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Return of Private Foundation

OMB No 1545-0052

Department of the Treasury
Internal Revenue Serviceor Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

2009

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

For calendar year 2009, or tax year beginning , and ending

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE MARSHALL R. MATLEY FOUNDATION		A Employer identification number 88-0364211
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite P O BOX 40430		B Telephone number 775-688-7995
	City or town, state, and ZIP code RENO, NV 89504-4430		C If exemption application is pending, check here <input type="checkbox"/>
	H Check type of organization <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input checked="" type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		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) \$ 4,403,513.		J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		1,160.	1,160.		STATEMENT 1
4 Dividends and interest from securities		101,805.	101,805.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<853,443.>			
b Gross sales price for all assets on line 6a		3,444,576.			
7 Capital gain net income (from Part IV, line 2)			0.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		4,615.	2,115.		STATEMENT 3
12 Total. Add lines 1 through 11		<745,863.>	105,080.		
13 Compensation of officers, directors, trustees, etc		43,440.	14,480.		28,960.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees STMT 4		2,200.	2,200.		0.
c Other professional fees STMT 5		38,106.	38,106.		0.
17 Interest					
18 Taxes STMT 6		3,500.	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		87,246.	54,786.		28,960.
25 Contributions, gifts, grants paid		172,000.			172,000.
26 Total expenses and disbursements. Add lines 24 and 25		259,246.	54,786.		200,960.
27 Subtract line 26 from line 12		<1,005,109.>			
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)			50,294.		
c Adjusted net income (if negative, enter -0-)				N/A	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	63,178.	910,576.	910,576.
	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			
	7 Other notes and loans receivable ▶			
	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 STMT 8	392,908.	498,459.	501,548.
	b Investments - corporate stock STMT 9	100,000.	100,000.	100,000.
	c Investments - corporate bonds STMT 10	1,638,685.	1,355,154.	1,374,004.
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 11	3,388,975.	1,719,270.	1,514,952.	
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶ INCOME RECEIVABLE)	7,255.	2,433.	2,433.	
16 Total assets (to be completed by all filers)	5,591,001.	4,585,892.	4,403,513.	
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			
	22 Other liabilities (describe ▶)			
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	10,000.	10,000.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	5,581,001.	4,575,892.		
30 Total net assets or fund balances	5,591,001.	4,585,892.		
31 Total liabilities and net assets/fund balances	5,591,001.	4,585,892.		

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	5,591,001.
2 Enter amount from Part I, line 27a	2	<1,005,109.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	4,585,892.
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	4,585,892.

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 SCHEDULE ATTACHED		P	VARIOUS	VARIOUS
b CAPITAL GAINS DIVIDENDS				
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 3,443,166.		4,298,019.	<854,853.>	
b 1,410.			1,410.	
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV 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			<854,853.>	
b			1,410.	
c				
d				
e				
2 Capital gain net income or (net capital loss)		2		<853,443.>
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		3		N/A

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 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	257,024.	5,319,472.	.048318
2007	441,544.	5,682,170.	.077707
2006	36,071.	5,469,595.	.006595
2005	531,006.	5,182,297.	.102465
2004	8,972.	2,647,678.	.003389

2 Total of line 1, column (d)	2	.238474
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	.047695
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	4,234,292.
5 Multiply line 4 by line 3	5	201,955.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	503.
7 Add lines 5 and 6	7	202,458.
8 Enter qualifying distributions from Part XII, line 4	8	200,960.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	1,006.
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	0.
3 Add lines 1 and 2		3	1,006.
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	1,006.
6 Credits/Payments			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	3,920.	
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	3,920.	
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	2,914.	
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> 1,040. Refunded <input type="checkbox"/>	11	1,874.	

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
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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 <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
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 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	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NV		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► WESTERN NATIONAL TRUST COMPANY Telephone no ► 775-688-7998 Located at ► P O BOX 40430, RENO, NV ZIP+4 ► 89504-4430			
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		0.

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)? Organizations relying on a current notice regarding disaster assistance check here	► <input type="checkbox"/>	1b X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		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 ►		
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 instructions)	N/A	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	►	
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)	N/A	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)?

☐ Yes ☒ No

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

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

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?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

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

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

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

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
ERNEST J. MAUPIN 4785 CAUGHLIN PARKWAY RENO NV 89519	CO-TRUSTEE 2.00	19,548.	0.	0.
DANIEL J. KLAICH 5270 NEIL ROAD RENO NV 89502	CO-TRUSTEE 2.00	23,892.	0.	0.
WESTERN NATIONAL TRUST COMPANY P O BOX 40430 RENO NV 89540	CO-TRUSTEE 2.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	3,922,173.
b	Average of monthly cash balances	1b	376,601.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	4,298,774.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	4,298,774.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	64,482.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,234,292.
6	Minimum investment return. Enter 5% of line 5	6	211,715.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6	1	211,715.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	1,006.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,006.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	210,709.
4	Recoveries of amounts treated as qualifying distributions	4	2,500.
5	Add lines 3 and 4	5	213,209.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	213,209.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	200,960.
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	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	200,960.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	200,960.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				213,209.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007	93,198.			
e From 2008				
f Total of lines 3a through e	93,198.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$	200,960.			
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				200,960.
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))	12,249.			12,249.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	80,949.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see instr			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)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	80,949.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007	80,949.			
d Excess from 2008				
e Excess from 2009				

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
SEE STATEMENT 13				
Total			► 3a	172,000.
b Approved for future payment				
NONE				
Total			► 3b	0.

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. | | |

[illegible]

- 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 <i>A. J. Williams</i>		Date <i>5/12/10</i>		Title <i>Trust Officer</i>	
	Preparer's signature <i>Nik J. J.</i>		Date <i>05/11/10</i>		Check if self-employed <input type="checkbox"/>	
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code KAFOURY, ARMSTRONG & CO. 6140 PLUMAS STREET RENO, NV 89519				Preparer's identifying number P00225248	
					EIN 88-0116396	
				Phone no 775-689-9100		

Tax Worksheet

(01/01/2009 To 12/31/2009)

Tax ID : 88-0364211

Account Name : Marshall R. Matley Foundation

Account Number: 005507

State of Domicile: Nevada

Administrator : Denise De Marco (775) 688-7998

Accountant : Roger Hildahl, CPA

6140 Plumas Street

Reno NV 89509

* * Schedule D * *

Shares/PV	Asset Sold	Date Acquired	How Acq	Date So	Holding Period	Sales Proceeds	Original Cost	Realized Gain/Loss
4,080	Amex Consumer Staples Indx	06/17/2009	P	12/01/2009	Short	110,423.42	93,730.66	16,692.76
11,313.869	Artio Total Return Bond Fund I	04/17/2008	P	03/11/2009	Short	139,500.00	151,605.85	-12,105.85
1,170.832	FairHolme Fund (1950)	07/16/2008	P	03/11/2009	Short	19,880.73	34,200.00	-14,319.27
166.380	FairHolme Fund (1950)	12/17/2008	R	03/11/2009	Short	2,825.13	3,513.95	-688.82
3,724	Health Care Select Sector	03/11/2009	P	12/01/2009	Short	115,528.97	83,236.33	32,292.64
550	Health Care Select Sector	03/11/2009	P	06/17/2009	Short	14,076.74	12,293.23	1,783.51
112	Ishares Barclays TIPS Bond Fund	03/11/2009	P	12/01/2009	Short	16,147.98	14,686.70	1,461.28
866	Ishares DJ US Tech Sec	03/12/2009	P	06/17/2009	Short	38,349.91	29,453.18	8,896.73
2,081	Ishares DJ US Tech Sec	03/12/2009	P	12/01/2009	Short	114,192.83	70,776.06	43,416.77
2,250	Ishares Russell 1000 Growth	04/18/2008	P	03/11/2009	Short	73,163.13	130,007.70	-56,844.57
2,284	Ishares Russell 1000 Growth	04/21/2008	P	03/11/2009	Short	74,268.69	131,544.70	-57,276.01
57	Ishares Russell 1000 Growth	06/12/2008	P	03/11/2009	Short	1,853.47	3,290.90	-1,437.43
652	Ishares Russell 1000 Growth	07/17/2008	P	03/11/2009	Short	21,201.05	35,149.32	-13,948.27
1,200	Ishares S&P 100 Index Fund	04/18/2008	P	03/11/2009	Short	41,806.52	77,232.84	-35,426.32
1,506	Ishares S&P 100 Index Fund	04/21/2008	P	03/11/2009	Short	52,467.18	96,404.93	-43,937.75
150	Ishares S&P 100 Index Fund	06/12/2008	P	03/11/2009	Short	5,225.81	9,261.00	-4,035.19
459	Ishares S&P 100 Index Fund	07/17/2008	P	03/11/2009	Short	15,990.99	26,475.12	-10,484.13
2,709	Ishares S&P 500 Index Fund	03/11/2009	P	12/01/2009	Short	302,357.26	199,951.29	102,405.97
42	Ishares S&P 500 Index Fund	03/11/2009	P	12/01/2009	Short	4,687.71	3,100.02	1,587.69
819	Ishares S&P Global 100	04/18/2008	P	03/11/2009	Short	31,825.43	62,878.73	-31,053.30
354	Ishares S&P Global 100	04/21/2008	P	03/11/2009	Short	13,756.04	27,156.86	-13,400.82
1,076	Ishares S&P Global 100	04/22/2008	P	03/11/2009	Short	41,812.16	82,326.59	-40,514.43
172	Ishares S&P Global 100	06/12/2008	P	03/11/2009	Short	6,683.73	12,506.12	-5,822.39
372	Ishares S&P Global 100	07/17/2008	P	03/11/2009	Short	14,455.50	25,322.76	-10,867.26
708	Ishares S&P Global Energy Sector Index Fund	05/05/2008	P	02/10/2009	Short	20,368.83	34,567.79	-14,198.96
60	Ishares S&P Global Energy Sector Index Fund	06/12/2008	P	02/10/2009	Short	1,726.17	3,015.00	-1,288.83
135	Ishares S&P Global Energy Sector Index Fund	07/17/2008	P	02/10/2009	Short	3,883.89	6,037.65	-2,153.76

Tax Worksheet

(01/01/2009 To 12/31/2009)

Tax ID : 88-0364211

Account Name : Marshall R. Matley Foundation

Account Number : 005507

State of Domicile: Nevada

Administrator : Denise De Marco (775) 688-7998

Accountant : Roger Hildahl, CPA

6140 Plumas Street

Reno NV 89509

424	Ishares S&P Global Materials Index Fund	05/05/2008 P 02/10/2009 Short	16,113.36	35,433.68	-19,320.32
45	Ishares S&P Global Materials Index Fund	06/12/2008 P 02/10/2009 Short	1,710.14	3,727.35	-2,017.21
73	Ishares S&P Global Materials Index Fund	07/17/2008 P 02/10/2009 Short	2,774.23	5,523.18	-2,748.95
533	Ishares S&P Global Utilities Index Fund	05/05/2008 P 02/10/2009 Short	22,741.70	35,065.43	-12,323.73
53	Ishares S&P Global Utilities Index Fund	06/12/2008 P 02/10/2009 Short	2,261.37	3,490.58	-1,229.21
75	Ishares S&P Global Utilities Index Fund	07/17/2008 P 02/10/2009 Short	3,200.05	4,680.75	-1,480.70
1,398	Ishares S&P North American Natural Resources	03/12/2009 P 06/17/2009 Short	39,905.58	30,776.69	9,128.89
3,079	Ishares S&P North American Natural Resources	03/12/2009 P 12/01/2009 Short	107,025.54	67,783.57	39,241.97
7,880.697	Kinetics Paradigm Fund	04/17/2008 P 03/11/2009 Short	91,337.28	212,700.00	-121,362.72
437.262	Kinetics Paradigm Fund	06/12/2008 P 03/11/2009 Short	5,067.87	11,500.00	-6,432.13
1,735.608	Kinetics Paradigm Fund	07/16/2008 P 03/11/2009 Short	20,115.70	40,700.00	-20,584.30
56.650	Kinetics Paradigm Fund	12/30/2008 R 03/11/2009 Short	656.57	800.46	-143.89
4,062.827	Lazard Emerging Mkts Port IN	04/17/2008 P 03/11/2009 Short	38,800.00	96,004.61	-57,204.61
23,267.259	Natixis Lomis Sayles Strategic Inc. Y (1472)	04/17/2008 P 03/11/2009 Short	232,905.26	340,400.00	-107,494.74
828.730	Natixis Lomis Sayles Strategic Inc. Y (1472)	06/12/2008 P 03/11/2009 Short	8,295.59	12,000.00	-3,704.41
2,374.821	Natixis Lomis Sayles Strategic Inc. Y (1472)	07/16/2008 P 03/11/2009 Short	23,771.96	33,200.00	-9,428.04
171.101	Natixis Lomis Sayles Strategic Inc. Y (1472)	12/29/2008 R 03/11/2009 Short	1,712.72	1,770.90	-58.18
36.828	Natixis Lomis Sayles Strategic Inc. Y (1472)	12/29/2008 R 03/11/2009 Short	368.65	381.18	-12.53
10,400.943	PIMCO All Asset Fund Instl(34)	04/17/2008 P 03/11/2009 Short	94,856.60	132,300.00	-37,443.40
481.542	PIMCO All Asset Fund Instl(34)	06/12/2008 P 03/11/2009 Short	4,391.66	6,000.00	-1,608.34
749.396	PIMCO All Asset Fund Instl(34)	07/16/2008 P 03/11/2009 Short	6,834.49	9,300.00	-2,465.51
102.740	Pimco Commodity RR Strat - Cl I (45)	12/10/2008 R 09/03/2009 Short	766.44	605.14	161.30
620.421	Pimco Commodity RR Strat - Cl I (45)	12/10/2008 R 09/03/2009 Short	4,628.34	3,654.28	974.06
5,385.935	Pimco Commodity RR Strat - Cl I (45)	03/12/2009 P 09/03/2009 Short	40,179.07	31,400.00	8,779.07
4,465.753	Pimco Commodity RR Strat - Cl I (45)	06/18/2009 P 09/03/2009 Short	33,314.52	32,600.00	714.52
970.992	PIMCO Global Bd Unhedg-Instl (102)	12/10/2008 R 12/01/2009 Short	9,807.02	7,738.81	2,068.21

Tax Worksheet

(01/01/2009 To 12/31/2009)

Tax ID : 88-0364211

Account Name : Marshall R Matley Foundation

Account Number: 005507

State of Domicile: Nevada

Administrator : Denise De Marco (775) 688-7998

Accountant : Roger Hildahl, CPA

6140 Plumas Street

Reno NV 89509

15,468.278 Pimco Total Return Institutional (35)	04/17/2008 P 03/11/2009 Short	153,600.00	167,676.13	-14,076.13
409.612 Third Avenue Value Fund(440)	04/17/2008 P 03/11/2009 Short	10,899.78	22,500.00	-11,600.22
155.840 Third Avenue Value Fund(440)	06/12/2008 P 03/11/2009 Short	4,146.90	8,300.00	-4,153.10
764.488 Third Avenue Value Fund(440)	07/16/2008 P 03/11/2009 Short	20,343.03	37,200.00	-16,856.97
0.155 Third Avenue Value Fund(440)	12/23/2008 R 03/11/2009 Short	4.12	4.87	-0.75
4,656 Vanguard FTSE All-World Ex-U	03/12/2009 P 12/01/2009 Short	209,584.75	118,467.73	91,117.02
16,850.716 Vanguard Intermed Term Inv Adm Shs(571)	03/12/2009 P 12/01/2009 Short	164,800.00	141,546.01	23,253.99
331 Vanguard REIT Vipers	07/17/2008 P 06/18/2009 Short	10,267.29	19,029.19	-8,761.90
142 Vanguard REIT Vipers	03/12/2009 P 06/18/2009 Short	4,404.70	3,532.58	872.12
849.924 Wintergreen Fund (601)	06/12/2008 P 03/11/2009 Short	6,255.44	11,100.00	-4,844.56
2,237.592 Wintergreen Fund (601)	07/16/2008 P 03/11/2009 Short	16,468.68	27,500.00	-11,031.32
41.876 Wintergreen Fund (601)	12/23/2008 R 03/11/2009 Short	308.21	358.46	-50.25
5,041.619 FairHolme Fund (1950)	11/16/2006 P 03/11/2009 Long	85,606.69	143,232.39	-57,625.70
73.060 FairHolme Fund (1950)	12/14/2006 R 03/11/2009 Long	1,240.56	2,142.84	-902.28
1,579.614 FairHolme Fund (1950)	06/25/2007 P 03/11/2009 Long	26,821.85	49,900.00	-23,078.15
110.724 FairHolme Fund (1950)	12/19/2007 R 03/11/2009 Long	1,880.09	3,464.55	-1,584.46
107.394 FairHolme Fund (1950)	12/19/2007 R 03/11/2009 Long	1,823.55	3,360.37	-1,536.82
1,678 iShares Barclays Aggregate Bond Fund	04/18/2008 P 12/01/2009 Long	176,665.32	170,199.37	6,465.95
652 iShares MSCI Emerging Mkt In	04/18/2008 P 12/01/2009 Long	27,168.21	31,802.13	-4,633.92
1,798.246 Lazard Emerging Mkts Port IN	04/17/2008 P 12/01/2009 Long	32,800.00	42,492.55	-9,692.55
964.713 Pimco Commodity RR Strat - Cl I (45)	01/26/2005 P 09/03/2009 Long	7,196.76	14,528.58	-7,331.82
139.048 Pimco Commodity RR Strat - Cl I (45)	12/14/2005 R 09/03/2009 Long	1,037.30	2,409.70	-1,372.40
138.889 Pimco Commodity RR Strat - Cl I (45)	11/16/2006 P 09/03/2009 Long	1,036.11	2,000.00	-963.89
796.020 Pimco Commodity RR Strat - Cl I (45)	06/25/2007 P 09/03/2009 Long	5,938.31	11,200.00	-5,261.69
2,987.179 PIMCO Developing Local Mkts Fund (1872)	06/25/2007 P 03/11/2009 Long	23,300.00	32,858.97	-9,558.97
4,450.063 PIMCO Global Bd Unhedg-Instl (102)	07/07/2006 P 03/11/2009 Long	35,200.00	43,299.11	-8,099.11
2,601.928 PIMCO Global Bd Unhedg-Instl (102)	07/07/2006 P 12/01/2009 Long	26,279.48	25,316.76	962.72
19.576 PIMCO Global Bd Unhedg-Instl (102)	12/13/2006 R 12/01/2009 Long	197.72	194.39	3.33

Tax Worksheet

(01/01/2009 To 12/31/2009)

Tax ID : 88-0364211

Account Name : Marshall R. Matley Foundation

Account Number: 005507

State of Domicile: Nevada

Administrator : Denise De Marco (775) 688-7998

Accountant : Roger Hildahl, CPA

6140 Plumas Street

Reno NV 89509

547.646 PIMCO Global Bd Unhedg-Instl (102)	12/12/2007 R 12/01/2009 Long	5,531.22	5,536.70	-5.48
882.354 PIMCO Global Bd Unhedg-Instl (102)	06/12/2008 P 12/01/2009 Long	8,911.77	9,000.00	-88.23
285.442 PIMCO Global Bd Unhedg-Instl (102)	07/16/2008 P 12/01/2009 Long	2,882.96	3,000.00	-117.04
1,491.473 Third Avenue Value Fund(440)	07/07/2006 P 03/11/2009 Long	39,688.08	85,700.00	-46,011.92
1,415.871 Third Avenue Value Fund(440)	11/16/2006 P 03/11/2009 Long	37,676.33	86,000.00	-48,323.67
4.632 Third Avenue Value Fund(440)	12/20/2006 R 03/11/2009 Long	123.26	273.27	-150.01
0.399 Third Avenue Value Fund(440)	12/20/2006 R 03/11/2009 Long	10.62	23.55	-12.93
595.592 Third Avenue Value Fund(440)	06/25/2007 P 03/11/2009 Long	15,848.70	38,100.00	-22,251.30
0.234 Third Avenue Value Fund(440)	12/19/2007 R 03/11/2009 Long	6.23	14.02	-7.79
26.653 Third Avenue Value Fund(440)	12/19/2007 R 03/11/2009 Long	709.24	1,596.54	-887.30
1,280 Vanguard REIT Vipers	05/05/2008 P 06/18/2009 Long	39,704.32	86,327.94	-46,623.62
277 Vanguard REIT Vipers	06/12/2008 P 06/18/2009 Long	8,592.26	17,475.93	-8,883.67
15,709.883 Wintergreen Fund (601)	06/25/2007 P 03/11/2009 Long	115,624.74	208,941.45	-93,316.71
78.916 Wintergreen Fund (601)	01/02/2008 R 03/11/2009 Long	580.82	1,151.39	-570.57
		3,443,166.38		-854,852.98
			4,298,019.36	

' denotes Asset may qualify for Five-Year Gain Rule

How Acquired: F - Free Receipt, B - Beginning Inventory, C - Call, G - Gift, L - Payment Made (Liability), P - Purchase, R - Reinvestment, S - Spinoff, U - Undetermined

Gain/Loss Summary :

Short Term GL		Long Term GL	
Gains From Sales :	384,848.50	Gains From Sales :	7,432.00
Losses From Sales :	-848,241.48	Losses From Sales :	-398,892.00
Common Funds :	0.00	Common Funds :	0.00
			0.00
Short Term Gains :	384,848.50	Long Term Gain :	7,432.00
Short Term Losses :	-848,241.48	Long Term Losses :	-398,892.00
Net Short Term G/L :	-463,392.98	Net Long Term G/L :	-391,460.00
Capital Gain Dist :	3,030.68	Capital Gain Dist :	1,409.84

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
SHORT TERM INVESTMENT FUND	1,160.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1,160.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
AMEX CONSUMER STAPLES INDEX	1,451.	0.	1,451.
ARTIO TOTAL RETURN BOND FUND	2,086.	0.	2,086.
ARTIO TOTAL RETURN BOND FUND I	8,094.	0.	8,094.
BLACKROCK GLOBAL	1,584.	0.	1,584.
GOLDMAN SACHS ULTRA SHORT GOVT	60.	0.	60.
HEALTH CARE SELECT SECTOR	1,581.	0.	1,581.
ISHARES BARCLAYS AGGREGATE BOND FUND	23,469.	0.	23,469.
ISHARES BARCLAYS TIPS BOND FUND	2,609.	0.	2,609.
ISHARES DJ US TECH SEC	494.	0.	494.
ISHARES MSCI EMERGING MARKET IN	1,116.	0.	1,116.
ISHARES S&P 500 INDEX FUND	5,916.	0.	5,916.
ISHARES S&P NO AMER NAT RES	536.	0.	536.
LAZARD EMERGING MKTS PORT	1,780.	0.	1,780.
MORGAN STANLEY INSTITUTIONAL FUND	2,313.	0.	2,313.
NATIXIS LOOMIS SAYLES STRATEGIC INC	3,463.	0.	3,463.
PIMCO COMMODITY RR STRAT	1,377.	0.	1,377.
PIMCO DEVELOPING LOCAL MKTS FUND	1,536.	0.	1,536.
PIMCO GLOBAL BD UNHEDG	2,078.	0.	2,078.
PIMCO TOTAL RETURN INSTITUTIONAL	18,286.	778.	17,508.
VANGUARD FTSE ALL-WORLD EX-U	4,276.	0.	4,276.
VANGUARD INTERMED TERM INV INV ADM	13,793.	589.	13,204.
VANGUARD REIT VIPERS	970.	0.	970.
VANGUARD SHORT-TERM BOND ETF	946.	43.	903.
VANGUARD TOTAL STOCK MARKET ETF	3,401.	0.	3,401.
TOTAL TO FM 990-PF, PART I, LN 4	103,215.	1,410.	101,805.

FORM 990-PF	OTHER INCOME	STATEMENT	3
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
SCP CAPITAL II OFFSHORE LTD	1,954.	1,954.	
MISC	161.	161.	
PRIOR YEAR GRANT REFUND	2,500.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	4,615.	2,115.	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
KAFOURY ARMSTRONG & CO	2,200.	2,200.		0.
TO FORM 990-PF, PG 1, LN 16B	2,200.	2,200.		0.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CONTANGO	38,106.	38,106.		0.
TO FORM 990-PF, PG 1, LN 16C	38,106.	38,106.		0.

FORM 990-PF	TAXES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2009 ESTIMATED TAXES	3,500.	0.		0.
TO FORM 990-PF, PG 1, LN 18	3,500.	0.		0.

FOOTNOTES

STATEMENT 7

ADDITIONAL INFORMATION ABOUT TRUSTEES (PART VIII, LINE 1):

WESTERN NATIONAL TRUST COMPANY IS A CO-TRUSTEE OF THE MARSHALL R. MATLEY FOUNDATION. IN ADDITION TO ITS POSITION AS A CO-TRUSTEE, WESTERN NATIONAL TRUST COMPANY PROVIDES INVESTMENT MANAGEMENT SERVICES FOR TRUST INVESTMENTS THROUGH ITS AFFILIATE, CONTANGO CAPITAL ADVISORS. SINCE THE FOUNDATION PAYS CONTANGO FOR INVESTMENT MANAGEMENT (BEGINNING IN EARLY 2005) WESTERN NATIONAL TRUST COMPANY TAKES NO FURTHER COMPENSATION FOR ITS POSITION AS CO-TRUSTEE. THE FEES PAID TO CONTANGO ARE REPORTED ON PART I, LINE 16C OF THIS FORM 990-PF.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT OBLIGATIONS	X		498,459.	501,548.
TOTAL U.S. GOVERNMENT OBLIGATIONS			498,459.	501,548.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			498,459.	501,548.

FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
PREFERRED STOCKS	100,000.	100,000.
TOTAL TO FORM 990-PF, PART II, LINE 10B	100,000.	100,000.

FORM 990-PF	CORPORATE BONDS	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
FIXED INCOME FUNDS	1,355,154.	1,374,004.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,355,154.	1,374,004.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	11
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
EQUITY FUNDS	FMV	719,270.	880,139.
ALTERNATIVES	FMV	1,000,000.	634,813.
COMMODITIES	FMV	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,719,270.	1,514,952.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 12

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTEDTHE MARSHALL R. MATLEY FOUNDATION
P O BOX 40430
RENO, NV 895044430TELEPHONE NUMBER

775-688-7995

FORM AND CONTENT OF APPLICATIONSAPPLICATIONS SHOULD CONTAIN INFORMATION EXPLAINING HOW FUNDS WOULD BE USED,
AND IF RELEVANT, THE BENEFITS PROVIDED TO THE MENTALLY HANDICAPPED BY THE
ORGANIZATIONANY SUBMISSION DEADLINES

NONE

RESTRICTIONS AND LIMITATIONS ON AWARDSTHE APPLICANT MUST BE A PUBLIC CHARITY OR A GOVERNMENTAL ENTITY, AND SHOULD
HAVE AS ITS OBJECTIVE THE MEDICAL CARE, SUPPORT, ASSISTANCE, GUIDANCE AND
EDUCATION OF HANDICAPPED CHILDREN AND ADULTS, WITH EMPHASIS GIVEN TO THE
NEEDS OF MENTALLY HANDICAPPED CHILDREN

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 13

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
KIDS & HORSES THERAPEUTIC RIDING CENTER P O BOX 4236 INCLINE VILLAGE, NV 89450	NONE HORSEBACK RIDING FOR DISABLED PROGRAM	PUBLIC CHARITY	6,000.
MARVIN PICCOLO SCHOOL 900 FOOTHILL ROAD RENO, NV 89511	NONE HORSEBACK RIDING FOR DISABLED PROGRAM	GOVERNMENT ENTITY	6,000.
CITICARE P.O. BOX 7101 RENO, NV 89510	NONE ACCESS TO TRANSPORTATION FOR THE DISABLED	PUBLIC CHARITY	15,000.
UNIVERSITY OF NEVADA RENO FOUNDATION MAIL STOP 007 RENO, NV 89557	NONE RESEARCH PROJECT RE: STEM CELLS AND DIABETES	PUBLIC CHARITY	94,000.
DOUGLAS COUNTY SHERIFF'S SEARCH AND RESCUE P.O. BOX 1306 MINDEN, NV 89423	NONE CARE TRAK PROJECT	GOVERNMENT ENTITY	6,000.
UNIVERSITY OF NEVADA RENO FOUNDATION MAIL STOP 007 RENO, NV 89557	NONE PEOPLE FIRST PROJECT	PUBLIC CHARITY	20,000.
UNIVERSITY OF NEVADA RENO FOUNDATION MAIL STOP 007 RENO, NV 89557	NONE MASTERS DEGREE PROGRAM FOR SPECIAL ED AND DISABILITY STUDIES	PUBLIC CHARITY	25,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			172,000.