EXEMPT	GENERAL	5,000
ASU-FOUNDATION	P.O. BOX 2260	TEMPE, AZ 85282	EXEMPT	GENERAL	5,000
LEUKEMIA FOUNDATION OF AZ	P.O. BOX 5820	TEMPE, AZ 85280	EXEMPT	GENERAL	1,000
PARTNERS FOR PAIUTE NEIGHBORHOOD CTR	6535 E OSBORN RD	PEORIA, AZ 85385	EXEMPT	GENERAL	4,000
INTERFAITH COOPERATIVE MINISTRIES	P.O. BOX 2225	SCOTTSDALE, AZ 85251	EXEMPT	GENERAL	5,000
CHRISTOWN YMCA	5517 N 17TH AVE	PHOENIX, AZ 85002	EXEMPT	GENERAL	5,000
THE WELLNESS COMMUNITY	360 E PALM LANE	PHOENIX, AZ 85015	EXEMPT	GENERAL	12,500
UMOM NEW DAY CENTERS	3320 E VAN BUREN	PHOENIX, AZ 85004	EXEMPT	GENERAL	1,000
CHRISTIAN CARE NURSING CENTER	11812 N 19TH AVE	PHOENIX, AZ 85008	EXEMPT	GENERAL	7,500
GREATER PHOENIX YOUTH AT RISK	1001 E PIERCE STREET	PHOENIX, AZ 85029	EXEMPT	GENERAL	8,000
PEOPLE WHO CARE	P O BOX 12977	PHOENIX, AZ 85004	EXEMPT	GENERAL	3,000
SAVE THE FAMILY FOUNDATION	450 W 4TH PLACE	PRESCOTT, AZ 86304	EXEMPT	GENERAL	10,000
		MESA, AZ 85201	EXEMPT	GENERAL	6,000
TOTAL					189,700