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

2009

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

For calendar year 2009, or tax year beginning

MAR 1, 2009

, and ending

FEB 28, 2010

G Check all that apply:

 Initial return Initial return of a former public charity Final return Amended return Address change Name changeUse the IRS  
label.  
Otherwise,  
print  
or type

Name of foundation

MARGOES FOUNDATION

See Specific  
Instructions

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

57 POST STREET

Room/suite

510

A Employer identification number

94-2955164

B Telephone number

(415) 981-2966

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 foundationI Fair market value of all assets at end of year J Accounting method.  Cash  Accrual

(from Part II, col (c), line 16)

(Part I, column (d) must be on cash basis)

► \$ 5,158,684.

Part I Analysis of Revenue and Expenses  
(The total of amounts in columns (b), (c), and (d) may not  
necessarily equal the amounts in column (a))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
Interest on savings and temporary cash investments				
4 Dividends and interest from securities	216,262.	216,262.		STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	7,981.			
b Gross sales price for all assets on line 6a	1,530,693.			
7 Capital gain net income (from Part IV, line 2)		7,981.		
8 Net short-term capital gain				
9 Income modifications				
Gross sales less returns and allowances				
10a				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total Add lines 1 through 11	224,243.	224,243.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees <span style="border: 1px solid black; padding: 2px;">JULY 16 2010</span> IRS STMT 2	5,200.	2,600.		2,600.
b Accounting fees	74,291.	37,062.		37,229.
c Other professional fees				
17 Interest <span style="border: 1px solid black; padding: 2px;">ODDEN, T</span> STMT 3				
18 Taxes STMT 4	110.	0.		10.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings	1,741.	0.		1,741.
22 Printing and publications				
23 Other expenses STMT 5	2,943.	0.		2,943.
24 Total operating and administrative expenses Add lines 13 through 23	84,285.	39,662.		44,523.
25 Contributions, gifts, grants paid	176,000.			176,000.
26 Total expenses and disbursements Add lines 24 and 25	260,285.	39,662.		220,523.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-36,042.			
b Net investment income (if negative, enter -0-)		184,581.		
c Adjusted net income (if negative, enter -0-)			N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments		1,113,991.	349,572.
	3	Accounts receivable ►			
		Less: allowance for doubtful accounts ►			
	4	Pledges receivable ►			
		Less: allowance for doubtful accounts ►			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ►			
		Less: allowance for doubtful accounts ►			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations	STMT 7	1,222,873.	875,757.
	b	Investments - corporate stock			875,757.
	c	Investments - corporate bonds	STMT 8	2,421,630.	1,999,600.
	11	Investments - land, buildings, and equipment basis ►			
		Less accumulated depreciation ►			
	12	Investments - mortgage loans			
	13	Investments - other	STMT 9	0.	1,933,755.
	14	Land, buildings, and equipment: basis ►			1,933,755.
		Less accumulated depreciation ►			
	15	Other assets (describe ► PURCHASED INTEREST )		7,133.	0.
	16	Total assets (to be completed by all filers)		4,765,627.	5,158,684.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ► )			
	23	Total liabilities (add lines 17 through 22) ►		0.	0.
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31				
	27	Capital stock, trust principal, or current funds		4,765,627.	5,158,684.
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.
	29	Retained earnings, accumulated income, endowment, or other funds		0.	0.
	30	Total net assets or fund balances		4,765,627.	5,158,684.
	31	Total liabilities and net assets/fund balances		4,765,627.	5,158,684.

## Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	4,765,627.
2	Enter amount from Part I, line 27a	2	-36,042.
3	Other increases not included in line 2 (itemize) ►	3	429,099.
4	Add lines 1, 2, and 3	4	5,158,684.
5	Decreases not included in line 2 (itemize) ►	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,158,684.

**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 UNION BANK OF CALIFORNIA - SEE EXHIBIT 1</b>			P	VARIOUS	VARIOUS
<b>b UNION BANK OF CALIFORNIA - SEE EXHIBIT 1</b>			P	VARIOUS	VARIOUS
<b>c CLASS ACTION SETTLEMENTS</b>			P	VARIOUS	VARIOUS
<b>d</b>					
<b>e</b>					
(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)		
<b>a 863,718.</b>		<b>869,858.</b>	<b>-6,140.</b>		
<b>b 653,722.</b>		<b>652,854.</b>	<b>868.</b>		
<b>c 13,253.</b>			<b>13,253.</b>		
<b>d</b>					
<b>e</b>					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
<b>a</b>					<b>-6,140.</b>
<b>b</b>					<b>868.</b>
<b>c</b>					<b>13,253.</b>
<b>d</b>					
<b>e</b>					
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		<b>7,981.</b>
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). If (loss), enter -0- in Part I, line 8			3		<b>N/A</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 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	<b>260,712.</b>	<b>4,945,460.</b>	<b>.052717</b>
2007	<b>244,634.</b>	<b>5,338,191.</b>	<b>.045827</b>
2006	<b>213,734.</b>	<b>5,211,834.</b>	<b>.041009</b>
2005	<b>218,000.</b>	<b>5,185,079.</b>	<b>.042044</b>
2004	<b>187,101.</b>	<b>5,208,758.</b>	<b>.035920</b>

2 Total of line 1, column (d) 2 .217517

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 .043503

4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 4 4,893,108.

5 Multiply line 4 by line 3 5 212,865.

6 Enter 1% of net investment income (1% of Part I, line 27b) 6 1,846.

7 Add lines 5 and 6 7 214,711.

8 Enter qualifying distributions from Part XII, line 4 8 220,523.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter "N/A" on line 1.	(attach copy of letter if necessary-see instructions)	1	1,846.
Date of ruling or determination letter: _____				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" 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-)			
3	Add lines 1 and 2	2	0.	
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	3	1,846.	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	4	0.	
6	Credits/Payments:	5	1,846.	
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	1,719.	
b	Exempt foreign organizations - tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments Add lines 6a through 6d	7	1,719.	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9	Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	127.	
10	Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax ►	11		
				Refunded ►

## Part VII-A Statements Regarding Activities

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?	Yes	No
1a		X	
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <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>	X	
1c	Did the foundation file Form 1120-POL for this year?	X	
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ <u>0.</u> (2) On foundation managers. ► \$ <u>0.</u>		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ <u>0.</u>		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities</i>	X	
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>	X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year? b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	X	
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► <u>CA</u>		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	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)? <i>If "Yes," complete Part XIV</i>	X	
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	X	

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	<input checked="" type="checkbox"/>
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>MARGOESFDN@aol.com (EMAIL)</u>	13	<input checked="" type="checkbox"/>
14	The books are in care of ► <u>KRAMER, BLUM, &amp; ASSOCIATES, INC.</u> Telephone no. ► <u>(415) 981-2966</u> Located at ► <u>57 POST STREET, SUITE 510, SAN FRANCISCO, CA</u> ZIP+4 ► <u>94104</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	<input type="checkbox"/> N/A

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	<input checked="" 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	<input checked="" type="checkbox"/>
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
b	If "Yes," list the years ► _____, _____, _____, _____, _____, _____	2b	<input type="checkbox"/> N/A
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.	3b	<input type="checkbox"/> N/A
►	_____	4a	<input type="checkbox"/> X
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	<input type="checkbox"/> N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4b	<input type="checkbox"/> 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?		

**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))?
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
- (3) Provide a grant to an individual for travel, study, or other similar purposes?
- (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)?
- (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 Yes  No Yes  No Yes  No Yes  No

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

N/A

► 

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

 Yes  No

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

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

 Yes  No

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

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

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

 Yes  No

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

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 10		0.	0.	0.

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

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

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

►

0

Form 990-PF (2009)

**Part VIII** **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**
**3 Five highest-paid independent contractors for professional services. If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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


0

**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.

1	N/A	Expenses
2		
3		
4		

**Part IX-B Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

1	N/A	Amount
2		
3		
<b>Total. Add lines 1 through 3</b>		0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	4,405,425.
b	Average of monthly cash balances	1b	562,197.
c	Fair market value of all other assets	1c	0.
d	<b>Total</b> (add lines 1a, b, and c)	1d	4,967,622.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	4,967,622.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	74,514.
5	<b>Net value of noncharitable-use assets</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	4,893,108.
6	<b>Minimum investment return</b> Enter 5% of line 5	6	244,655.

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

1	Minimum investment return from Part X, line 6	1	244,655.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	1,846.
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,846.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	242,809.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	242,809.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	242,809.

**Part XII Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	220,523.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	<b>Qualifying distributions</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	220,523.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	1,846.
6	<b>Adjusted qualifying distributions</b> Subtract line 5 from line 4	6	218,677.

**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 instructions)**

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				242,809.
2 Undistributed income, if any, as of the end of 2008			0.	
a Enter amount for 2008 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008	3,999.			
f Total of lines 3a through e	3,999.			
4 Qualifying distributions for 2009 from Part XII, line 4: ► \$ 220,523.			0.	
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)		0.		
d Applied to 2009 distributable amount				220,523.
e Remaining amount distributed out of corpus		0.		
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	3,999.			3,999.
6 Enter the net total of each column as indicated below:	0.			
a Corpus Add lines 3f, 4c and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				18,287.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
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				

**Part XIV** **Private Operating Foundations** (see instructions and Part VII-A, question 9)**N/A**

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

 4942(j)(3) or  4942(j)(5)

b Check box to indicate whether the foundation is a private operating foundation described in section

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

 4942(j)(5)

## 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 SEE EXHIBIT 3		501(C)(3)		176,000.
<b>Total</b>			► 3a	176,000.
b Approved for future payment				
NONE				
<b>Total</b>			► 3b	0.

023611 02-02-10

Form 990-PF (2009)

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

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	216,262.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	7,981.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		224,243.	0.
13 Total Add line 12, columns (b), (d), and (e)			13		224,243.
(See worksheet in line 13 instructions to verify calculations.)					

## **Relationship of Activities to the Accomplishment of Exempt Purposes**

**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?

**a Transfers from the reporting foundation to a noncharitable exempt organization of:**

(1) Cash

- (2) Other assets
- b Other transactions:
  - (1) Sales of assets to a noncharitable exempt organization
  - (2) Purchases of assets from a noncharitable exempt organization
  - (3) Rental of facilities, equipment, or other assets
  - (4) Reimbursement arrangements
  - (5) Loans or loan guarantees
  - (6) Performance of services or membership or fundraising solicitations

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. 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 If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

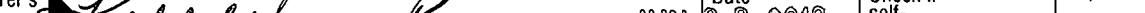
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.

1/13/2010

knowledge

Date

### Sign Here

Sign Here		Preparer's signature  <b>Kathleen Burns</b>	Date <b>JUN 22 2010</b>	Check if self-employed <input type="checkbox"/>	Preparer's identifying number
Paid Preparer's Use Only	Firm's name (or yours if self-employed), address, and ZIP code 	CALEGARI & MORRIS, ACCOUNTANTS 123 MISSION STREET, 18TH FLOOR SAN FRANCISCO, CA 94105	EIN 	Phone no. <b>(415) 981-8766</b>	

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT	
LESS ACCRUED INTEREST PAID (CY)	-4,949.	0.	-4,949.	
LESS ACCRUED INTEREST PAID (PY)	-7,133.	0.	-7,133.	
UNION BANK OF CALIFORNIA - DIVIDENDS	3,243.	0.	3,243.	
UNION BANK OF CALIFORNIA - FUND DIVIDENDS	25,368.	0.	25,368.	
UNION BANK OF CALIFORNIA - INTEREST	199,733.	0.	199,733.	
TOTAL TO FM 990-PF, PART I, LN 4	216,262.	0.	216,262.	

FORM 990-PF	ACCOUNTING FEES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
ACCOUNTING FEES	5,200.	2,600.		2,600.	
TO FORM 990-PF, PG 1, LN 16B	5,200.	2,600.		2,600.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
UNION BANK INVESTMENT FEES	4,100.	4,100.		0.	
INVESTMENT ADVISORY FEES	32,962.	32,962.		0.	
KRAMER, BLUM & ASSOCIATES	37,229.	0.		37,229.	
TO FORM 990-PF, PG 1, LN 16C	74,291.	37,062.		37,229.	

FORM 990-PF

TAXES

STATEMENT

4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CA FILING FEES	10.	0.		10.
FEDERAL EXCISE TAX	100.	0.		0.
TO FORM 990-PF, PG 1, LN 18	110.	0.		10.

FORM 990-PF

OTHER EXPENSES

STATEMENT

5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MEMBERSHIP DUES	630.	0.		630.
INSURANCE	1,678.	0.		1,678.
OFFICE EXPENSE	635.	0.		635.
TO FORM 990-PF, PG 1, LN 23	2,943.	0.		2,943.

FORM 990-PF

OTHER INCREASES IN NET ASSETS OR FUND BALANCES

STATEMENT

6

DESCRIPTION	AMOUNT
UNREALIZED APPRECIATION - SECURITIES (TOTAL)	243,010.
UNREALIZED DEPRECIATION - SECURITIES (PRIOR YEAR)	186,089.
TOTAL TO FORM 990-PF, PART III, LINE 3	429,099.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	7
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
U.S. GOV'T OBLIGATIONS-EXHIBIT 4	X		875,757.	875,757.
TOTAL U.S. GOVERNMENT OBLIGATIONS			875,757.	875,757.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			875,757.	875,757.

FORM 990-PF	CORPORATE BONDS	STATEMENT	8
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS-EXHIBIT 4	1,949,250.	1,949,250.
NON US CORPORATE BONDS-EXHIBIT 4	50,350.	50,350.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,999,600.	1,999,600.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	9
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS-EXHIBIT 4	FMV	1,933,755.	1,933,755.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,933,755.	1,933,755.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DOUGLAS W. JOHNSON 57 POST STREET, SUITE 510 SAN FRANCISCO, CA 94104	CHIEF FINANCIAL OFFICER/DI 1.00	0.	0.	0.
NEAL L. PETERSEN 57 POST STREET, SUITE 510 SAN FRANCISCO, CA 94104	SECRETARY/DIRECTOR 1.00	0.	0.	0.
CAL C. HARLING 57 POST STREET, SUITE 510 SAN FRANCISCO, CA 94104	CHAIRMAN/DIRECTOR 1.00	0.	0.	0.
BARBARA A. MCCLUNG 57 POST STREET, SUITE 510 SAN FRANCISCO, CA 94104	DIRECTOR 1.00	0.	0.	0.
MARY ANNE SCHUETT 57 POST STREET, SUITE 510 SAN FRANCISCO, CA 94104	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**

*Margoes Foundation*

**Union Bank of California Account #1114-5398**

From 03-01-09 Through 02-28-10

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-29-99	03-15-09	10	GOVTNATL MTG ASSN POOL #478032	11.01	10.75		-0.26
			7.0000% Due 05-15-28				
10-30-01	03-15-09	64	GNMA PASS-THRU X SINGLE FAMILY	65.45	64.71		-0.74
			6.0000% Due 05-15-31				
10-30-01	03-15-09	44	GNMA PASS-THRU X SINGLE FAMILY	45.13	44.62		-0.51
			6.0000% Due 10-15-31				
10-30-01	03-15-09	11	GNMA PASS-THRU X SINGLE FAMILY	11.90	11.77		-0.13
			6.0000% Due 07-15-31				
10-30-01	03-15-09	20	GNMA PASS-THRU X SINGLE FAMILY	20.86	20.63		-0.23
			6.0000% Due 06-15-31				
10-30-01	03-15-09	43	GNMA PASS-THRU X SINGLE FAMILY	44.49	43.99		-0.50
			6.0000% Due 05-15-31				
12-10-02	03-25-09	1,643	FNMA PASS-THRU INT 15 YEAR	1,670.80	1,643.08		-27.72
			5.0000% Due 01-01-18				
09-30-03	03-25-09	825	FNMA PASS-THRU INT 15 YEAR	832.93	825.20		-7.73
			4.5000% Due 10-01-18				
01-29-99	04-15-09	10	GOVTNATL MTG ASSN POOL #478032	11.08	10.82		-0.26
			7.0000% Due 05-15-28				
10-30-01	04-15-09	65	GNMA PASS-THRU X SINGLE FAMILY	65.81	65.06		-0.75
			6.0000% Due 03-15-31				
10-30-01	04-15-09	44	GNMA PASS-THRU X SINGLE FAMILY	44.87	44.36		-0.51
			6.0000% Due 10-15-31				
10-30-01	04-15-09	11	GNMA PASS-THRU X SINGLE FAMILY	11.97	11.84		-0.13
			6.0000% Due 07-15-31				
10-30-01	04-15-09	190	GNMA PASS-THRU X SINGLE FAMILY	192.90	190.70		-2.20
			6.0000% Due 06-15-31				

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margoes Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
10-30-01	04-15-09	26	GNMA PASS-THRU X SINGLE FAMILY 6.0000% Due 05-15-31	26.42	26.12		-0.30
12-10-02	04-25-09	1,920	FNMA PASS-THRU INT 15 YEAR 5.0000% Due 01-01-18	1,933.04	1,920.63		-32.41
09-30-03	04-25-09	1,356	FNMA PASS-THRU INT 15 YEAR 4.5000% Due 10-01-18	1,368.86	1,356.15		-12.71
01-29-99	05-15-09	10	GOVTNATL MTG ASSN POOL #478032 7.0000% Due 05/15/2028	11.15	10.89		-0.26
10-30-01	05-15-09	65	7.0000% Due 05-15-28 GNMA PASS-THRU X SINGLE FAMILY 6.0000% Due 03-15-31	66.16	65.41		-0.75
10-30-01	05-15-09	44	GNMA PASS-THRU X SINGLE FAMILY 6.0000% Due 10-15-31	45.37	44.86		-0.51
10-30-01	05-15-09	11	GNMA PASS-THRU X SINGLE FAMILY 6.0000% Due 07-15-31	12.03	11.90		-0.13
10-30-01	05-15-09	186	GNMA PASS-THRU X SINGLE FAMILY 6.0000% Due 06-15-31	188.38	186.23		-2.15
10-30-01	05-15-09	35	GNMA PASS-THRU X SINGLE FAMILY 6.0000% Due 05-15-31	35.74	35.34		-0.40
12-10-02	05-25-09	1,509	FNMA PASS-THRU INT 15 YEAR 4.5000% Due 10-01-18	1,535.11	1,509.64		-25.47
09-30-03	05-25-09	1,088	5.0000% Due 01-01-18 FNMA PASS-THRU INT 15 YEAR ASSN MEDIUM TERM NTS	1,098.28	1,088.08		-10.20
12-12-08	06-01-09	50,000	KROGER CO 7.2500% Due 06-01-09	50,991.50	50,000.00		-991.50
02-22-07	06-08-09	200,000	FEDERAL NATL MTG ASSN MEDIUM TERM NTS MTN BE	199,886.00	200,000.00		114.00
09-25-08	06-08-09	200,000	TOYOTA MTR CRD CORP 6.0000% Due 03-08-22	198,612.00	200,000.00		1,388.00
			6.0000% Due 06-08-22				

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Mangoes Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-29-99	06-15-09	10	GOVTNATL MTG ASSN POOL #478032	11.22	10.96		-0.26
			7.000% 6/15/2028				
10-30-01	06-15-09	65	GNMA PASS-THRU X SINGLE FAMILY	66.53	65.77		-0.76
			6.000% 6/03-15-31				
10-30-01	06-15-09	45	GNMA PASS-THRU X SINGLE FAMILY	45.62	45.10		-0.32
			6.000% 6/03-15-31				
10-30-01	06-15-09	11	GNMA PASS-THRU X SINGLE FAMILY	12.09	11.96		-0.13
			6.000% 6/07-15-31				
10-30-01	06-15-09	746	GNMA PASS-THRU X SINGLE FAMILY	754.91	746.29		-8.62
			6.000% 6/06-15-31				
10-30-01	06-15-09	44	GNMA PASS-THRU X SINGLE FAMILY	45.07	44.56		-0.51
			6.000% 6/03-15-31				
12-12-08	06-15-09	150,000	FEDERAL HOME LN BKCS	153,190.50	150,000.00	-3,190.50	
			5.500% 6/06-15-11				
12-12-08	06-15-09	50,000	COMCAST CABLE COMMUNICATIONS	50,745.50	50,000.00	-745.50	
			6.875% 6/06-15/2009				
			MAKEWHOLE				
			6.875% 6/06-15-09				
04-14-09	06-19-09	546,000.00	BARCLAYS BK PLC DJAG CMDF ETN	18,885.48	20,883.19	1,997.71	
06-02-09	06-19-09	481,000.00	BARCLAYS BK PLC DJAG CMDF ETN	18,737.26	18,397.10	-340.16	
12-10-02	06-25-09	1,917	FNMA PASS-THRU INT 15 YEAR	1,950.00	1,917.65		-32.35
			5.000% 6/01-01-18				
09-30-03	06-25-09	1,005	FNMA PASS-THRU INT 15 YEAR	1,014.82	1,005.40		-9.42
			4.500% 6/10-01-18				
12-12-08	07-15-09	50,000	DEERE JOHN CAP CORP MTNS BE	50,511.50	50,000.00	-511.50	
			4.400% 6/07-15-09				

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margoes Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
01-29-99	07-15-09	11	GOVTNATL MTG ASSN POOL #478032	11.28	11.02		-0.26
			7.000% 05/15/2028				
10-30-01	07-15-09	66	GNMA PASS-THRU X SINGLE FAMILY	66.88	66.12		-0.76
			6.000% Due 03-15-31				
10-30-01	07-15-09	45	GNMA PASS-THRU X SINGLE FAMILY	45.87	45.35		-0.52
			6.000% Due 10-15-31				
10-30-01	07-15-09	12	GNMA PASS-THRU X SINGLE FAMILY	12.16	12.03		-0.13
			6.000% Due 07-15-31				
10-30-01	07-15-09	230	GNMA PASS-THRU X SINGLE FAMILY	233.00	230.34		-2.66
			6.000% Due 06-15-31				
10-30-01	07-15-09	26	GNMA PASS-THRU X SINGLE FAMILY	26.99	26.69		-0.30
			6.000% Due 05-15-31				
12-12-08	07-15-09	50,000	HSBC HLDGS PLC	51,233.50	50,000.00	-1,233.50	
			7.500% Due 07-15-09				
12-10-02	07-25-09	1,729	FNMA PASS-THRU INT 15 YEAR	1,758.56	1,729.38		-29.18
			5.000% Due 01-01-18				
09-30-03	07-25-09	1,820	FNMA PASS-THRU INT 15 YEAR	1,838.04	1,820.97		-17.07
			4.500% Due 10-01-18				
08-05-99	08-10-09	100,000	WALMART STORES INC NT 6.87500% 08/10/2009	99,608.00	100,000.00		392.00
			6.875% Due 08-10-09				
01-29-99	08-15-09	11	GOVTNATL MTG ASSN POOL #478032	11.35	11.09		-0.26
			7.000% 05/15/2028				
10-30-01	08-15-09	5,600	GNMA PASS-THRU X SINGLE FAMILY	5,665.47	5,600.72		-64.75
			6.000% Due 03-15-31				
10-30-01	08-15-09	792	GNMA PASS-THRU X SINGLE FAMILY	801.91	792.75		-9.16
			6.000% Due 10-15-31				

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margo's Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
10-30-01	08-15-09	12	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 07-15-31	12.22	12.09		-0.13
10-30-01	08-15-09	19	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 06-15-31	19.37	19.15		-0.22
10-30-01	08-15-09	45	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 05-15-31	45.85	45.33		-0.52
12-12-08	08-15-09	50,000	UNITED HEALTH GROUP INC 4.12500%@08/15/2009 NT	50,462.00	50,000.00		-462.00
12-10-02	08-25-09	1,620	FNMA PASS-THRU INT 15 YEAR	1,647.60	1,620.26		-27.34
09-30-03	08-25-09	1,386	FNMA PASS-THRU INT 15 YEAR	1,399.29	1,386.30		-12.99
01-29-99	09-15-09	3,350	GOVTNATL MTG ASSN POOL #478032 7.000%@05/15/2028	3,431.31	3,350.18		-81.13
10-30-01	09-15-09	57	GNMA PASS-THRU X SINGLE FAMILY 7.000% Due 05-15-28	57.67	57.02		-0.65
10-30-01	09-15-09	43	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 03-15-31	44.44	43.94		-0.50
10-30-01	09-15-09	12	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 10-15-31	12.30	12.16		-0.14
10-30-01	09-15-09	417	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 07-15-31	422.58	417.76		-4.82
10-30-01	09-15-09	36	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 05-15-31	36.71	36.30		-0.41
12-12-08	09-15-09	50,000	CVS CAREMARK CORPORATION 4.0000%@09/15/2009 NT 4.000% Due 09-15-09	50,106.50	50,000.00		-106.50

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margoes Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
12-12-08	09-15-09	50,000	SBC COMMUNICATIONS INC	50,240.00	50,000.00	-240.00	
			4.125% Due 09-15-09				
12-12-08	09-15-09	50,000	SAFEWAY INC	51,110.50	50,000.00	-1,110.50	
			7.500% Due 09-15-09				
12-10-02	09-25-09	1,325	FNMA PASS-THRU INT 15 YEAR	1,347.90	1,325.54	-22.36	
			5.000% Due 01-01-18				
09-30-03	09-25-09	1,650	FNMA PASS-THRU INT 15 YEAR	1,665.67	1,650.20	-15.47	
			4.500% Due 10-01-18				
07-28-09	10-05-09	23,000	AVALONBAY COMMUNITIES MEDIUM TERM NOTES	23,549.93	24,437.50	887.57	
			5.500% Due 01-15-12				
03-12-08	10-14-09	100,000	FEDERAL HOME LN MTG CORP	99,107.00	100,000.00	893.00	
			5.500% Due 03-15-28				
01-29-99	10-15-09	4	GOVTNATL MTG ASSN POOL #478032	4.27	4.17	-0.10	
			7.0000% Due 5/15/2028				
10-30-01	10-15-09	57	GNMA PASS-THRU X SINGLE FAMILY	57.99	57.33	-0.66	
			6.0000% Due 03-15-31				
10-30-01	10-15-09	44	GNMA PASS-THRU X SINGLE FAMILY	44.69	44.18	-0.51	
			6.0000% Due 10-15-31				
10-30-01	10-15-09	12	GNMA PASS-THRU X SINGLE FAMILY	12.37	12.23	-0.14	
			6.0000% Due 07-15-31				
10-30-01	10-15-09	15	GNMA PASS-THRU X SINGLE FAMILY	16.16	15.98	-0.18	
			6.0000% Due 06-15-31				
10-30-01	10-15-09	36	GNMA PASS-THRU X SINGLE FAMILY	36.92	36.50	-0.42	
			6.0000% Due 05-15-31				
12-10-02	10-25-09	1,144	FNMA PASS-THRU INT 15 YEAR	1,164.16	1,144.85	-19.31	
			5.0000% Due 01-01-18				

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margoe Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
09-30-03	10-25-09	1,399	FNMA PASS-THRU INT 15 YEAR	1,412.99	1,399.87		-13.12
12-12-08	11-01-09	50,000	4.500% Due 10-01-18 PNC FUNDING CORP	51,481.50	50,000.00	-1,481.50	
01-29-99	11-15-09	4	GOVTNATL MTG ASSN POOL #478032	4.30	4.20		-0.10
			7.000% Due 05-15-28				
10-30-01	11-15-09	57	GNMA PASS-THRU X SINGLE FAMILY	58.30	57.64		-0.66
			6.000% Due 03-15-31				
10-30-01	11-15-09	42	GNMA PASS-THRU X SINGLE FAMILY	43.14	42.65		-0.49
			6.000% Due 10-15-31				
10-30-01	11-15-09	12	GNMA PASS-THRU X SINGLE FAMILY	12.43	12.29		-0.14
			6.000% Due 07-15-31				
10-30-01	11-15-09	277	GNMA PASS-THRU X SINGLE FAMILY	281.07	277.86		-3.21
			6.000% Due 06-15-31				
10-30-01	11-15-09	36	GNMA PASS-THRU X SINGLE FAMILY	37.11	36.69		-0.42
			6.000% Due 05-15-31				
12-10-02	11-25-09	1,322	FNMA PASS-THRU INT 15 YEAR	1,344.38	1,322.08		-22.30
			5.000% Due 01-01-18				
09-30-03	11-25-09	2,275	FNMA PASS-THRU INT 15 YEAR	2,296.44	2,275.12		-21.32
			4.500% Due 10-01-18				
01-29-99	12-15-09	4	GOVTNATL MTG ASSN POOL #478032	4.33	4.23		-0.10
			7.000% Due 05-15-28				
10-30-01	12-15-09	57	GNMA PASS-THRU X SINGLE FAMILY	58.62	57.95		-0.67
			6.000% Due 03-15-31				
10-30-01	12-15-09	1,391	GNMA PASS-THRU X SINGLE FAMILY	1,407.08	1,391.00		-16.08
			6.000% Due 10-15-31				

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margo's Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
10-30-01	12-15-09	12	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 07-15-31	12.50	12.36		-0.14
10-30-01	12-15-09	16	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 06-15-31	17.14	16.95		-0.19
10-30-01	12-15-09	37	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 05-15-31	38.10	37.67		-0.43
12-18-07	12-15-09	100,000	CATERPILLAR FIN CORP PWRNTS BE	99,178.00	100,000.00		822.00
12-10-02	12-25-09	1,290	FNMA PASS-THRU INT 15 YEAR	1,311.93	1,290.16		-21.77
09-30-03	12-25-09	1,745	FNMA PASS-THRU INT 15 YEAR	1,761.43	1,745.07		-16.36
01-29-99	01-15-10	4	GOVTNATL MTG ASSN POOL #478052 7.000% Due 05/15/2028	4.35	4.25		-0.10
10-30-01	01-15-10	58	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 03-15-31	58.93	58.26		-0.67
10-30-01	01-15-10	2,659	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 10-15-31	2,689.88	2,659.14		-30.74
10-30-01	01-15-10	12	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 07-15-31	12.56	12.42		-0.14
10-30-01	01-15-10	285	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 06-15-31	289.04	285.74		-3.30
10-30-01	01-15-10	40	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 05-15-31	40.68	40.22		-0.46
12-12-08	01-15-10	50,000	CLOROX CO DEL 4.200% Due 01-15-10	50,260.50	50,000.00		-260.50
12-12-08	01-15-10	50,000	NEW YORK TEL CO 6.125% Due 01-15-10	50,371.50	50,000.00		-371.50

Howe Barnes Capital Management, Inc.  
**REALIZED GAINS AND LOSSES**  
*Margoes Foundation*  
**Union Bank of California Account #1114-5398**  
*From 03-01-09 Through 02-28-10*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
12-10-02	01-25-10	1,274	FNMA PASS-THRU INT 15 YEAR 5.000% Due 01-01-18	1,296.16	1,274.66		-21.50
09-30-03	01-25-10	1,702	FNMA PASS-THRU INT 15 YEAR 4.500% Due 10-01-18	1,717.96	1,702.01		-15.95
01-29-99	02-15-10	4	GOVTNATL MTG ASSN POOL #478052 7.000% 05/15/2028	4.38	4.28		-0.10
10-30-01	02-15-10	58	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 03-15-31	59.25	58.58		-0.67
10-30-01	02-15-10	34	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 10-15-31	34.74	34.35		-0.39
10-30-01	02-15-10	12	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 07-15-31	12.63	12.49		-0.14
10-30-01	02-15-10	15	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 06-15-31	15.55	15.38		-0.17
10-30-01	02-15-10	42	GNMA PASS-THRU X SINGLE FAMILY 6.000% Due 05-15-31	43.26	42.77		-0.49
12-10-02	02-25-10	1,242	FNMA PASS-THRU INT 15 YEAR 5.000% Due 01-01-18	1,263.43	1,242.47		-20.96
09-30-03	02-25-10	1,562	FNMA PASS-THRU INT 15 YEAR 4.500% Due 10-01-18	1,577.38	1,562.73		-14.65
TOTAL REALIZED GAINS						4,273.28	2,221.00
TOTAL LOSSES						-10,413.16	-1,322.97
TOTAL REALIZED GAIN/LOSS						-6,139.88	888.02

## **MARGOES FOUNDATION**

### **ANNUAL REPORT FOR THE YEAR ENDED FEBRUARY 28, 2010**

#### **GENERAL INFORMATION**

#### **CURRENT PROGRAM PRIORITIES**

#### **GRANT AWARDS AND PAYMENTS**

#### **GRANT PROPOSAL & REPORTING GUIDELINES**

#### **OFFICERS AND DIRECTORS**

Cal C. Harling

Chairman & Director

Neal L. Petersen

Secretary & Director

Douglas W. Johnson

Chief Financial Officer & Director

Barbara A. McClung

Director

Mary Anne Schuett

Director

Patrick L. McClung

Director-Emeritus

#### **ADVISORS**

Principal Manager John S. Blum  
Consultant Kenneth J. Blum

**57 POST STREET, SUITE 510 SAN FRANCISCO, CA 94104**

**(415) 981-2966 FAX: (415) 981-5218**

**E-MAIL: [margoesfdn@aol.com](mailto:margoesfdn@aol.com)**

## **GENERAL INFORMATION**

The Margoes Foundation was established in 1984 by the Will of John A. Margoes and operates as a private foundation incorporated under California law.

### **GRANT PROGRAM OBJECTIVES**

John Margoes envisioned the Foundation would be a resource and catalyst for supporting imaginative and creative program opportunities that enabled:

- Minority and other disadvantaged youth to obtain a college education.
- Students from Asia and Africa to study in the United States.
- People with mental disabilities to live in non-institutional environments and lead productive lives.
- Promising biomedical scientists to engage in cardiovascular research.

### **ELIGIBLE APPLICANTS**

The Foundation accepts grant requests only from tax-exempt, charitable organizations that are not defined as private foundations under Section 501(c)(3) of the Internal Revenue Code.

### **GEOGRAPHICAL FOCUS**

The Foundation prefers to fund eligible non-profit organizations located in the San Francisco Bay Area to facilitate interactions with grantees and oversight of the grant.

### **SEED MONEY AND MATCHING GRANTS**

The Foundation prefers to:

- Award grants as seed money to jump start new program initiatives that effect strategic change.
- Provide matching grants and leverage its support with contributions from other donors.

### **TERM OF GRANT**

Grants are awarded for a one-year period and may be extended based on grantee performance and program effectiveness.

### **PROGRAM LIMITATIONS**

The Foundation does not:

- Accept requests from individuals or award loans, scholarships and grants to individuals.
- Award grants for annual fund campaigns, fundraising events, operating deficits, endowments, sectarian religious activities or sectarian religious facilities.
- Assume any obligation to provide continuing support to grantees.

## **CURRENT PROGRAM PRIORITIES**

### **FOR MINORITY AND DISADVANTAGED STUDENTS**

The Foundation places a high priority on funding collegiate and pre-collegiate programs that prepare low income, minority and other disadvantaged students to qualify for post-secondary education, matriculate in a college or university and graduate with a degree.

#### **COLLEGE PROGRAMS.**

- To support institutional scholarship and financial aid programs for promising minority and disadvantaged students with high academic potential.

#### **COLLEGE PREPARATORY PROGRAMS.**

- To support after-school and summer academically focused programs to help minority and disadvantaged high school students improve their competence in secondary school subjects and better qualify for admission to college.

Appropriate programs include supplemental math and science activities, tutoring and mentoring in academic disciplines, computer literacy, the arts and music. The program sponsor must provide information about the number of high school students enrolled in the program who graduate and enroll in college.

#### **NEW AND INNOVATIVE PUBLIC EDUCATION PROGRAMS.**

- To support programs to increase the number of minority and disadvantaged high school graduates who enroll in college and obtain a degree.

#### **PROFESSIONAL TEACHING TRAINING PROGRAMS.**

- To support programs to prepare teachers for teaching minority and disadvantaged high school students in hard to staff urban schools.

### **FOR FOREIGN STUDENTS FROM AFRICA AND ASIA**

- To support supplementary scholarship programs African and Asian nationals to study at a college or university in the United States. Students are expected to make a direct application of their training, to the extent possible, when they return to their home communities.

#### ***Qualifying students must have received:***

- Written notification of their admission to an academically focused or short-term technology program at a college or university in the United States.
- A full academic scholarship and partial living allowance but fall short of the INS financial requirements for studying in the United States.

### **FOR PEOPLE WITH MENTAL DISABILITIES**

- To support community-based programs that empower people with mental disabilities to live independently and lead productive lives.
- To support community-based programs that improve the delivery of mental health services to young people who turn 18 years old and are making the transition from residential therapeutic care to independence.

### **FOR POST-DOCTORAL BIOMEDICAL SCIENTISTS**

- To support institutions and associations engaged in cardiovascular research.

## **GRANT PROPOSAL & REPORTING GUIDELINES**

The Margoës Foundation accepts and reviews grant proposals on a continuing basis. Applicants should contact the Foundation if they have questions about the current grantmaking priorities and application procedures.

Grant proposals should be submitted before April 15 for consideration at the spring board meeting and before October 15 for consideration at the fall board meeting. Applicants should provide one copy of the following documents:

### **The Cover Letter**

The cover letter should not exceed two pages and include:

- A summary of the proposed project or program and the dollar amount requested.
- A statement describing how the proposed project or program furthers the Margoës Foundation grantmaking objectives and priorities.
- A brief description of the organization's mission and accomplishments.
- A statement indicating the governing board authorizes the application.
- The name, address and telephone number of the responsible contact person.

### **The Proposal Narrative**

The proposal narrative should not exceed six pages and describe:

- The purpose of the project or program and the problem(s) it will address.
- The specific goal(s) and objectives of the project or program.
- The target population and the number of participants.
- The proposed activities and timeline of the project or program during the grant period.
- The names and qualifications of the responsible personnel.
- The project or program budget of estimated revenue and expenses.
- The dollar amount requested from the Margoës Foundation and the use of the funds.
- A list of the current donors and the level of their support to the project or program.
- The names of other funding partners who will be solicited for support.
- The proposed funding plan to continue the project or program beyond the grant period.

### **The Reporting of Grant Results**

A brief description of how the applicant will measure the success of the project or program and report the grant results:

- The outcomes to be achieved based on the specific goals and objectives in the proposal.
- The grant helped to advance the project or program and further the Foundation's grant objectives.
- The impact of the project or program on the participants.
- Non-programmatic events and unexpected results encountered during the grant period.
- Key lessons learned during the grant period.

### **Organizational and Financial Documents**

- The organization's current 501(c)(3) letter and classification under Section 509(a) of the Internal Revenue Code and any updates or amendments.
- The names of the officers and directors of the governing board.
- The most recent twelve-month audited financial statement including balance sheets and statements of revenue and expenses. If the applicant does not have an audited statement, submit a copy of the most recent IRS Form 990.
- The organization's current year budget of operating revenue and expenses.

## MARGOES FOUNDATION

GRANT AWARDS AND PAYMENTS FOR THE YEAR ENDED FEBRUARY 28, 2010

	<u>GRANTS AWARDED</u>	<u>GRANTS PAID</u>	<u>GRANTS PAYABLE</u>
<b>COLLEGE PROGRAMS FOR MINORITY AND DISADVANTAGED STUDENTS</b>			
FOSTERING FUTURES SCHOLARSHIP PROGRAM, Concord, CA For renewable scholarships to former foster youth from the San Francisco Bay to pursue a college education	\$25,000	\$25,000	
<b>ON THE MOVE, Napa, CA</b>			
For the ARRIVE Scholarship and Support Program initiative to assist Latina high school students overcome the cultural barriers that prevent them from attending a four-year university.	\$25,000	\$25,000	
<b>SAN FRANCISCO CONSERVATORY OF MUSIC, San Francisco, CA</b>			
For scholarships to minority and low-income students in the Collegiate Division.	\$12,500		
<b>PRE-COLLEGE PROGRAMS FOR MINORITY AND DISADVANTAGED STUDENTS</b>			
COMMUNITY MUSIC CENTER, San Francisco, CA For scholarships to low income, minority high school students to enroll in music instruction and performance classes and better qualify for post-secondary education.	\$10,000		
<b>MISSION GRADUATES, San Francisco, CA</b>			
For College Connect to prepare minority and disadvantaged Mission District high school students for and complete a college education	\$25,000	\$25,000	
<b>COMMUNITY BASED PROGRAMS FOR PEOPLE WITH MENTAL DISABILITIES</b>			
CONARD HOUSE, San Francisco, CA For the development and field-testing of a self-management training curriculum for people with chronic mental illness living in the community and their health and service care providers.	\$25,000	\$25,000	
<b>FAMILY SERVICE AGENCY, San Francisco, CA</b>			
For a matching grant to maintain the Preventive Recognition of Early Psychosis (PREP) program for three months before obtaining core support from the SF Department of Public Health.	\$12,500	\$12,500	
<b>UNIVERSITY OF CALIFORNIA, SAN FRANCISCO</b>			
For a matching grant to initiate the Supportive Parenting, Resource Integration and Newborn Guidance (SPRING) Program at San Francisco General Hospital.	\$25,000		

**MARGOES FOUNDATION**

GRANT AWARDS AND PAYMENTS FOR THE YEAR ENDED FEBRUARY 28, 2010

	<u>GRANTS AWARDED</u>	<u>PAYMENTS MADE</u>	<u>GRANTS PAYABLE</u>
<b>POSTDOCTORAL PROGRAMS FOR CARDIOVASCULAR RESEARCH</b>			
CARDIOVASCULAR RESEARCH INSTITUTE OF UC, SAN FRANCISCO			
For a discretionary grant to the Director of CVRI for salary support of post-doctoral researchers (preferably Asia and Africa nationals)	\$20,000	\$20,000	
<b>OTHER PROGRAMS</b>			
THE FOUNDATION CENTER, San Francisco, CA			
For the San Francisco regional center services to Bay Area nonprofit organizations.	\$1,000	\$1,000	
<b>GRAND TOTAL</b>	<b><u>\$128,500</u></b>	<b><u>\$176,000</u></b>	<b><u>\$0</u></b>

WARGOES FOUNDATION  
990-PF  
FYE 2-28-2010  
FEIN 94-2955164

990-PF PART II, LINES 10a, 10c and 13 - INVESTMENTS HELD

□ Government Obligations		Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Asset Name	CUSIP							
<b>Federal Govt Agency</b>								
FEDERAL FARM CR BKS GLOBAL 4.6400%	31331GDZ9	150,000.000	156,042.00	154,594.50	103,0630 02/26/2010	3.00%	4.51%	6,975.00
11/6/2013								
FEDERAL NAIL MIG ASSN NO1FS 01D 12/27/2009 2.250% 12/27/2014	31336JWV0	100,000.000	99,900.00	99,750.00	99,7500 02/26/2010	1.93%	2.26%	2,750.00
5/24/2017								
FEDERAL FARM CR BKS CONS 5.6000%	31331XZRG	250,000.000	249,622.50	252,850.00	101,1560 02/26/2010	4.90%	5.54%	14,000.00
5/26/2017								
FEDERAL FARM CR BKS GLOBAL 4.0000%	313316WF2	50,000.000	50,000.00	50,015.50	100,0310 02/26/2010	0.97%	4.00%	2,000.00
5/26/2017								
FEDERAL HOME LN BKS 5.2500% 1/4/2018	3133XNTW9	100,000.000	99,945.00	103,131.00	103,5310 02/26/2010	2.01%	5.07%	5,240.00
5/26/2017								
<b>US Govt Mortgage Pass-throughs</b>								
1.1 FEDERAL NAIL MIGE ASSN POOL #254580 5,0000% 1/1/2018 ORIGINAL FACE VALUE \$750,000.00	313371KXT3	51,571,580	52,441.85	54,877.84	106,4110 02/26/2010	1.66%	4.70%	2,578.58

MARGOES FOUNDATION  
930-PF  
FYE 2-28-2010  
FEIN 24-2955162

**990-PF PART II, LINES 10a, 10c and 13 - INVESTMENTS HELD**

## Asset Detail - Principal Portfolio (continued)

### *Government Obligations*

Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Annual Income	Estimated
<b>US Gov Mortgage Passthroughs</b>									
FEDERAL NATL MTGE ASSN POOL #747781 4.5000% 10/1/2018 ORIGINAL FACE VALUE \$200,000.00	31403FXJ8	79,041.460	79,788.52	83,501.78	105,6350 02/26/2010	1.63%	4.26%	3,557.14	
GOVT NATL MTGE ASSN POOL #478037 1.0000% 5/15/2028 ORIGINAL FACE VALUE \$712,844.00	36209QAS8	1,980.500	2,028.47	2,210.28	111,6020 02/26/2010	0.04%	6.21%	138.64	
GOVT NATL MTGE ASSN POOL #275381 6.0000% 3/15/2031 ORIGINAL FACE VALUE \$160,380.00	36212CUE9	30,630.030	30,984.19	33,169.87	108,2920 02/26/2010	0.64%	5.54%	1,837.80	
GOVT NATL MTGE ASSN POOL #541888 6.0000% 5/15/2031 ORIGINAL FACE VALUE \$160,323.00	36212R676	13,964.690	14,126.16	15,122.64	108,2920 02/26/2010	0.29%	5.54%	837.88	
GOVT NATL MTGE ASSN POOL #564647 6.0000% 6/15/2031 ORIGINAL FACE VALUE \$101,381.00	36213UHY9	5,812.680	5,879.81	6,294.58	108,2920 02/26/2010	0.12%	5.54%	348.76	
GOVT NATL MTGE ASSN POOL #557591 5.0000% 11/15/2031 ORIGINAL FACE VALUE \$100,233.00	36213LNG1	6,974.950	7,055.62	7,553.31	108,2920 02/26/2010	0.15%	5.54%	418.50	
GOVT NATL MTGE ASSN POOL #570414 6.0000% 10/15/2031 ORIGINAL FACE VALUE \$100,000.00	36200RWF6	11,307.870	11,438.62	12,245.52	108,2920 02/26/2010	0.24%	5.54%	678.47	
<b>Total Government Obligations</b>									
					\$105,755.02	16.38%	4.57%		\$20,570.77

### Total Government Obligations

## MARGOES FOUNDATION

990-PF PART II. LINES 10a, 10c and 13 - INVESTMENTS HELD

Q3-11  
F 5/26/2010  
LNU 2955164

## Asset Detail - Principal Portfolio (continued)

<input checked="" type="checkbox"/> <b>Corporate Obligations</b>		<b>Asset Name</b>	<b>CUSIP</b>	<b>Shares/ Units Held</b>	<b>Cost Basis</b>	<b>Market Value</b>	<b>Price/ Date Priced</b>	<b>Percentage of Portfolio</b>	<b>Current Yield</b>	<b>Estimated Annual Income</b>
<b>Corporate Bonds</b>										
		TRIBUNE CO MTN BK MNT TR CO 5.6700% 12/8/2008 ** ISSUE IN DEFAULT **	89804KAN8	125,000.000	124,892.50	125	0.0010 04/30/2009	0.00%	100.00%	1.25
		HONEYWELL INTL INC 7.5600% 3/1/2010	438516AX2	50,000.000	52,489.00	50,000.00	100.0000 07/26/2010	0.97%	7.50%	3,750.00
		NATIONSBANK CORP 6.0000% 5/15/2010	636555BH1	100,000.000	100,821.00	100,945.00	100.9450 02/26/2010	1.98%	6.54%	6,600.00
		ING USA GLBL ENG TRS SLCD MT 4.4000% 10/1/2010	44582XAA5	100,000.000	98,287.00	102,022.00	102.0220 02/26/2010	1.98%	4.41%	4,500.00
		AUTOZONE INC 4.7500% 11/15/2010	043332AT2	25,000.000	25,399.75	25,486.75	101.9470 02/26/2010	0.49%	4.66%	1,187.50
		WELLS FARGO BK N A 6.1500% 2/1/2011	949748AT4	100,000.000	102,056.00	105,686.00	105.6860 02/26/2010	2.05%	6.10%	6,450.00
		KOHL'S CORP 6.1300% 3/1/2011	500255AM6	100,000.000	103,221.00	104,991.00	104.9910 02/26/2010	2.04%	6.00%	6,300.00
		RYDER SYSTEMS INC 5.0000% 4/1/2011	78355HJG5	50,000.000	48,746.50	51,122.50	102.2450 02/26/2010	0.99%	4.85%	2,500.00
		STAPLES INC SRNTS DTD 03/27/2009 7.1500% 04/01/2011	85530DAK8	75,000.000	79,383.75	80,123.25	105.8310 02/26/2010	1.55%	7.25%	5,812.50
		VIACOM INC 6.6250% 5/15/2011	925524AQ3	100,000.000	103,654.00	105,281.00	105.2810 02/26/2010	2.04%	6.25%	6,625.00
		XEROX CORP 6.8750% 8/15/2011	984121BN2	50,000.000	52,044.00	53,491.00	108.9820 02/26/2010	1.04%	6.43%	3,437.50

MARGOES FOUNDATION  
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990-PF PART II. LINES 10a, 10c and 13 - INVESTMENTS HELD

Asset Detail - Principal Portfolio (continued)

<input checked="" type="checkbox"/> <b>Corporate Obligations</b>		<b>CUSIP</b>	<b>Shares/ Units Held</b>	<b>Cost Basis</b>	<b>Market Value</b>	<b>Price/ Date Priced</b>	<b>Percentage of Portfolio</b>	<b>Current Yield</b>	<b>Estimated Annual Income</b>
<b>Asset Name</b>	<b> </b>								
<b>Corporate Bonds</b>									
AVALONBAY COMMUNITIES INC BOND 010-09257006 5.51% 01/15/2017 7/1/2012	05348EAK5	27,000.000	27,645.57	28,482.57	105,4910	02/26/2010	0.55%	5.21%	1,485.00
SBC COMMUNICATIONS INC 5.81% 7/1/2012	78387GAH6	100,000.000	106,847.00	107,785.00	107,7850	02/26/2010	2.09%	5.45%	5,875.00
GENERAL MILLS INC 6.0000% 2/15/2017 12/1/2012	370334AS3	50,000.000	53,353.00	54,478.00	108,9580	02/26/2010	1.06%	5.51%	3,000.00
ESX CORP 6.3000% 3/15/2017 12/64086R3	100,000.000	101,578.00	108,398.00	108,3980	2.10%	5.81%	6,300.00		
VERIZON NEW YORK INC 6.8750% 4/1/2017	92344XAA7	50,000.000	52,108.50	54,811.00	109,6220	02/26/2010	1.06%	6.27%	3,437.50
LASTMAN CHEM CO 7.0000% 4/15/2012 9/17/2012	277432AE0	100,000.000	107,129.00	108,186.00	108,1860	02/26/2010	2.10%	6.47%	7,000.00
GOLDMAN SACHS GROUP INC 5.7000% 9/17/2012	381416CG7	100,000.000	107,108.00	107,785.00	107,7850	02/26/2010	2.09%	5.29%	5,700.00
KELLOGG CO 4.2500% 3/6/2013 12/1/2012	487836BA5	50,000.000	50,423.00	53,221.50	106,4430	02/26/2010	1.03%	3.99%	2,125.00
GENERAL ELEC CAP CORP MIN B 4.6500% 5/1/2013	3665263T9	100,050.000	96,199.00	105,737.00	105,7370	02/26/2010	2.05%	4.54%	4,800.00
JOHNSON CCLS INC 4.8750% 5/15/2013 12/1/2012	47R366AM9	50,000.000	50,759.50	53,270.00	106,5400	02/26/2010	1.03%	4.58%	2,437.50
DISNEY WALL CO SPN DTD 12/17/2008 4.5000% 12/15/2013	254687AW6	50,000.000	51,855.50	54,371.00	108,7420	02/26/2010	1.05%	4.14%	2,250.00

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990-PF PART II, LINES 10a, 10c and 13 - INVESTMENTS HELD

**Asset Detail - Principal Portfolio (continued)**

<input checked="" type="checkbox"/> <b>Corporate Obligations</b>		<b>Asset Name</b>	<b>CUSIP</b>	<b>Shares/ Units Held</b>	<b>Cost Basis</b>	<b>Market Value</b>	<b>Date Priced</b>	<b>Price/ Date Priced</b>	<b>Percentage of Portfolio</b>	<b>Current Yield</b>	<b>Estimated Annual Income</b>
<b>Corporate Bonds</b>	<b>Corporate Notes</b>										
		HOMF DEPOT INC 5.2500% 12/16/2013	437076AR3	100,000.000	97,140.00	108,529.00	02/26/2010	108,529.00	2.10%	4.84%	5,250.00
		WHIRLPOOL CORP NOTES 010 05047089 F1TE/RI 05/01/2014 CPN STEPS UP/DOWN BY 5BPS FOR EACH RATING DOWN/UP/UPGRD FOR A NOTCH BELOW BAA3(BBB, CAP @ 7 1/2%)	983324HC3	50,000.000	54,957.50	58,725.50	02/26/2010	116,451.0	1.13%	7.39%	4,300.00
		BHLSOUTH CORP 5.2000% 9/15/2014 3/19/2018	079860AG7	50,000.000	50,998.00	54,645.00	02/26/2010	109,290.00	1.06%	4.76%	2,600.00
		AMERICAN EXPRESS CO 7.0000% 3/19/2018	025816AV5	100,000.000	101,073.00	112,176.00	02/26/2010	112,176.00	2.16%	6.24%	7,000.00
		<b>Total Corporate Obligations</b>			\$2,000,167.07	\$1,524,250.32			<b>31.77%</b>	<b>5.68%</b>	<b>\$10,723.75</b>
<input checked="" type="checkbox"/> <b>Funds</b>		<b>Asset Name</b>	<b>CUSIP</b>	<b>Shares/ Units Held</b>	<b>Cost Basis</b>	<b>Market Value</b>	<b>Date Priced</b>	<b>Price/ Date Priced</b>	<b>Percentage of Portfolio</b>	<b>Current Yield</b>	<b>Estimated Annual Income</b>
<b>Mutual Funds - Equity</b>	<b>Unit/ETF - Equity</b>										
		YANGTZE INVESTMENT PROJECT FUND ADMIRAL 45119	9370011737	8,781.953	200,000.00	205,291.36	02/26/2010	24,740.00	3.98%	1.81%	3,717.48
		ISHARES S&P NATION INDEX FUND	464287374	10,111.000	295,037.81	337,888.51	02/26/2010	33,410.00	6.54%	1.08%	3,660.07
		SPIR SERIES TRUST S&P BIOTECH	78464AB70	1,095.000	54,941.37	61,659.45	02/26/2010	56,310.00	1.20%	0.01%	7.67

MARGOES FOUNDATION  
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990-PF PART II, LINES 10a, 10c and 13 - INVESTMENTS HELD

**Asset Detail - Principal Portfolio (continued)**

<input checked="" type="checkbox"/> Funds		<i>Asset Name</i>	<i>CUSIP</i>	<i>Shares/ Units Held</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Date Price</i>	<i>Price/ Price</i>	<i>Percentage of Portfolio</i>	<i>Current Yield</i>	<i>Estimated Annual Income</i>
<i>Unit/ETF</i>	<i>· Equity</i>										
VANGUARD INDEX FDS GROWTH ETF		922908736		3,940,000	179,749.06	207,165.20	02/26/2010	52.5800	4.02%	1.17%	2,419.16
VANGUARD INDEX FDS MCAP GRIDXVIP		922908538		3,673,000	149,653.42	176,367.64	02/26/2010	48.6800	3.42%	0.58%	1,021.69
VANGUARD INDEX FDS MCAP VLGDXVIP		922908512		2,652,000	99,713.54	120,453.84	02/26/2010	45.4200	2.33%	1.81%	2,182.60
VANGUARD INDEX FDS REIT ETF		922908553		4,711,000	139,105.73	210,251.93	02/26/2010	44.6300	4.08%	4.40%	9,252.40
VANGUARD INDEX FDS SM CP VAL ETF		922908611		2,109,000	99,543.53	117,049.50	02/26/2010	55.5000	2.27%	1.89%	2,216.56
VANGUARD INDEX FDS SML CP GRW ETF		922908595		2,931,000	149,290.51	176,973.78	02/26/2010	60.3800	3.43%	0.38%	671.20
VANGUARD INDEX FDS VALU FTF		922908744		2,921,000	124,615.26	139,619.42	02/26/2010	47.7985	2.71%	2.84%	3,963.80
VANGUARD INTL EQUITY INDEX FEMR MKT ETF		922042858		2,044,000	67,269.18	79,637.10	02/26/2010	38.9614	1.54%	1.40%	1,113.98
VANGUARD INTL EQUITY INDEX F EUROPEAN ETF		922042874		1,273,000	54,843.22	57,526.87	02/26/2010	45.1930	1.12%	4.23%	2,433.98

MARGOES FOUNDATION

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**Asset Detail - Principal Portfolio (continued)**

<b>Funds</b>						
<i>Asset Name</i>	<i>CUSIP</i>	<i>Shares/ Units Held</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Price/ Date Priced</i>	<i>Percentage of Portfolio</i>
<b>UT/ETF - Equity</b>						
VANGUARD TAX-MANAGED FD EUROPE PAC	921943858	1,249,000	42,345.07	43,950.42	32,580.00 02/26/2010	0.85%
<b>Total Funds</b>			<b>\$1,655,107.70</b>	<b>\$1,933,755.02</b>		<b>37.45%</b>
<b>Non-US Securities</b>						
<i>Asset Name</i>	<i>CUSIP</i>	<i>Shares/ Units Held</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Price/ Date Priced</i>	<i>Percentage of Portfolio</i>
<b>Non - US Corporate Bonds</b>						
CLASICO CAP FLC 4.3150% 5/3/2010	25243YAG4	50,000.000	50,575.00	50,350.00	100,700.00 02/26/2010	0.98%
<b>Total Non-US Securities</b>		<b>\$50,575.00</b>	<b>\$50,350.00</b>			<b>4.34%</b>
<b>Total Principal Portfolio</b>			<b>\$4,915,670.68</b>	<b>\$5,158,669.33</b>		<b>100.00%</b>
<b>Total Account Values</b>			<b>\$4,915,670.68</b>	<b>\$5,158,669.33</b>		<b>100.00%</b>
						<b>\$2,167.50</b>
						<b>\$167.95</b>
						<b>\$167.95</b>