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

2009

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

For calendar year 2009, or tax year beginning

02 - 01 , 2009, and ending

01 - 31 , 2010

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
Nabama Foundation

Number and street (or P O box number if mail is not delivered to street address) Room/suite
P.O. Box 54233

City or town, state, and ZIP code
Cincinnati, OH 45254-0233

A Employer identification number
31-6033919

B Telephone number (see page 10 of the instructions)
(513) 231-7861

C If exemption application is pending, check here

D 1. Foreign organizations, check here
2. Foreign organizations meeting the 85% test, check here and attach computation

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

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

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

J Accounting method Cash Accrual
 Other (specify) _____

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ **828,072** (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)
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	34,887	34,887		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	126			
b Gross sales price for all assets on line 6a	70,769			
7 Capital gain net income (from Part IV, line 2)		126		
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) STM106	18	18		
12 Total. Add lines 1 through 11	35,031	35,031		
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) STM107	520	416		104
b Accounting fees (attach schedule) STM108	1,536	1,229		307
c Other professional fees (attach schedule) STM109	2,595	2,335		260
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) STM110	750			
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) STM103	286	17		269
24 Total operating and administrative expenses. Add lines 13 through 23	5,687	3,997		940
25 Contributions, gifts, grants paid	44,640			44,640
26 Total expenses and disbursements. Add lines 24 and 25	50,327	3,997		45,580
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	(15,296)			
b Net investment income (if negative, enter -0-)		31,034		
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		4		
	2	Savings and temporary cash investments		25,467	29,063	29,063
	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)	STM137	208,816	251,866	743,877
	c	Investments - corporate bonds (attach schedule)	STM138	112,581	50,643	55,132
	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)		346,868	331,572	828,072	
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)			0	
Neutral Assets	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		346,868	331,572	
	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)		346,868	331,572		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)		346,868	331,572		

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	346,868
2	Enter amount from Part I, line 27a	2	(15,296)
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	331,572
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	331,572

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 (yr, mo, day)	(d) Date sold (yr, mo, day)
1a fr. sh Embarq Corporation	P	2008-02-08	2009-07-01
b \$19,000 GMAC Notes 7%	P	2005-09-15	2009-10-15
c 138 shs FPL Group Inc.	P	2007-09-20	2010-01-29
d \$25,000 GMAC Notes 7.75%	P	2005-04-11	2010-01-19
e \$20,000 GMAC Notes 7.75%	P	2005-05-03	2010-01-19

(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 5		5	
b 19,000		18,278	722
c 6,763		8,699	(1,936)
d 25,000		24,273	727
e 20,000		19,387	613

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			
b			722
c			(1,936)
d			727
e			613

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	126
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	40,269	863,982	0.046609
2007	40,560	942,775	0.043022
2006	48,751	898,778	0.054241
2005	37,802	880,002	0.042957
2004	46,039	880,002	0.052317

2 Total of line 1, column (d)	2	0.239146
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	0.047829
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	740,146
5 Multiply line 4 by line 3	5	35,400
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	310
7 Add lines 5 and 6	7	35,710
8 Enter qualifying distributions from Part XII, line 4	8	45,580

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

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

Table with 11 rows for excise tax calculation. Includes sub-rows 6a-6d for credits. Total tax due is 440, with 440 refunded.

Part VII-A Statements Regarding Activities

Table with 10 rows of activity statements. Columns for Yes/No. Includes questions about political campaigns, unrelated business income, and substantial contributors.

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? Website address ▶ N/A	13	X	
14	The books are in care of ▶ Barbara Mather Stross Telephone no. ▶ 513-231-7861 Located at ▶ 7519 Ayers Road Cincinnati, OH ZIP+4 ▶ 45255			
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			<input type="checkbox"/>

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 ▶ _____, _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions)	2b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <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)? **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
Malcolm N McElroy 3492 Forestoak Court, OH 45208	Co-Trustee 8	STMA01 0	0	0
Lori W McElroy 3575 Bayard Drive, OH 45208	Co-Trustee 0	STMA02 0	0	0
Barbara Mather Stross 7519 Ayers Road, OH 45255	Co-Trustee 1	STMA03 0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions).

If none, enter "NONE."

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

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Total number of others receiving over \$50,000 for professional services ▶		

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 (The Nabama Foundation is not a Private Operating Foundation.)	0
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A (The purpose of the Foundation is to produce investment income which is then contributed only to pre-selected charities.)	0
2	
All other program-related investments See page 24 of the instructions	
3	
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	730,476
b	Average of monthly cash balances	1b	20,941
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	751,417
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	751,417
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	11,271
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	740,146
6	Minimum investment return. Enter 5% of line 5	6	37,007

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	37,007
2a	Tax on investment income for 2009 from Part VI, line 5	2a	310
b	Income tax for 2009. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	310
3	Distributable amount before adjustments Subtract line 2c from line 1	3	36,697
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	36,697
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	36,697

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	45,580
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	45,580
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	310
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	45,270

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				36,697
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only			713	
b Total for prior years. _____, _____, _____				
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e				
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ <u>45,580</u>				
a Applied to 2008, but not more than line 2a			713	
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				36,697
e Remaining amount distributed out of corpus	8,170			
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	8,170			
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				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)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	8,170			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009	8,170			

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

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

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))

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

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 XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
American Council of the Blind 1155 15th Street Washington DC 20002	None		Santa's Xmas Show	320
American Red Cross-Cinti Chap 720 Sycamore Cincinnati OH 45202	None		General Purposes Haiti Relief	2,000
Camp Beech Cliff PO Box 381 Mount Desert ME 04660	None		2009 Gift	300
Center for Respite Care 830 Ezzard Charles Drive Cincinnati OH 45214	None		2009 Gift	200
Cincinnati Nature Center 4949 Tealtown Road Milford OH 45150	None		2009 Gift	500
Cincinnati Public Radio-WVXU 1648 Herald Avenue Cincinnati OH 45212	None		2009 Gift 2010 Gift	2,000
Crayons to Computers 1350 Tennessee Avenue Cincinnati OH 45229	None		2009 Gift	500
Disabled American Veterans 717 W Martin Luther King Dr Cincinnati OH 45202	None		2009 Gifts	400
Total				3a
b Approved for future payment				
Total				3b

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Foundation Fighting Blindness 11435 Cronhill Drive Owings Mills MD 21117	None		2009 Gift	200
Free Store-Food Bank 108 Corwine Cincinnati OH 45202	None		2009 Gift Christmas Gift	200
Harvard Club of Cincinnati Scholarship Fund Cincinnati OH	None		Scholarship Fund	200
Harvard College Fund Harvard University Cambridge MA 02138	None		Neil McElroy Scholarship Fund	500
Harvard Magazine Harvard University Cambridge MA 02138	None		2009 Gift	100
Indian Hill Church 6000 Drake Road Cincinnati OH 45243	None		2009-2010 Gift	500
Indian Hill Historical Society 8100 Given Road Cincinnati OH 45243	None		i/m/o Ruth Wigor	1,000
Kellogg School of Management Northwestern University Chicago IL	None		Capital Campaign	10,000
Total				3a
b Approved for future payment				
Total				3b

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

- 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... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash, (2) Other assets, b Other transactions: (1) Sales of assets, (2) Purchases of assets, (3) Rental of facilities, (4) Reimbursement arrangements, (5) Loans or loan guarantees, (6) Performance of services, c Sharing of facilities, equipment, mailing lists, other assets, or paid employees, d If the answer to any of the above is "Yes," complete the following schedule...

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

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

Signature and Preparer's Use Only section containing signature of Malcolm M. Stross, date 5/31/10, title Co-Trustee, preparer's signature Barbara Mather Stross, date 5/26/10, firm name Mather Stross & Associates, EIN 31-1307979, and phone number 513-231-7861.

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Mental Health Assn of No KY 6051 Madison Avenue Covington KY 41011	None		2009 Xmas Party	3,000
Salvation Army 2250 Park Avenue Cincinnati OH 45212	None		2009 Gift	200
Seven Hills School 5400 Red Bank Road Cincinnati OH 45227	None		2008-2009 Gift 2009-2010 Gift Capital Campaign	16,000
Sinai Shrine Temple PO Box 11281 Cincinnati OH 45211	None		Wonderful World of Magic 2009	400
SW Harbor Public Library PO Box 157 Southwest Harbor ME 04679	None		2009 Gift	500
St Albans School Mt St Alban Washington DC 20016	None		2009 Gift	500
United Way of Cincinnati 2400 Reading Road Cincinnati OH 45202	None		2009 Gift	2,000
Vietnam Veterans of SW Ohio 8418 Reading Road Cincinnati OH 45215	None		2010 Children's Show	320
Total				3a
b Approved for future payment				
Total				3b

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year Walnut Hills High School 3250 Victory Parkway Cincinnati OH 45207	None		Athletic Dept.	500
Walnut Hills HS Alumni Assn 3250 Victory Parkway Cincinnati OH 45207	None		for Ruth Rounding 2009 Gift	1,100
WCET-Channel 48 1223 Central Parkway Cincinnati OH 45214	None		Premier Circle 2009 Gift	1,000
WNKU-Public Radio No Ky Un Louis B Nunn Drive Newport KY 41076	None		2009 Gift	200
Total				3a 44,640
b Approved for future payment				
Total				3b

Federal Supporting Statements

2009 PG 01

Name(s) as shown on return

FEIN

Nabama Foundation

31-6033919

Form 990PF, Part II, Line 10(b)
Investments: Corporate Stock Schedule

Statement #137

<u>Category</u>	<u>BOY</u>	<u>Book Value</u>	<u>EOY FMV</u>
9000 shs Procter & Gamble Co	9,923	9,923	553,950
785 shs Apartment Invt & Mgmt	19,773	19,773	19,593
600 shs Ashford Hospitality Tr	15,000	15,000	10,920
800 shs Health Care Reit 7.625	20,000	20,000	19,600
400 shs Tanger Factory Outlet	10,000	10,000	9,538
520 shs Public Storage Inc	13,000	13,000	13,062
192 shs Am Electric Power		6,750	6,653
5232.558 shs Hartford FL Rate		45,000	44,895
316 shs Ship Finance Intl Ltd	8,128	8,128	4,573
244 shs Danaos Corp	8,621	8,621	1,125
272 shs Seaspan Corp	8,143	8,143	2,818
206 shs AT&T	8,648	8,648	5,224
67 shs BB&T Corporation	2,788	2,788	1,867
621 shs Frontier Communication	8,663	8,663	4,726
79 shs Entergy Corporation	8,649	8,649	6,028
110 shs Exelon Corporation	8,617	8,617	5,018
137 shs FPL Corporation	8,647		
173 shs PPL Corporation	8,613	8,613	5,102
531 shs Telecom Corp. N.Z.	8,642	8,642	4,444
258 shs Telecomunicacoes de Sa	8,671	8,671	5,774
197 shs Verizon Communications	8,620	8,620	5,796
600 shs Windstream Corp	8,669	8,669	6,186
.5888 sh Entergy Corporation	59	59	45
.8603 sh Exelon Corp	55	55	39
1.145/.145 sh FPL Corporation	61	8	7
.4909 sh Procter & Gamble	35	35	30
14.241 shs Telecom Corp N.Z.	139	139	119
8.9492 shs Ship Finance Intl	183	183	129
5.0272 shs Seaspan	129	129	52
141 shs Embarq Corporation	6,340		
193 shs Centurytel Inc.		6,340	6,564
Totals	<u>208,816</u>	<u>251,866</u>	<u>743,877</u>

Federal Supporting Statements

2009 PG 01

Name(s) as shown on return

FEIN

Nabama Foundation

31-6033919

**Form 990PF, Part II, Line 10(c)
Investments: Corporate Bond Schedule**

Statement #138

<u>Category</u>	<u>BOY</u>	<u>Book Value</u>	<u>EOY FMV</u>
\$5,000 Sun Company 9%	5,164	5,164	5,930
\$25,000 Coca Cola 7.125%	25,479	25,479	29,586
800 shs US Cellular Corp Notes	20,000	20,000	19,616
\$25,000 GMAC Notes 7.75%	24,273		
\$20,000 GMAC Notes 7.75%	19,387		
\$19,000 GMAC Notes 7%	18,278		
Totals	<u>112,581</u>	<u>50,643</u>	<u>55,132</u>

Malcolm N. McElroy

Explanation

No Trustee receives compensation.

Lori W. McElroy

Explanation

No Trustee receives compensation

Federal Supporting Statements

2009

Name(s) as shown on return

FEIN

Barbara Mather Stross

Explanation

No Trustee receives compensation.

Federal Supporting Statements

2009 PG 01

Your Social Security Number
31-6033919

Name(s) as shown on return
Nabana Foundation

Statement #103

Form 990PF, Part I, Line 23 - Other Expenses Schedule

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
Ohio State Treas-filing fee	200	0	0	200
Stamps	86	17	0	69
Totals	<u>286</u>	<u>17</u>	<u>0</u>	<u>269</u>

PG 01

Statement #106

Form 990PF, Part I, Line 11 - Other Income Schedule

Description	Revenue and expenses	Net investment	Adjusted net income
Amerco-final litigation check	18	18	0
Totals	<u>18</u>	<u>18</u>	<u>0</u>

Federal Supporting Statements

2009 PG 01

Your Social Security Number

31-6033919

Name(s) as shown on return

Nabama Foundation

Statement #107

Form 990PF, Part I, Line 16(a) - Legal Fees Schedule

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
Graydon, Head & Ritchey	520	416	0	104
Totals	<u>520</u>	<u>416</u>	<u>0</u>	<u>104</u>

PG 01

Statement #108

Form 990PF, Part I, Line 16(b) - Accounting Fees Schedule

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
Mather Stross & Associates	1,536	1,229	0	307
Totals	<u>1,536</u>	<u>1,229</u>	<u>0</u>	<u>307</u>

Federal Supporting Statements

2009 PG 01

Your Social Security Number

31-6033919

Name(s) as shown on return

Nabama Foundation

Form 990PF, Part I, Line 16(c) - Other Professional Fees Schedule

Statement #109

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
Citi Smith Barney Investmt Fee	2,578	2,320	0	258
Citi Smith Barney Stock Fee	17	15	0	2
Totals	<u>2,595</u>	<u>2,335</u>	<u>0</u>	<u>260</u>

Form 990PF, Part I, Line 18 - Taxes Schedule

PG 01

Statement #110

Description	Revenue and expenses	Net investment	Adjusted net income	Charitable purpose
01/31/10 estimated tax paid	750	0	0	0
Totals	<u>750</u>	<u>0</u>	<u>0</u>	<u>0</u>

Nabama Foundation I.D. #31-6033919 FY/E 01/31/10
 PART X. MINIMUM INVESTMENT RETURN

	316 shs	8 9492 shs	244 shs	272 shs	5 0272 shs	192 shs	206 shs	67 shs	193 shs	141 shs	79 shs	5888 sh
	Ship Finance Intl Ltd	Ship Finance Intl Ltd	Danaos Corp	Seaspan Corp	Seaspan Corp	Am Electric Power	AT&T Inc	BB&T Corp	Centurytel Inc	Embarq Corp.	Energy Corp.	New Corp
February	2,695 48	76 34	1,090.68	2,516 00	46 50		4,896 62	1,080 71		4,930 77	5,323.81	39.68
March	2,072.96	58 71	814 96	2,235.84	41 32		5,191.20	1,133 64		5,336.85	5,379.11	40.09
April	2,727 08	77 23	1,024 80	1,784 32	32 98		5,277 72	1,563 78		5,154 96	5,116.83	38 14
May	3,912.08	110 79	1,005.28	1,972 00	36 45		5,106 74	1,502 14		5,924 82	5,894.98	43.94
June	3,485 48	98 71	790.56	1,672 80	30 92		5,117.04	1,472.65		5,930.46	6,124 08	45.64
July	3,896 28	110.34	932 08	1,955 68	36 15		5,403 38	1,532.96	6,058 27	Exchanged	6,346 07	47 30
August	4,000.56	113.3	915.00	1,841 44	34 03		5,366 30	1,871.98	6,220 39	into	6,241 00	46 52
Sept	3,883 64	109.99	1,229 76	2,434 40	44 99		5,564 06	1,825.08	6,484 80	Centurytel	6,308 94	47 02
October	3,592 92	101 75	997 96	2,355 52	43 54		5,288 02	1,501.97	6,264 78		6,060 88	45 17
Nov	4,120.64	116 7	1,073.60	2,475.20	45 75		5,549 64	1,668 30	6,868 87		6,213.35	46 31
Dec	4,307 08	121.98	1,088 24	2,507 84	46 35		5,774 18	1,699.79	6,988 53		6,465 36	48 19
January	4,572.52	129 49	1,124.84	2,817 92	52 08	6,652 80	5,224.16	1,867 29	6,563 93		6,028 49	44.93
Total	43,266 72	1,225 33	12,087 76	26,568 96	491 06	6,652 80	63,759 06	18,720 29	45,449 57	27,277.86	71,502 90	532 93
Average.	3,605 56	102 11	1,007.31	2,214 08	40 92	554 40	5,313 26	1,560 02	3,787 46	2,273 16	5,958 58	44 41
Av Sec..	730,476 23											
Av Cash	20,940 80											

End of Year Value: **828,073.69**

110 shs	8603 sh	137 shs	1 145/145	621 shs	5232 558	173 shs	9000 shs	4909 shs	531 shs	14 241 shs	258 shs	Tele 197 shs
Exelon Corp	Exelon Corp.	FPL Corp.	shs FPL Corp	Frontier Com Corp	shs Hart- ford FI Rate	PPL Corp	P&G Company	P&G Company	Teleccm Corp NZ	Telecom Corp NZ	comunicacoe De Sao	Verizon Commun
5,194.20	40.62	6,210.21	51.90	4,471.20	4,824.97	4,824.97	433,530.00	23.65	3,090.42	82.88	4,742.04	5,620.41
4,992.90	39.05	6,950.01	58.09	4,458.78	4,966.83	4,966.83	423,810.00	23.12	3,456.81	92.71	5,361.24	5,949.40
5,074.30	39.69	7,369.23	61.59	4,415.31	5,174.43	5,174.43	444,960.00	24.27	4,253.31	114.07	5,596.02	5,976.98
5,281.10	41.30	7,744.61	64.73	4,520.88	5,617.31	5,617.31	467,460.00	25.50	4,226.76	113.36	5,964.96	5,764.22
5,633.10	44.06	7,789.82	65.10	4,433.94	5,702.08	5,702.08	459,900.00	25.08	4,625.01	124.04	5,737.92	6,053.81
5,594.60	43.75	7,763.79	64.89	4,347.00	5,845.67	5,845.67	499,590.00	27.25	4,943.61	132.58	5,980.44	6,317.79
5,520.20	43.03	7,696.66	64.33	4,415.31	5,086.20	5,086.20	486,990.00	26.56	4,954.23	132.87	5,866.92	6,114.88
5,458.20	42.69	7,566.51	63.24	4,682.34	5,248.82	5,248.82	521,280.00	28.43	5,086.98	136.43	6,594.48	5,963.19
5,165.60	40.40	6,726.70	56.22	4,452.57	5,093.12	5,093.12	522,000.00	28.47	4,757.76	127.60	6,395.82	5,829.23
5,299.80	41.45	7,119.89	59.51	4,905.90	5,279.96	5,279.96	561,150.00	30.61	4,731.21	126.89	6,395.82	6,197.62
5,375.70	42.04	7,236.34	60.48	4,850.01	5,589.63	5,589.63	545,670.00	29.76	4,773.69	128.03	6,442.26	6,526.61
5,018.20	39.25	Sold	7.07	4,725.81	44,895.35	5,101.77	553,950.00	30.21	4,444.47	119.20	5,774.04	5,795.74
63,607.90	497.33	80,173.77	677.15	54,679.05	44,895.35	63,530.79	5,920,290.00	322.91	53,344.26	1,430.66	70,851.96	72,109.88
5,300.66	41.44	6,681.15	56.43	4,556.59	3,741.28	5,294.23	493,357.50	26.91	4,445.36	119.22	5,904.33	6,009.16

600 shs	785 shs	600 shs	800 shs	520 shs	400 shs	800 shs	\$19,000	\$25,000	\$20,000	\$25,000	\$5,000
Windstream	Apt Invt &	Ashford Hosl	Health Care	Public	Tanger Fac	US Cellular	GMAC Nts	GMAC	GMAC	Coca Cola	Sun Co
Corp.	Mgt 9.375%	Tr 8 55%	Reit 7.625%	Storage 7.25	Outlet Ctrs	7%	7%	7 75%	7 75%	7.13%	9 00%
4,476.00	9,616.25	4,080.00	14,504.00	9,521.20	7,200.00	12,888.00	14,107.88	18,281.25	14,625.00	26,851.25	4,843.75
4,836.00	10,259.95	4,260.00	15,455.20	10,140.00	6,600.00	14,240.00	13,950.37	19,527.50	15,622.00	27,316.00	4,892.50
4,980.00	12,300.95	5,940.00	16,264.00	11,180.00	7,460.00	14,520.00	14,693.65	22,501.00	18,000.80	27,279.00	4,717.80
5,046.00	14,522.50	7,224.00	16,072.00	11,850.80	7,560.00	15,816.00	16,853.95	23,960.50	19,168.40	27,953.50	5,029.65
5,016.00	15,896.25	6,882.00	17,240.00	11,242.40	7,800.00	16,320.00	18,300.61	24,378.75	19,503.00	28,015.00	5,295.40
5,262.00	17,215.05	7,625.40	18,600.00	12,610.00	8,660.00	17,600.00	18,598.53	24,711.00	19,768.80	28,322.75	5,353.65
5,142.00	17,694.69	7,482.00	18,816.00	12,740.00	9,120.00	18,048.00	18,828.81	24,703.25	19,762.60	29,191.25	5,436.15
6,078.00	19,577.90	8,850.00	19,064.00	13,156.00	9,236.00	18,928.00	18,973.97	24,972.25	19,977.80	29,743.50	5,511.10
5,784.00	18,585.66	8,250.00	19,032.00	12,394.20	9,480.00	18,840.00	Matured	25,019.75	20,015.80	29,559.00	5,503.50
5,952.00	19,250.25	9,540.00	19,272.00	12,931.36	9,500.00	19,200.00		24,979.75	19,983.80	29,968.00	5,593.70
6,594.00	19,935.08	10,566.00	19,760.00	13,260.00	9,599.50	19,992.00		25,011.50	20,009.20	28,838.25	5,298.70
6,186.00	19,593.00	10,920.00	19,600.00	13,062.40	9,538.00	19,616.00		Matured	Matured	29,585.50	5,930.10
65,352.00	194,447.53	91,619.40	213,679.20	144,088.36	101,753.50	206,008.00	134,307.77	258,046.50	206,437.20	342,623.00	63,406.00
5,446.00	16,203.96	7,634.95	17,806.60	12,007.36	8,479.46	17,167.33	11,192.31	21,503.88	17,203.10	28,551.92	5,283.83

Western Asset Muni MM Fund A	Western Asset MM Fund A	Cash
29,821.95	667.67	0.00
29,922.83	667.98	487.82
10,457.95	668.27	43.70
10,277.85	668.54	0.00
9,442.95	668.65	487.82
11,839.72	668.67	0.00
14,568.62	668.67	0.00
9,826.62	668.67	0.00
28,345.82	668.67	0.00
30,534.60	668.67	0.00
28,659.80	668.69	155.25
28,394.43	668.7	0.00

242,093.14 8,021.85 1,174.59

20,174.43 668.49 97.88