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

Department of the Treasury
 Internal Revenue Service

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

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 Azus Foundation Inc	A Employer identification number 95-3386905
	Number and street (or P O box number if mail is not delivered to street address) Room/suite 1567 E 25th St	B Telephone number (see page 10 of the instructions) 818-5084453
	City or town, state, and ZIP code Los Angeles, CA 90011	C If exemption application is pending, check here <input type="checkbox"/>

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

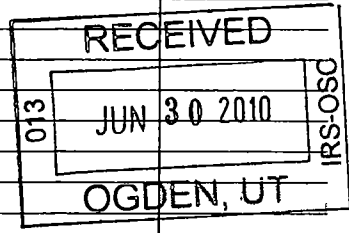
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$

J Accounting method. Cash Accrual Other (specify) _____
 (Part I, column (d) must be on cash basis)

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

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

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)	52026			
	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	21273	21273	21273	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	(24386)			
	b Gross sales price for all assets on line 6a				
	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) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	48913	21273	21273		
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)	1200			
	b Accounting fees (attach schedule)	1934			
	c Other professional fees (attach schedule)	250			
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)	546			
	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	3929	3929	3929	3929
	25 Contributions, gifts, grants paid	295487			295487
26 Total expenses and disbursements. Add lines 24 and 25	299416	3929	3929	299416	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		17344			
c Adjusted net income (if negative, enter -0-)			17344		



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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	308,938	111,798	111,798
	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)	801,570	748,205	635,877
	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 1)	1,110,508	860,003	747,677	
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 ▶ <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	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			
30	Total net assets or fund balances (see page 17 of the instructions)	1,110,508	860,003		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	1,110,508	860,003		

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	1,110,508
2	Enter amount from Part I, line 27a	2	
3	Other increases not included in line 2 (itemize) ▶ Line 17(a) Part I	3	48,913
4	Add lines 1, 2, and 3	4	
5	Decreases not included in line 2 (itemize) ▶ Line 26(a) Part I	5	(299,416)
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	860,003

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	9140 shs MS Primo Income Trust	P	01/08/03	2, 20, 09
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		74 379	(24 386)	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(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		
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 (24 386)
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	{ 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	34 168	748 609	.0500
2007	52 150	807 907	.0646
2006	71 455	831 382	.0859
2005	71 455	847 385	.0853
2004	327 448	1164 780	.2883
2	Total of line 1, column (d)		2 .183
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 .1166
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5		4 718 393
5	Multiply line 4 by line 3		5 80
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 39
7	Add lines 5 and 6		7 173
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		8 299 416

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <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	172	
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	173	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	173	
6	Credits/Payments			
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	399	
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	399	
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	286	
11	Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		X
5		X
6	X	
7	X	
8b	X	
9		X
10	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 ▶ <u>N/A</u>				
14	The books are in care of ▶ <u>A. M. R. L. S. P. A.</u> Telephone no ▶ <u>818-508-4453</u>			
Located at ▶ <u>12711 Ventura Blvd, Studio City</u> ZIP+4 ▶ <u>CA 91604</u>				
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 ▶ <u>15</u>			

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

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

		Yes	No
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)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	
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 ▶ 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	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 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	
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)? Yes No
 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
AL AZUS 1567 E. 20th St Los Angeles, CA 90011	MAR. As Required	NONE	NONE	NONE

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

Part VII 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 Paid		

Total number of others receiving over \$50,000 for professional services ▶

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	
2	N/A
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	N/A
2	
3 All other program-related investments. See page 24 of the instructions	
Total. Add lines 1 through 3 ▶	

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	718,225
b	Average of monthly cash balances	1b	2,036
c	Fair market value of all other assets (see page 24 of the instructions)	1c	729,320
d	Total (add lines 1a, b, and c)	1d	
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	729,320
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	10,940
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	718,380
6	Minimum investment return. Enter 5% of line 5	6	35,920

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	35,920
2a	Tax on investment income for 2009 from Part VI, line 5	2a	173
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	173
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	35,747
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	35,747
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	35,747

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	299,410
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	299,410
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	100
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	299,310

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				35741
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			3131	
b Total for prior years 20___, 20___, 20___		0		
3 Excess distributions carryover, if any, to 2009				
a From 2004	250369			
b From 2005	336237			
c From 2006	30030			
d From 2007	1138			
e From 2008	0			
f Total of lines 3a through e	607744			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 244416				
a Applied to 2008, but not more than line 2a			3131	
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				
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))	35747			35747
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	572027			
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)	250369			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	572027			
10 Analysis of line 9				
a Excess from 2005	336237			
b Excess from 2006	30030			
c Excess from 2007	1138			
d Excess from 2008				
e Excess from 2009	260530			

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

- 1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling
- b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test—enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)		11/1	1		
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))

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- 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

AL FZUS

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
- b The form in which applications should be submitted and information and materials they should include
- c Any submission deadlines
- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part VII Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Vista Del Mar	128,000			
LASHA	100,555			
Sephorais Congregation	79,282			
Hollenbeck Community Center	7,000			
Jewish Free Loan	8,500			
Jewish Federation	4,200			
Home Safe	2,000			
A. Cohen L.H.	2,000			
Jewish Veterans	1,500			
Para Los Ninos	1,500			
KCEP	1,100			
Various - \$1000 or less	9,850			
Total	295,487			
Total				
	295,487		▶	3a 295,487
b Approved for future payment				
Total				
			▶	3b

FEES AND EXPENSES

Fees

DATE	ACTIVITY	DESCRIPTION	AMOUNT
01/16/09	Charge	ACCT MAINTENANCE FEE	\$(95.00)
01/28/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
02/23/09	Charge	BRANCH CHECK FEE	\$(5.00)
02/23/09	Charge	MULTIPLE CONFIRM FEE	\$(5.00)
02/25/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
03/27/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
04/28/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
05/27/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
06/26/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
07/29/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
08/27/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
09/28/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
10/28/09	Charge	MULTIPLE STATEMENT FEE	\$(5.00)
11/18/09	Charge	ACCOUNT TRANSFER FEE	\$(95.00)
Total Fees			\$(250.00)

Consult your tax advisor for the tax deductibility of these fees.



REALIZED GAIN/(LOSS) SUMMARY

This Gain and Loss Summary is provided for informational purposes only. It is important that you consult with a professional tax advisor regarding your individual tax situation, as Morgan Stanley Smith Barney LLC ("Morgan Stanley Smith Barney") cannot provide you with tax advice. Although Morgan Stanley Smith Barney is providing this information as an additional service, we do not guarantee that it is sufficient for tax reporting purposes, and are not liable for your reliance upon or use of this information. The Gain and Loss Summary is not a substitute 1099 form (or any other appropriate tax form), has not been supplied to the IRS and should not be filed with your taxes.

If cost basis information is not available, gain or (loss) will not be reflected on this Summary. For securities not purchased through Morgan Stanley Smith Barney, including securities purchased elsewhere and later transferred to Morgan Stanley Smith Barney, cost basis information may not be provided. To correct any information supplied by Morgan Stanley Smith Barney, please inform your Financial Advisor. To add cost basis information, you may either inform your Financial Advisor or input the data directly yourself through our client-only Web site, ClientServ. Morgan Stanley Smith Barney will adjust cost basis as appropriate in accordance with tax laws. However, Morgan Stanley Smith Barney does not adjust for all events and you should contact your tax advisor to determine the appropriate information to be used in the preparation of your tax return.

Long Term

DESCRIPTION	SYMBOL	QUANTITY	DATE		PROCEEDS	TOTAL COST		REALIZED GAIN/(LOSS)
			ACQUIRED	SOLD		ORIGINAL/ADJUSTED		
MS PRIME INCOME TRUST	XPITX	8.286	08/29/2001	02/20/2009	\$45.32	\$72.83		\$(27.51)
MS PRIME INCOME TRUST	XPITX	217.982	09/26/2001	02/20/2009	\$1,192.24	\$1,885.54		\$(693.30)
MS PRIME INCOME TRUST	XPITX	331.274	10/29/2001	02/20/2009	\$1,811.88	\$2,779.39		\$(967.51)
MS PRIME INCOME TRUST	XPITX	270.382	11/28/2001	02/20/2009	\$1,478.83	\$2,273.91		\$(795.08)
MS PRIME INCOME TRUST	XPITX	280.756	12/31/2001	02/20/2009	\$1,535.57	\$2,372.39		\$(836.82)
MS PRIME INCOME TRUST	XPITX	242.640	01/29/2002	02/20/2009	\$1,327.10	\$2,057.59		\$(730.49)
MS PRIME INCOME TRUST	XPITX	234.095	02/26/2002	02/20/2009	\$1,280.36	\$1,971.08		\$(690.72)
MS PRIME INCOME TRUST	XPITX	225.376	03/26/2002	02/20/2009	\$1,232.68	\$1,915.70		\$(683.02)
MS PRIME INCOME TRUST	XPITX	247.801	04/26/2002	02/20/2009	\$1,355.33	\$2,116.22		\$(760.89)
MS PRIME INCOME TRUST	XPITX	267.371	05/29/2002	02/20/2009	\$1,462.36	\$2,272.65		\$(810.29)
MS PRIME INCOME TRUST	XPITX	228.562	06/26/2002	02/20/2009	\$1,250.10	\$1,926.78		\$(676.68)
MS PRIME INCOME TRUST	XPITX	269.946	07/29/2002	02/20/2009	\$1,476.45	\$2,229.75		\$(753.30)
MS PRIME INCOME TRUST	XPITX	216.538	08/28/2002	02/20/2009	\$1,184.34	\$1,758.29		\$(573.95)
MS PRIME INCOME TRUST	XPITX	181.549	09/26/2002	02/20/2009	\$992.97	\$1,456.02		\$(463.05)
MS PRIME INCOME TRUST	XPITX	224.753	10/29/2002	02/20/2009	\$1,229.27	\$1,768.81		\$(539.54)
MS PRIME INCOME TRUST	XPITX	215.464	11/26/2002	02/20/2009	\$1,178.46	\$1,704.32		\$(525.86)
MS PRIME INCOME TRUST	XPITX	254.442	12/31/2002	02/20/2009	\$1,391.65	\$2,032.99		\$(641.34)
MS PRIME INCOME TRUST	XPITX	5,222.783	01/08/2003	02/20/2009	\$28,565.64	\$41,782.26		\$(13,216.62)
Total Long Term					\$49,990.55			\$(24,385.97)

The "Total Cost" for Unit Trusts, Mortgage-Backed Securities, and Zero Coupon Bonds have been adjusted to reflect any partial return of principal or capital that may have been paid to you, or accreted interest earned, since your purchase date. In the event that the accumulated total return of principal or capital is greater than the provided original costs, the adjusted cost will be "0.00".