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

**2009**

Department of the Treasury  
Internal Revenue Service

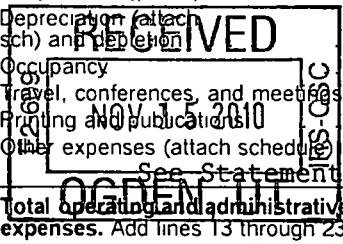
*Note* The foundation may be able to use a copy of this return to satisfy state reporting requirements

**For calendar year 2009, or tax year beginning** 7/01, **2009, and ending** 6/30, 2010

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Merc Fund c/o Gary Resnick 225 N. Deere Park Drive Highland Park, IL 60035	<b>A</b> Employer identification number 36-3330396  <b>B</b> Telephone number (see the instructions)  <b>C</b> If exemption application is pending, check here <input type="checkbox"/> <b>D 1</b> Foreign organizations, check here <input type="checkbox"/> <b>2</b> Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> <b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> <b>F</b> If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
<b>H</b> Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
<b>I</b> Fair market value of all assets at end of year (from Part II, column (c), line 16) ▶ \$ 245,674.		<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)

	Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>REVENUE</b>	<b>1</b> Contributions, gifts, grants, etc. received (att sch)				
	<b>2</b> Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	<b>3</b> Interest on savings and temporary cash investments	27.	27.	27.	
	<b>4</b> Dividends and interest from securities	2,486.	2,486.	2,486.	
	<b>5a</b> Gross rents				
	<b>b</b> Net rental income or (loss)				
	<b>6a</b> Net gain/(loss) from sale of assets not on line 10	38,000.			
	<b>b</b> Gross sales price for all assets on line 6a	603,865.			
	<b>7</b> Capital gain net income (from Part IV, line 2)		38,000.		
	<b>8</b> Net short-term capital gain				
	<b>9</b> Income modifications				
	<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less Cost of goods sold					
<b>c</b> Gross profit/(loss) (att sch)					
<b>11</b> Other income (attach schedule) See Statement 1	8,781.				
<b>12 Total.</b> Add lines 1 through 11	49,294.	40,513.	2,513.		
<b>ADMINISTRATIVE AND OPERATING EXPENSES</b>	<b>13</b> Compensation of officers, directors, trustees, etc.	0.			
	<b>14</b> Other employee salaries and wages				
	<b>15</b> Pension plans, employee benefits				
	<b>16a</b> Legal fees (attach schedule) See St 2	175.			
	<b>b</b> Accounting fees (attach sch)				
	<b>c</b> Other prof fees (attach sch) See St 3	30.			
	<b>17</b> Interest				
	<b>18</b> Taxes (attach schedule)(see instr) See Stm 4	346.			
	<b>19</b> Depreciation (attach sch) and depletion				
	<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings					
<b>22</b> Printing and publications					
<b>23</b> Other expenses (attach schedule) See Statement 5	25.				
<b>24 Total</b> operating and administrative expenses. Add lines 13 through 23	576.				
<b>25</b> Contributions, gifts, grants paid Part XV	67,985.			67,985.	
<b>26 Total</b> expenses and disbursements. Add lines 24 and 25	68,561.	0.	0.	67,985.	
<b>27</b> Subtract line 26 from line 12:					
<b>a Excess</b> of revenue over expenses and disbursements	-19,267.				
<b>b</b> Net investment income (if negative, enter -0-)		40,513.			
<b>c</b> Adjusted net income (if negative, enter -0-)			2,513.		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end of year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash – non-interest-bearing	6,668.	4,874.	4,874.
	2	Savings and temporary cash investments	265,640.	146,560.	146,560.
	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 the instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments – U S and state government obligations (attach schedule)			
		b Investments – corporate stock (attach schedule)	9,676.	111,283.	94,240.
		c Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment, basis			
	Less accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)				
14	Land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)				
15	Other assets (describe )				
16	<b>Total assets</b> (to be completed by all filers – see instructions Also, see page 1, item l)	281,984.	262,717.	245,674.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe )			
	23	<b>Total liabilities</b> (add lines 17 through 22)	0.	0.	
NET FUND ASSETS OR BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input type="checkbox"/>				
	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			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	281,984.	262,717.	
	30	<b>Total net assets or fund balances</b> (see the instructions).	281,984.	262,717.	
31	<b>Total liabilities and net assets/fund balances</b> (see the instructions)	281,984.	262,717.		

**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	281,984.
2	Enter amount from Part I, line 27a	2	-19,267.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	262,717.
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	262,717.

**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 shares MLC Company)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a See attached schedule short term	P	Various	Various
b See attached schedule Long Term	P	Various	Various
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 561,363.		504,342.	57,021.
b 42,502.		61,523.	-19,021.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(j) Fair Market Value as of 12/31/69	(k) Adjusted basis as of 12/31/69	(l) Excess of column (i) over column (j), if any	
a			57,021.
b			-19,021.
c			
d			
e			

2 Capital gain net income or (net capital loss)	[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]	2	38,000.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		3	0.

If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8

**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 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 (column (b) divided by column (c))
2008	87,965.	283,350.	0.310446
2007	49,234.	366,726.	0.134253
2006	61,536.	493,845.	0.124606
2005	61,478.	508,211.	0.120969
2004	90,268.	563,530.	0.160183

2 Total of line 1, column (d)	2	0.850457
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.170091
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	298,729.
5 Multiply line 4 by line 3	5	50,811.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	405.
7 Add lines 5 and 6	7	51,216.
8 Enter qualifying distributions from Part XII, line 4	8	67,985.

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 the instructions)**

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter. _____ (attach copy of letter if necessary - see instr.)			
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		1	405.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	405.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3 If zero or less, enter -0-		5	405.
6 Credits/Payments			
a 2009 estimated tax pmts and 2008 overpayment credited to 2009	6a		
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		0.
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 amount owed	9		405.
10 <b>Overpayment.</b> 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 <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the 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
c Did the foundation file <b>Form 1120-POL</b> 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 ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ 0.		
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
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> 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, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) ▶ IL		
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> ? <i>If 'No,' attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(i)(3) or 4942(i)(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

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**Part VII-A Statements Regarding Activities Continued**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <span style="float:right">▶ N/A</span>	13	X	
14	The books are in care of ▶ <u>Gary Resnick</u> Telephone no ▶ _____ Located at ▶ <u>225 N. Deere Park Drive Highland Park IL</u> ZIP + 4 ▶ <u>60035</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 <span style="float:right">▶ 15</span>		N/A	▶ <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
<b>1 a</b> During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here <span style="float:right">▶ <input type="checkbox"/></span>	<b>1 b</b>	N/A
<b>c</b> 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?	<b>1 c</b>	X
<b>2</b> 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))		
<b>a</b> At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> 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 the instructions)	<b>2 b</b>	N/A
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20__ , 20__ , 20__ , 20__		
<b>3 a</b> 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>b</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)	<b>3 b</b>	N/A
<b>4 a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4 a</b>	X
<b>b</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?	<b>4 b</b>	X

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

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc. organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

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

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

5b	N/A	
6b		X
7b	N/A	

**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 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
Gary Resnick 225 N. Deere Park Drive Highland Park, IL 60035	President 0	0.	0.	0.
Janet Resnick 225 N. Deere Park Drive Highland Park, IL 60035	Vice Preside 0	0.	0.	0.

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

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

Total number of other employees paid over \$50,000  0

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

**3 Five highest-paid independent contractors for professional services – (see instructions). 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.	Expenses
1 <u>The Foundation does not conduct any direct charitable activities. Accordingly, there is no relevant statistical information</u>	
2 -----	
3 -----	
4 -----	

**Part IX-B Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 <u>N/A</u>	
2 -----	
All other program-related investments. See instructions	
3 -----	

**Total.** Add lines 1 through 3 ▶ 0.

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

<b>1</b> Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
<b>a</b> Average monthly fair market value of securities	<b>1a</b>	295,303.
<b>b</b> Average of monthly cash balances	<b>1b</b>	7,975.
<b>c</b> Fair market value of all other assets (see instructions)	<b>1c</b>	
<b>d</b> Total (add lines 1a, b, and c)	<b>1d</b>	303,278.
<b>e</b> Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b> Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b> Subtract line 2 from line 1d	<b>3</b>	303,278.
<b>4</b> Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	4,549.
<b>5</b> Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	298,729.
<b>6</b> Minimum investment return. Enter 5% of line 5	<b>6</b>	14,936.

**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.)

<b>1</b> Minimum investment return from Part X, line 6	<b>1</b>	14,936.
<b>2a</b> Tax on investment income for 2009 from Part VI, line 5	<b>2a</b>	405.
<b>b</b> Income tax for 2009 (This does not include the tax from Part VI)	<b>2b</b>	
<b>c</b> Add lines 2a and 2b	<b>2c</b>	405.
<b>3</b> Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	14,531.
<b>4</b> Recoveries of amounts treated as qualifying distributions	<b>4</b>	
<b>5</b> Add lines 3 and 4	<b>5</b>	14,531.
<b>6</b> Deduction from distributable amount (see instructions)	<b>6</b>	
<b>7</b> Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	<b>7</b>	14,531.

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

<b>1</b> Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
<b>a</b> Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	<b>1a</b>	67,985.
<b>b</b> Program-related investments – total from Part IX-B	<b>1b</b>	
<b>2</b> Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b> Amounts set aside for specific charitable projects that satisfy the		
<b>a</b> Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b> Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b> Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	67,985.
<b>5</b> 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 instructions)	<b>5</b>	405.
<b>6</b> Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	67,580.

**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				14,531.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004	62,261.			
b From 2005	36,137.			
c From 2006	39,006.			
d From 2007	31,040.			
e From 2008	74,489.			
f Total of lines 3a through e	242,933.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 67,985.				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2009 distributable amount				14,531.
e Remaining amount distributed out of corpus	53,454.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	296,387.			
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 instructions			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)	62,261.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	234,126.			
10 Analysis of line 9				
a Excess from 2005	36,137.			
b Excess from 2006	39,006.			
c Excess from 2007	31,040.			
d Excess from 2008	74,489.			
e Excess from 2009	53,454.			

**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 ▶

**b** Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

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

**Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year – see 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) )

Gary Resnick

**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

None

**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 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 6

**b** The form in which applications should be submitted and information and materials they should include

See Statement for Line 2a

**c** Any submission deadlines

See Statement for Line 2a

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

See Statement for Line 2a

**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
<p><b>a</b> Paid during the year See attached list See attached list</p>				67,985.
<b>Total</b>				<b>▶ 3a</b> 67,985.
<b>b</b> Approved for future payment				
<b>Total</b>				<b>▶ 3b</b>





Client MERC0396

Merc Fund  
c/o Gary Resnick

36-3330396

11/06/10

11 21AM

**Statement 1**  
Form 990-PF, Part I, Line 11  
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Other Investment Income	\$ 8,781.		
Total	<u>\$ 8,781.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 2**  
Form 990-PF, Part I, Line 16a  
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Legal fees	\$ 175.			
Total	<u>\$ 175.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 3**  
Form 990-PF, Part I, Line 16c  
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bank charges	\$ 30.			
Total	<u>\$ 30.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**Statement 4**  
Form 990-PF, Part I, Line 18  
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Internal Revenue Service	\$ 346.			
Total	<u>\$ 346.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Client MERC0396

Merc Fund  
c/o Gary Resnick

36-3330396

11/06/10

11 21AM

**Statement 5**  
**Form 990-PF, Part I, Line 23**  
**Other Expenses**

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Illinois Charity Bureau	\$ 15.			
Secretary of State	10.			
<b>Total</b>	<b>\$ 25.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>	<b>\$ 0.</b>

**Statement 6**  
**Form 990-PF, Part XV, Line 2a-d**  
**Application Submission Information**

Name of Grant Program:  
Name: Gary Resnick  
Care Of:  
Street Address: 225 N. Deere Park Drive  
City, State, Zip Code: Highland Park, IL 60035  
Telephone:  
Form and Content: No formal form  
Submission Deadlines: No submission deadlines  
Restrictions on Awards: No restrictions except that organizations must be qualified 501(C) (3) organization.

Merc Fund  
2009 Form 990PF  
Part IV Supplementary Information  
Schedule of Capital Gains and Losses

Description	Quantity	Purch Date	Sale Date	Proceeds	Basis	Gain/Loss
Agree Realty	300	04/13/10	06/02/10	7,059 90	6,604 95	454 95
Am Shared Hosp	400	10/21/09	11/19/09	1,262 29	1,134 14	128.15
Am Shared Hosp	150	10/22/09	11/19/09	473 36	459 45	13 91
Am Shared Hosp	1950	10/28/09	11/19/10	6,153 65	5,648 46	505 19
Biomed Realty	2000	05/13/09	11/18/09	27,654 61	20,804 95	6,849 66
Biomed Realty	400	04/14/10	06/02/10	6,687 41	6,904.95	(217 54)
Broadwind Energ	600	04/14/10	06/22/10	1,319 05	3,454.95	(2,135 90)
Cnooc Call	5	07/30/09	08/24/09	0 00	1,462 27	(1,462 27)
Cardinal Fin	4000	05/21/09	09/23/09	32,510 79	31,004 95	1,505 84
Encor Energy	2000	05/19/09	03/18/10	39,305 21	31,204 95	8,100 26
Enterprise Prod	500	04/13/10	06/10/10	16,701 88	17,779.95	(1,078 07)
Equity 1 REIT	500	04/09/09	07/15/09	6,781 86	7,154 95	(373 09)
Energy Trans Ptn	500	01/06/10	03/18/10	23,357 77	22,364 95	992 82
EV Energy Ptns	500	06/11/09	03/12/10	15,941 51	10,204 95	5,736 56
SPDR Gold Call	10	07/22/09	08/24/09	0 00	1,122 09	(1,122 09)
SPDR Gold Call	10	07/29/09	08/24/09	0 00	465 69	(465 69)
General Moly	2000	04/24/09	01/15/10	5,721 39	3,277 06	2,444 33
Geokinetics	500	12/15/09	03/18/10	3,692 87	4,629.95	(937 08)
Hersha HospitalII	400	03/19/10	06/02/10	1,854 40	1,704 95	149 45
Hersha HospitalII	4600	03/19/10	06/02/10	21,325 64	21,323 50	2 14
Legacy Reserv Pt	1000	09/15/09	01/15/10	20,367 83	15,854 95	4,512 88
LaSalle Hotel Ptn	400	03/02/10	03/18/10	8,541 11	7,404.95	1,136.16
Linn Energy LLC	300	10/07/09	06/10/10	7,455.68	6,574.95	880.73
Targa Resource f	500	08/07/09	09/10/09	8,271 05	7,854 95	416.10
Nisca Gas Ptn	500	05/12/10	05/02/10	9,069.17	10,254 95	(1,185.78)
Annaly Cap REIT	1000	01/20/09	07/15/09	15,321.23	15,267 80	53 43
Nustar Energy Pt	100	11/10/09	03/18/10	5,860 47	5,249 95	610 52
NY Comm Bk	750	12/07/09	01/15/10	10,673 61	9,754.95	918.66
Oshkosh	1000	01/20/09	08/03/09	29,657.09	10,298 17	19,358.92
Oshkosh Call	-10	07/17/09	06/26/09	877 88	9,500 97	(8,623.09)
Plains All Am Ptn	500	09/09/09	06/22/10	28,624 91	23,354 95	5,269 96
Pebblebrook Hotl	1000	01/08/09	03/18/10	20,520 38	20,004 95	515 43
Pinnacle Fin Ptn	1000	06/11/09	01/15/10	13,753 32	13,004 95	748.37
PAA Nat Gas Ptn	500	04/29/10	06/10/10	11,677 07	10,754 95	922.12
Plains Expl Prod	100	08/06/09	03/18/10	2,956 22	2,404.95	551 27
Cohen Steers Rlt	4000	04/24/09	07/15/09	13,115.55	13,174.45	(58 90)
Spectra Energy F	500	05/20/09	03/18/10	15,142 96	11,004 95	4,138.01
Sinopec Call	10	08/19/09	08/21/09	1,628 24	1,172 98	455 26
Silver Wheaton	1500	01/05/09	09/09/09	17,329 84	9,589.33	7,740.51
Stonemor Ptns	1000	11/19/09	03/18/10	18,424 48	17,004 95	1,419.53
Tower Bancorp	1000	08/28/09	11/18/09	19,828 21	26,754 95	(6,926.74)
United Online	1500	04/23/09	07/15/09	11,821 48	7,468 16	4,353 32
US Oil Fund	300	11/12/08	08/03/09	11,243 52	14,474 24	(3,230 72)
US Oil Fund	500	01/13/09	08/03/09	18,739 19	16,039 96	2,699 23
Wash RE REIT	1000	04/30/09	07/15/09	22,659 14	21,404 95	1,254 19
<b>Total Short Term</b>				<b>561,363.22</b>	<b>504,342.32</b>	<b>57,020.90</b>
Stemcell Inc	3000	01/23/09	06/30/10	2,447 86	8,006 68	(5,558 82)
Old Second Bank	2000	02/20/09	06/30/10	3,526 56	14,040 94	(10,514.38)
Old Second Bank	2000	02/23/09	06/30/10	3,454 95	12,884 98	(9,430.03)
Perma Fix Enviro	3000	01/02/09	06/22/10	5,195 85	4,233 43	962.42
Perma Fix Enviro	6000	04/17/09	06/22/10	10,391 69	12,049 16	(1,657 47)
Sonic Solutions	700	04/23/09	06/10/10	6,032 92	1,698 56	4,334.36
Sector SPDR	800	04/14/09	06/22/10	11,452 48	8,608 91	2,843 57
<b>Total Long Term</b>				<b>42,502.31</b>	<b>61,522.66</b>	<b>(19,020.35)</b>
<b>Total</b>				<b>603,865.53</b>	<b>565,864.98</b>	<b>38,000.55</b>

Merc Fund  
 2009 Form 990PF  
 Part XV Supplementary Information  
 Contribution List

<b>RELIGIOUS</b>	NORTH SUB C HIGHLAND PA	7500
	CONG SHAARI CHICAGO, IL	1125
	CONG MORIAH DEERFIELD, IL	300
	RAVINIA FEST HIGHLAND PA	10000
	ORT NEW YORK, N	510
	NY BOTANICA NEW YORK, N	600
<b>EDUCATIONAL</b>	LYRIC OPERA CHICAGO, IL	2000
<b>CULTURAL</b>	METRO MUSE NEW YORK, N	1500
	CHICAGOLANI CHICAGO, IL	15000
	NEW FOUNDA HOMEWOOD,	1450
	SMITHSONIAN WASHINGTON	200
	CHICAGO BOT CHICAGO, IL	500
	MILWAUKEE A MILWAUKEE, W	1000
	AM FRIENDS C NEW YORK, N	100
	US HOLOCAUS WASHINGTON	500
	MISC <100	275
	HADASSAH MI NEW YORK, N	5000
	HIGHLAND PA HIGHLAND PA	1000
	TOURETTS SY CHICAGO, IL	525
<b>MEDICAL</b>	LAMBS GARM CHICAGO, IL	100
	JEWIISH UNITI CHICAGO, IL	17300
	CHICAGO LIGHT CHICAGO, IL	200
<b>CHARITABLE/</b>	MISRACORFIA CHICAGO, IL	1000
<b>COMMUNITY</b>	CHICAGO COL CHICAGO, IL	100
	MISC <100	200
	<b>TOTAL CONTRIBUTIONS</b>	<b>67985</b>