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Form 990-PF

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

OMB No 1545-0052

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

03/01, 2009, and ending

02/28, 2010

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

Name of foundation

DONALD &amp; GLADYS HEATH SCHLSP FD

A Employer identification number

16-6355023

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

P O BOX 1802

City or town, state, and ZIP code

PROVIDENCE, RI 02901-1802

B Telephone number (see page 10 of the instructions)

( ) -

H Check type of organization:  Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundationI Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 535,024. J Accounting method  Cash  Accrual  
 Other (specify) (Part I, column (d) must be on cash basis.)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 ► 

## 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 . . . . .	17,062.	17,062.		STMT 1
5a Gross rents . . . . .				
b Net rental income or (loss) . . . . .				
6a Net gain or (loss) from sale of assets not on line 10	-26,236.			
b Gross sales price for all assets on line 6a . . . . .	6,119.			
7 Capital gain net income (from Part IV, line 2) . . . . .				
8 Net short-term capital gain . . . . .				
9 Income modifications . . . . .				
10a Gross sales less returns and allowances . . . . .				
b Less Cost of goods sold . . . . .				
c Gross profit or (loss) (attach schedule) . . . . .				
11 Other income (attach schedule) . . . . .	620.	462.		STMT 2
12 Total. Add lines 1 through 11 . . . . .	-8,554.	17,524.		
13 Compensation of officers, directors, trustees, etc. . . . .	5,617.	3,370.		2,247.
14 Other employee salaries and wages . . . . .				
15 Pension plans, employee benefits . . . . .				
16a Legal fees (attach schedule) . . . . .				
b Accounting fees (attach schedule) . . . . .	567.	117.	NONE	450.
c Other professional fees (attach schedule) . . . . .				
17 Interest . . . . .				
18 Taxes (attach schedule) (see page 14 of the instructions) . . . . .	179.	179.		
19 Depreciation (attach schedule) and depletion . . . . .				
20 Occupancy . . . . .				
21 Travel, conferences, and meetings . . . . .				
22 Printing and publications . . . . .				
23 Other expenses (attach schedule) . . . . .	100.			100.
24 Total operating and administrative expenses.				
Add lines 13 through 23 . . . . .	6,463.	3,666.	NONE	2,797.
25 Contributions, gifts, grants paid . . . . .	24,000.			24,000.
26 Total expenses and disbursements. Add lines 24 and 25	30,463.	3,666.	NONE	26,797.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements . . . . .	-39,017.			
b Net investment income (if negative, enter -0-) . . . . .		13,858.		
c Adjusted net income (if negative, enter -0-) . . . . .				

For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.

JSA

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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
	1 Cash - non-interest-bearing		NONE	NONE	
	2 Savings and temporary cash investments		24,323.	22,990.	22,990.
	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				
Assets	10 a Investments - U S and state government obligations (attach schedule)		NONE	NONE	NONE
	b Investments - corporate stock (attach schedule)		523,865.	500,547.	512,034.
	c Investments - corporate bonds (attach schedule)		NONE	NONE	NONE
	11 Investments - land, buildings, and equipment basis ►	NONE			
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other (attach schedule)				
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ►)				
	16 Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)		548,188.	523,537.	535,024.
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ► <input checked="" type="checkbox"/>				
	27 Capital stock, trust principal, or current funds		548,188.	523,537.	
	28 Paid-in or capital surplus, or land, bldg, and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds		NONE	NONE	
	30 Total net assets or fund balances (see page 17 of the instructions)		548,188.	523,537.	
	31 Total liabilities and net assets/fund balances (see page 17 of the instructions)		548,188.	523,537.	

## 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	548,188.
2 Enter amount from Part I, line 27a	2	-39,017.
3 Other increases not included in line 2 (itemize) ► SEE STATEMENT 6	3	14,366.
4 Add lines 1, 2, and 3	4	523,537.
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	523,537.

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**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a SEE PART IV DETAIL</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>(e) Gross sales price</b>	<b>(f) Depreciation allowed (or allowable)</b>	<b>(g) Cost or other basis plus expense of sale</b>	<b>(h) Gain or (loss) (e) plus (f) minus (g)</b>		
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69</b>			<b>(I) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))</b>		
<b>(i) FMV as of 12/31/69</b>	<b>(j) Adjusted basis as of 12/31/69</b>	<b>(k) Excess of col (i) over col (j), if any</b>			
<b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>2 Capital gain net income or (net capital loss) . . . . .</b>	<b>If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7</b>		<b>2</b>	<b>-26,236.</b>	
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)</b> 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. . . . .			<b>3</b>		

**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	32,785.	515,876.	0.06355209391
2007	34,294.	599,873.	0.05716876739
2006	34,137.	582,370.	0.05861737383
2005	33,547.	574,225.	0.05842135052
2004	26,042.	566,445.	0.04597445471

- 2 Total of line 1, column (d) . . . . .**
- 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 . . . . .**
- 4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 . . . . .**
- 5 Multiply line 4 by line 3 . . . . .**
- 6 Enter 1% of net investment income (1% of Part I, line 27b) . . . . .**
- 7 Add lines 5 and 6 . . . . .**
- 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.

**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 ruling letter if necessary - see instructions)	1	277.
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		
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) . . . . .	4		
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0- . . . . .	5		
6	<b>Credits/Payments</b>			
a	2009 estimated tax payments and 2008 overpayment credited to 2009 . . . . .	6a	164.	
b	Exempt foreign organizations-tax withheld at source . . . . .	6b	NONE	
c	Tax paid with application for extension of time to file (Form 8868) . . . . .	6c	NONE	
d	Backup withholding erroneously withheld . . . . .	6d		
7	Total credits and payments Add lines 6a through 6d . . . . .	7	164.	
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached . . . . .	8		
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b> . . . . .	9		
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b> . . . . .	10		
11	Enter the amount of line 10 to be <b>Credited to 2010 estimated tax</b> ► <input type="checkbox"/> <b>Refunded</b> ► <input type="checkbox"/> . . . . .	11		

**Part VII-A Statements Regarding Activities**

		Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? . . . . .	1a	X
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? . . . . .	1b	X
	<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
1c	Did the foundation file <b>Form 1120-POL</b> for this year? . . . . .	1c	X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . .	2	X
	<i>If "Yes," attach a detailed description of the activities</i>		
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 . . . . .	3	X
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? . . . . .	4a	X
b	If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .	4b	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . .	5	X
	<i>If "Yes," attach the statement required by General Instruction T</i>		
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? . . . . .	6	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. . . . .	7	X
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ► _____ <b>STMT 7</b>		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? If "No," attach explanation . . . . .	8b	X
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV . . . . .	9	X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses . . . . .	10	X

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

11		X
12		X
13	X	

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) . . . . .

12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? . . . . .

13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? . . . . .

Website address ► NONE

14 The books are in care of ► PRIVATE BANK, TAX SERVICES Telephone no. ► (888) 866-3275  
Located at ► P.O. BOX 1802, PROVIDENCE, RI ZIP + 4 ► 02901-1802

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here . . . . . ► 15

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

	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 <u>any</u> of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? . . . . .	1b	X
Organizations relying on a current notice regarding disaster assistance check here . . . . . ► <input type="checkbox"/>		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009? . . . . .	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If "Yes," list the years ► <u>  </u>		
b Are there any years listed in 2a for which the foundation is <u>not</u> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions.) . . . . .	2b	
c If the provisions of section 4942(a)(2) are being applied to <u>any</u> of the years listed in 2a, list the years here ► <u>  </u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.) . . . . .	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? . . . . .	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009? . . . . .	4b	X

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

5a	During the year did the foundation pay or incur any amount to (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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) . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? . . . . . Organizations relying on a current notice regarding disaster assistance check here . . . . .	<input checked="" type="checkbox"/>		5b	
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? . . . . .	<input type="checkbox"/> Yes	<input type="checkbox"/> 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? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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	<input type="checkbox"/>			X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? . . . . .	<input type="checkbox"/>		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
SEE STATEMENT 8		5,617.	-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
SEE STATEMENT 9		NONE	NONE	NONE
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-----				
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Total number of other employees paid over \$50,000 . . . . . ► NONE

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**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities . . . . .	1a	489,054.
b	Average of monthly cash balances . . . . .	1b	19,305.
c	Fair market value of all other assets (see page 24 of the instructions) . . . . .	1c	NONE
d	<b>Total</b> (add lines 1a, b, and c) . . . . .	1d	508,359.
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	NONE
3	Subtract line 2 from line 1d . . . . .	3	508,359.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions) . . . . .	4	7,625.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 . . . . .	5	500,734.
6	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	6	25,037.

**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	25,037.
2a	Tax on investment income for 2009 from Part VI, line 5 . . . . .	2a	277.
b	Income tax for 2009. (This does not include the tax from Part VI.) . . . . .	2b	
c	Add lines 2a and 2b . . . . .	2c	277.
3	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	3	24,760.
4	Recoveries of amounts treated as qualifying distributions . . . . .	4	NONE
5	Add lines 3 and 4 . . . . .	5	24,760.
6	Deduction from distributable amount (see page 25 of the instructions) . . . . .	6	NONE
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	7	24,760.

**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	26,797.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required) . . . . .	3a	NONE
b	Cash distribution test (attach the required schedule) . . . . .	3b	NONE
4	<b>Qualifying distributions.</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4 . . . . .	4	26,797.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions) . . . . .	5	N/A
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	6	26,797.

**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.

Form 990-PF (2009)

## 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 . . . . .				24,760.
2 Undistributed income, if any, as of the end of 2009			212.	
a Enter amount for 2008 only . . . . .		NONE		
b Total for prior years 20 . . . . .				
3 Excess distributions carryover, if any, to 2009				
a From 2004 . . . . .	NONE			
b From 2005 . . . . .	NONE			
c From 2006 . . . . .	NONE			
d From 2007 . . . . .	NONE			
e From 2008 . . . . .	NONE			
f Total of lines 3a through e . . . . .		NONE		
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$ 26,797.			212.	
a Applied to 2008, but not more than line 2a . . . . .				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions) . . . . .		NONE		
c Treated as distributions out of corpus (Election required - see page 26 of the instructions) . . . . .		NONE		
d Applied to 2009 distributable amount . . . . .				24,760.
e Remaining amount distributed out of corpus . . . . .	1,825.			
5 Excess distributions carryover applied to 2009 . . . . . (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e Subtract line 5	1,825.			
b Prior years' undistributed income Subtract line 4b from line 2b . . . . .		NONE		
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 . . . . .			NONE	
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions . . . . .			NONE	
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions . . . . .				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010 . . . . .				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) . . . . .	NONE			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) . . . . .	NONE			
9 Excess distributions carryover to 2010.				
Subtract lines 7 and 8 from line 6a . . . . .	1,825.			
10 Analysis of line 9:				
a Excess from 2005 . . . . .	NONE			
b Excess from 2006 . . . . .	NONE			
c Excess from 2007 . . . . .	NONE			
d Excess from 2008 . . . . .	NONE			
e Excess from 2009 . . . . .	1,825.			

Form 990-PF (2009)

**Part XIV Private Operating Foundations** (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

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

**Part XV** **Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**

**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

N/A

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

N/A

## **2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs**

Check here ►  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a. The name, address, and telephone number of the person to whom applications should be addressed.

SEE STATEMENT 11

b The form in which applications should be submitted and information and materials they should include:  
SEE ATTACHED STATEMENT FOR LINE 2

SEE ATTACHED STATEMENT

N/A

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

SEE ATTACHED STATEMENT FOR LINE 2

Form 990-PF (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)				
<b>a Paid during the year</b>				
SEE STATEMENT 13				
<b>Total</b> .....			► 3a	24,000.
<b>b Approved for future payment</b>				
<b>Total</b> .....			► 3b	

Form 990-PF (2009)

Form 990-PF (2009)

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated

**1 Program service revenue**

a \_\_\_\_\_  
 b \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_  
 f \_\_\_\_\_  
 g Fees and contracts from government agencies . . . . .

**2 Membership dues and assessments . . . . .****3 Interest on savings and temporary cash investments . . . . .****4 Dividends and interest from securities . . . . .****5 Net rental income or (loss) from real estate . . . . .**

a Debt-financed property . . . . .  
 b Not debt-financed property . . . . .

**6 Net rental income or (loss) from personal property . . . . .****7 Other investment income . . . . .****8 Gain or (loss) from sales of assets other than inventory . . . . .****9 Net income or (loss) from special events . . . . .****10 Gross profit or (loss) from sales of inventory . . . . .****11 Other revenue a . . . . .**

b FEDERAL TAX REFUND \_\_\_\_\_  
 c \_\_\_\_\_  
 d \_\_\_\_\_  
 e \_\_\_\_\_

**12 Subtotal Add columns (b), (d), and (e) . . . . .****13 Total. Add line 12, columns (b), (d), and (e) . . . . .**

(See worksheet in line 13 instructions on page 28 to verify calculations.)

**Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes****Line No.**

Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 29 of the instructions.)

NOT APPLICABLE

**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 (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?	Yes	No
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.		

**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>(a) Name of organization</b>	<b>(b) Type of organization</b>	<b>(c) Description of relationship</b>

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.

05/19/2010 SVP Tax

Date

**Title**

Sign here Signature of officer or trustee		Date	Filing	
Paid Preparer's Use Only	Preparer's signature ►	Date	Check if self-employed ► <input type="checkbox"/>	Preparer's identifying number (See Signature on page 30 of the instructions)
	Firm's name (or yours if self-employed), address, and ZIP code ►		EIN ►	Phone no

**Form 990-PF (2009)**

**FORM 990-PF - PART IV**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
			TOTAL SHORT-TERM COMMON TRUST FUND AND PARTNERSHIP, S CORPORATION, AND OTHER ESTATES OR TRUST GAIN OR LOSS				-6,645.	
			TOTAL LONG-TERM COMMON TRUST FUND AND PARTNERSHIP, S CORPORATION, AND OTHER ESTATES OR TRUST GAIN OR LOSS				-17,418.	
1,156.00			20.224 LARGE CAP GROWTH CTF PROPERTY TYPE: SECURITIES 1,286.00			11/19/2004	06/30/2009	
7,210.00			372.718 INTERNATIONAL EQUITY CTF PROPERTY TYPE: SECURITIES 8,564.00			11/19/2004	09/30/2009	
6,754.00			643.071 LARGE CAP VALUE CTF PROPERTY TYPE: SECURITIES 7,161.00			11/19/2004	09/30/2009	
783.00			69.184 SMALL CAP GROWTH CTF PROPERTY TYPE: SECURITIES 931.00			11/19/2004	09/30/2009	
856.00			60.607 MID CAP VALUE CTF PROPERTY TYPE: SECURITIES 1,038.00			11/19/2004	09/30/2009	
3,805.00			289.907 MID CAP GROWTH CTF PROPERTY TYPE: SECURITIES 3,845.00			11/19/2004	09/30/2009	
9,618.00			147.184 LARGE CAP GROWTH CTF PROPERTY TYPE: SECURITIES 9,530.00			11/19/2004	09/30/2009	
							88.00	



**FORM 990-PF - PART IV**  
**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
TOTAL GAIN (LOSS) .....							-26,236.	

## FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTERNATIONAL EQUITY CTF	1,319.	1,319.
COLUMBIA GOVERNMENT RESERVES TRUST CLASS	12.	12.
LARGE CAP VALUE CTF	1,428.	1,428.
SMALL CAP GROWTH CTF	22.	22.
MID CAP VALUE CTF	101.	101.
MID CAP GROWTH CTF	148.	148.
LARGE CAP GROWTH CTF	992.	992.
GOVERNMENT CREDIT CTF	13,040.	13,040.
TOTAL	17,062.	17,062.

## FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INTERNATIONAL EQUITY CTF	462.	462.
FEDERAL TAX REFUND	158.	
TOTALS	620.	462.

FEDERAL

## FORM 990PF, PART I - ACCOUNTING FEES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
AUDIT & ACCOUNTING FEES (ALLOC	117.	117.		
TAX PREPARATION FEE (NON-ALLOC	450.		450.	
TOTALS	567.	117.	NONE	450.

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## FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN TAXES	179.	179.
TOTALS	179.	179.

F555023

## FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
OTHER ALLOCABLE EXPENSE- INCOME	100.	100.
TOTALS	100.	100.

DONALD &amp; GLADYS HEATH SCHLSP FD

16-6355023

## FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
CTF ADJUSTMENT	14,366.
TOTAL	14,366.

STATEMENT 6

DONALD &amp; GLADYS HEATH SCHLSP FD

16-6355023

STATE(S) WHERE THE FOUNDATION IS REGISTERED

NY

STATEMENT 7

DONALD &amp; GLADYS HEATH SCHLSP FD

16-6355023

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

OFFICER NAME:

BANK OF AMERICA, N.A.

ADDRESS:

1 EAST AVE  
ROCHESTER, NY 14638

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION ..... . . . . .

5,617.

TOTAL COMPENSATION:

5,617.

=====

STATEMENT 8

DONALD &amp; GLADYS HEATH SCHLSP FD

16-6355023

990PF, PART VIII - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES  
=====

EMPLOYEE NAME:

NONE

STATEMENT 9

DONALD &amp; GLADYS HEATH SCHLSP FD

16-6355023

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS  
=====NAME:  
NONE

STATEMENT 10

DONALD & GLADYS HEATH SCHLSP FD  
FORM 990PF, PART XV - LINES 2a - 2d  
=====

16-6355023

RECIPIENT NAME:

SEE ATTACHED

FORM, INFORMATION AND MATERIALS:

SEE ATTACHED

RESTRICTIONS OR LIMITATIONS ON AWARDS:

SEE ATTACHED

STATEMENT 11

Norstar Trust Company, Trustee

FORM 290  
Page 2

I. The Principals of Mt. Morris High School in Mt. Morris, New York, Livonia High School of Livonia, New York and York High School of Retsof, New York shall notify the Trustee of the graduating Valedictorians and Salutatorians eligible to receive the Donald and Gladys Heath Memorial Fund Scholarship Trust award from among the graduating class of each school. Each recipient must be pursuing a higher education. The Valedictorian must be the graduating student with the highest scholastic standing. The Salutatorian must be the graduating student with the second highest scholastic standing. In the case of equal grades, the award shall be split accordingly.

The Trustee will request the schools' authorities to display notices of the availability of the awards to qualified students and, if deemed appropriate, the Trustee shall publish in a newspaper having general circulation in the community in which the school is located a notice of the availability of the awards. No application will be required by any qualified student in order to be considered for scholarship grants. All documentation is available from each school's records.

II. All recipients, as condition to receiving their grants, will sign a consent form which authorizes the institution they attend to provide the Trustee with reports of their academic performance. This report is to consist of a copy of the grades received on courses taken if appropriate. If no grades are available, then the recipients will consent to having his faculty advisor or other appropriate school official report to the Trustee concerning the recipient's performance.



DONALD & GLADYS HEATH SCHLSP FD  
FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID  
=====

RECIPIENT NAME:  
VANDERBILT UNIVERSITY  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
SCHOLARSHIP  
FOUNDATION STATUS OF RECIPIENT:  
N/A  
AMOUNT OF GRANT PAID ..... 4,000.

RECIPIENT NAME:  
CLARKSON UNIVERSITY  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
SCHOLARSHIP  
FOUNDATION STATUS OF RECIPIENT:  
N/A  
AMOUNT OF GRANT PAID ..... 4,000.

RECIPIENT NAME:  
GEORGE MASON UNIVERSITY  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
SCHOLARSHIP  
FOUNDATION STATUS OF RECIPIENT:  
N/A  
AMOUNT OF GRANT PAID ..... 4,000.

RECIPIENT NAME:  
ILLINOIS INSTITUTE OF TECHNOLOGY  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
SCHOLARSHIP  
FOUNDATION STATUS OF RECIPIENT:  
N/A  
AMOUNT OF GRANT PAID ..... 4,000.



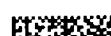
DONALD & GLADYS HEATH SCHLSP FD  
FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID  
=====

16-6355023

RECIPIENT NAME:  
UNIVERSITY OF NOTRE DAME  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
SCHOLARSHIP  
FOUNDATION STATUS OF RECIPIENT:  
N/A  
AMOUNT OF GRANT PAID ..... 4,000.

RECIPIENT NAME:  
UNIVERSITY OF BUFFALO  
RELATIONSHIP:  
NONE  
PURPOSE OF GRANT:  
SCHOLARSHIP  
FOUNDATION STATUS OF RECIPIENT:  
N/A  
AMOUNT OF GRANT PAID ..... 4,000.

TOTAL GRANTS PAID: 24,000.  
=====


**SCHEDULE D**  
**(Form 1041)**

 Department of the Treasury  
 Internal Revenue Service

OMB No 1545-0092

# Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

**2009**

Name of estate or trust

DONALD &amp; GLADYS HEATH SCHLSP FD

Employer identification number

16-6355023

Note: Form 5227 filers need to complete **only** Parts I and II.
**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co )	(b) Date acquired (mo , day, yr )	(c) Date sold (mo , day, yr )	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .	1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	3	- 6,645.
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2008 Capital Loss Carryover Worksheet . . . . .	4	( )
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . . ► 5		- 6,645.

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co )	(b) Date acquired (mo , day, yr )	(c) Date sold (mo , day, yr )	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .	6b	- 2,173.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	8	- 17,418.
9 Capital gain distributions . . . . .	9	
10 Gain from Form 4797, Part I . . . . .	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2008 Capital Loss Carryover Worksheet . . . . .	11	( )
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . . ► 12		- 19,591.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2009

## Schedule D (Form 1041) 2009

<b>Part III Summary of Parts I and II</b>		<b>(1) Beneficiaries' (see page 5)</b>	<b>(2) Estate's or trust's</b>	<b>(3) Total</b>
<b>Caution: Read the instructions before completing this part.</b>				
13	Net short-term gain or (loss) . . . . .	13		-6,645.
14	Net long-term gain or (loss):			
a	Total for year . . . . .	14a		-19,591.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.) . . . . .	14b		
c	28% rate gain . . . . .	14c		
15	<b>Total net gain or (loss). Combine lines 13 and 14a ►</b>	15		-26,236.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

**Part IV Capital Loss Limitation**

16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:	16	( 3,000 )
a The loss on line 15, column (3) or b \$3,000 . . . . .			

**Note:** If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

**Part V Tax Computation Using Maximum Capital Gains Rates**

**Form 1041 filers.** Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

**Caution:** Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

**Form 990-T trusts.** Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	19	
20	Add lines 18 and 19 . . . . .	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ►	21	
22	Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	22	
23	Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	23	
24	Enter the smaller of the amount on line 17 or \$2,300 . . . . .	24	
25	Is the amount on line 23 equal to or more than the amount on line 24?		
	<input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box.	25	
	<input type="checkbox"/> No. Enter the amount from line 23 . . . . .	26	
26	Subtract line 25 from line 24 . . . . .	26	
27	Are the amounts on lines 22 and 26 the same?	27	
	<input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31	28	
	<input type="checkbox"/> No. Enter the smaller of line 17 or line 22 . . . . .	29	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	28	
29	Subtract line 28 from line 27 . . . . .	29	
30	Multiply line 29 by 15% (.15) . . . . .	30	
31	Figure the tax on the amount on line 23. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	31	
32	Add lines 30 and 31 . . . . .	32	
33	Figure the tax on the amount on line 17. Use the 2009 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	33	
34	<b>Tax on all taxable income.</b> Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . . .	34	

Schedule D (Form 1041) 2009

Schedule D-1 (Form 1041) 2009

Name of estate or trust as shown on Form 1041. Do not enter name and employer identification number if shown on the other side.

**Employer identification number**

16-6355023

## Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

**6b Total.** Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . . -2,173.00

**Schedule D-1 (Form 1041) 2009**



DONALD &amp; GLADYS HEATH SCHLSP FD

16-6355023

## GAINS AND LOSSES FROM PASS-THRU ENTITIES

=====

NET SHORT-TERM GAIN (LOSS) FROM PARTNERSHIPS, S CORPORATIONS  
AND OTHER FIDUCIARIES

COMMON TRUST FUNDS	- 6,645.00
-----	
TOTAL NET SHORT-TERM GAIN OR LOSS (ROUNDED)	- 6,645.00
=====	

NET LONG-TERM GAIN (LOSS) FROM PARTNERSHIPS, S CORPORATIONS  
AND OTHER FIDUCIARIES

COMMON TRUST FUNDS	- 17,418.00
-----	
TOTAL NET LONG-TERM GAIN OR LOSS (ROUNDED)	- 17,418.00
=====	

STATEMENT 1

## ASSET SUMMARY

AS OF 02/26/10

ACCOUNT  
41-09-901-8533481

DONALD &amp; GLADYS HEATH SCHLSP FD

ACCOUNT	FEDERAL TAX COST	MARKET VALUE	% OF ACCOUNT	CURRENT YIELD	EST ANNUAL INCOME
CASH AND CASH EQUIVALENTS MONEY MARKET FUNDS	22,989.81	22,989.81	4 297	0 000	0 .(
FIXED INCOME COLLECTIVE FUNDS-FIXED	304,828.33	307,870.44	57 543	5 453	16,787.4
EQUITIES COLLECTIVE FUNDS-EQUITY	195,718.63	204,163.08	38 160	1 488	3,038.4
ACCOUNT TOTAL	523,536.77	535,023.33	100 000	3 706	19,825 .

PAGE 2

## ASSET DETAIL

AS OF 02/26/10

ACCOUNT  
41-09-901-8533481

DONALD &amp; GLADYS HEATH SCHLS P FD

UNITS	ASSET DESCRIPTION	ORIGINAL COST	FEDERAL TAX COST	MARKET VALUE	% OF ACCOUNT	CURRENT YIELD	EST ANNUAL INCOME
<b>CASH AND CASH EQUIVALENTS</b>							
MONEY MARKET FUNDS							
7,394	380 COLUMBIA GOVERNMENT RESERVES TRUST CLASS (INCOME INVESTMENT) CUSIP NO 097100556	7,394 38	7,394 38	7,394 38	1 382	0 000	0.00
15,595	430 COLUMBIA GOVERNMENT RESERVES TRUST CLASS CUSIP NO 097100556	15,595 43	15,595 43	15,595 43	2.915	0.000	0.00
	TOTAL MONEY MARKET FUNDS	22,989 81	22,989 81	22,989 81	4 297	0.000	0.00
	TOTAL CASH AND CASH EQUIVALENTS	22,989 81	22,989 81	22,989 81	4 297	0.000	0.00
<b>FIXED INCOME</b>							
COLLECTIVE FUNDS-FIXED							
40,549	818 GOVERNMENT CREDIT CTF ORIGINAL COST 282,428 17 CUSIP NO. 993361880	278,708 08	304,828 33	307,870 44	57 543	5 453	16,787 62
	TOTAL COLLECTIVE FUNDS-FIXED	278,708 08	304,828 33	307,870 44	57 543	5 453	16,787 62
	TOTAL FIXED INCOME	278,708 08	304,828 33	307,870 44	57 543	5 453	16,787 62
<b>EQUITIES</b>							
COLLECTIVE FUNDS-EQUITY							
1,862.730	INTERNATIONAL EQUITY CTF ORIGINAL COST 33,185 73 CUSIP NO. 1261292H7	33,185.73	36,279 30	34,063.18	6 367	1.559	530.88

COLLECTIVE FUNDS-EQUITY	1,559	1.559
1,862.730 INTERNATIONAL EQUITY CTF ORIGINAL COST 33,185 73 CUSIP NO. 1261292H7	36,279 30	34,063.18 6 367

## ASSET DETAIL

AS OF 02/26/10

ACCOUNT  
41-09-901-8533481

DONALD &amp; GLADYS HEATH SCHLSP FD

UNITS	ASSET DESCRIPTION	ORIGINAL COST	FEDERAL TAX COST	MARKET VALUE	% OF ACCOUNT	CURRENT YIELD	EST ANNUAL INCOME
6,310 780	LARGE CAP VALUE CTF ORIGINAL COST CUSIP NO. 202670915	68,825 77	68,825 77	65,570 66	68,003.07	12.710	1,800
447 731	SMALL CAP GROWTH CTF ORIGINAL COST CUSIP NO 207543877	4,650 45	4,650.45	5,298 69	5,149 67	0.963	0.261
361 525	MID CAP VALUE CTF ORIGINAL COST CUSIP NO 302993993	4,734 43	4,734 43	5,554 79	5,429 02	1 015	1 412
1,171 383	MID CAP GROWTH CTF ORIGINAL COST CUSIP NO 323991307	11,856 51	11,863 42	14,080 50	16,391 75	3 064	0.843
1,099 725	LARGE CAP GROWTH CTF ORIGINAL COST CUSIP NO. 993360882	67,049.15	67,085 63	68,934 69	75,126 39	14.042	1 404
TOTAL COLLECTIVE FUNDS-EQUITY		190,345 43	195,718 63	204,163 08	38.161	1.488	3,038.10
TOTAL EQUITIES		190,345 43	195,718 63	204,163.08	38.161	1.488	3,038.10
TOTAL FOR ACCOUNT		492,043.32	523,536 77	535,023 33	100.000	3.706	19,825.72