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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 10/01, 2009, and ending 9/30, 2010

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

Use the
IRS label
Otherwise,
print
or type
See Specific
Instructions

Foundation for Middle East Peace
1761 N Street, NW
Washington, DC 20036

A Employer identification number

52-6055574

B Telephone number (see the instructions)

202-835-3650

C If exemption application is pending, check here ► D 1 Foreign organizations, check here ► 2 Foreign organizations meeting the 85% test, check here and attach computation ► E If private foundation status was terminated under section 507(b)(1)(A), check here ► F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ►

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16) J Accounting method Cash Accrual
 Other (specify) _____

► \$ 9,942,256. (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)

REVENUE
1 Contributions, gifts, grants, etc. received (attach sch)
2 Ck ► if the foundn is not req to att Sch B
3 Interest on savings and temporary cash investments
4 Dividends and interest from securities
5a Gross rents
b Net rental income or (loss)
6a Net gain/(loss) from sale of assets not on line 10
b Gross sales price for all assets on line 6a 198,592.
7 Capital gain net income (from Part IV, line 2)
8 Net short-term capital gain
9 Income modifications
10a Gross sales less returns and allowances.
b Less Cost of goods sold
c Gross profit/(loss) (attach sch)
11 Other income (attach schedule)
See Statement 2
12 Total. Add lines 1 through 11 401,296. 172,613. 172,613.
13 Compensation of officers, directors, trustees, etc 128,145. 9,804. 112,743.
14 Other employee salaries and wages 167,089. 172,686.
15 Pension plans, employee benefits 21,567. 21,567.
16a Legal fees (attach schedule)
b Accounting fees (attach sch) See St 3 22,817. 22,817.
c Other prof fees (attach sch)
17 Interest 20. 21.
18 Taxes (attach schedule) (see instr) See Stm 4 24,708. 1,564. 23,144.
19 Depreciation (attach sch) and depletion 2,639.
20 Occupancy
21 Travel, conferences, and meetings 10,513. 10,513.
22 Printing and publications 74,219. 74,219.
23 Other expenses (attach schedule)
See Statement 5 142,667. 142,667.
24 Total operating and administrative expenses. Add lines 13 through 23 594,384. 11,368. 580,377.
25 Contributions, gifts, grants paid Part XV 315,030. 315,030.
26 Total expenses and disbursements. Add lines 24 and 25 909,414. 11,368. 0. 895,407.

27 Subtract line 26 from line 12:
a Excess of revenue over expenses and disbursements -508,118.
b Net investment income (if negative, enter -0-) 161,245.
c Adjusted net income (if negative, enter -0-) 172,613.

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	34,645.	22,753.	22,751.	
	2 Savings and temporary cash investments	560,456.	317,116.	317,116.	
	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 disqualifying persons (attach schedule) (see the instructions)				
	7 Other notes and loans receivable (attach schedule) ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments – U.S. and state government obligations (attach schedule)				
	b Investments – corporate stock (attach schedule)	8,192,940.	8,290,492.	8,632,854.	
	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)	428,874.	54,824.	969,535.		
14 Land, buildings, and equipment basis ►	30,790.				
Less accumulated depreciation (attach schedule) See Stmt 6 ►	24,099.	7,881.	6,691.		
15 Other assets (describe ►))					
16 Total assets (to be completed by all filers – see instructions Also, see page 1, item 1))	9,224,796.	8,691,876.	9,942,256.		
LIABILITIES	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, & other disqualifying persons				
	21 Mortgages and other notes payable (attach schedule)				
	22 Other liabilities (describe ►))				
	23 Total liabilities (add lines 17 through 22))	0.	0.		
	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	9,224,796.	8,691,876.		
	30 Total net assets or fund balances (see the instructions)	9,224,796.	8,691,876.		
31 Total liabilities and net assets/fund balances (see the instructions)	9,224,796.	8,691,876.			

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	9,224,796.
2 Enter amount from Part I, line 27a	2	-508,118.
3 Other increases not included in line 2 (itemize) ►	3	
4 Add lines 1, 2, and 3	4	8,716,678.
5 Decreases not included in line 2 (itemize) ► See Statement 7	5	24,802.
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	8,691,876.

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)
1 a N/A					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
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))	
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2		
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)	If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8		3		

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

 Yes No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see 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	797,806.	6,980,924.	0.114284
2007	901,288.	11,650,088.	0.077363
2006	916,288.	11,826,572.	0.077477
2005	882,467.	10,775,084.	0.081899
2004	752,614.	9,551,119.	0.078799

2 Total of line 1, column (d)

2 0.429822

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 0.085964

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

4 8,443,853.

5 Multiply line 4 by line 3

5 725,867.

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

6 1,612.

7 Add lines 5 and 6

7 727,479.

8 Enter qualifying distributions from Part XII, line 4

8 895,407.

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.)	1	1,612.
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, 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	1,612.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	5	1,612.
6	Credits/Payments		
a	2009 estimated tax pmts and 2008 overpayment credited to 2009	6a	5,000.
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	5,000.
8	Enter any penalty for underpayment of estimated tax Check here <input checked="" 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	0.
10	Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	3,388.
11	Enter the amount of line 10 to be Credited to 2010 estimated tax ► 3,388. Refunded	11	0.

Part VII-A Statements Regarding Activities

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?

	Yes	No
1a	X	

b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?

	Yes	No
1b	X	

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

c Did the foundation file **Form 1120-POL** for this year?

	Yes	No
1c	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.

	Yes	No

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?

If 'Yes,' attach a detailed description of the activities

	Yes	No
2	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? If 'Yes,' attach a conformed copy of the changes

	Yes	No
3	X	

4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?

	Yes	No
4a	X	

b If 'Yes,' has it filed a tax return on **Form 990-T** for this year?

	Yes	No
4b	N/A	

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?

	Yes	No
5	X	

If 'Yes,' attach the statement required by General Instruction T

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?

	Yes	No
6	X	

7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XIV

	Yes	No
7	X	

8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) ►

	Yes	No
8b	X	

DC

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? If 'No,' attach explanation

	Yes	No
9	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)? If 'Yes,' complete Part XIV

	Yes	No
10	X	

10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses

Part VII-A Statements Regarding Activities Continued

11		X
12		X
13	X	
14	The books are in care of ► <u>The Foundation</u>	Telephone no ► <u>202-835-3650</u>
	Located at ► <u>1761 N Street, NW Washington DC</u>	ZIP + 4 ► <u>20036</u>
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year	► <u>15</u> N/A ► <u> </u> 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.

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? Yes No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes 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)? Yes 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) Yes 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 the instructions)?Organizations relying on a current notice regarding disaster assistance check here ►

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?

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?

If 'Yes,' list the years ► 20__, 20__, 20__, 20__b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see the 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► 20__, 20__, 20__, 20__

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?

 Yes 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)

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?

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)? (see instructions)

(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)?

5b 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?

6b X

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No**b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

7b 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
See Statement 8		128,145.	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
Geoffrey M. Aronson c/o FMEP, 1761 N St Wash DC Washington, DC 20036	Dir Res & Pub 40	138,164.	0.	0.

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 See Statement 9

2 See Statement 10

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2		Amount
1	N/A	
2		
3	All other program-related investments See instructions	
Total	Add lines 1 through 3	0

All other program-related investments See instructions

3

Total. Add lines 1 through 3

Form 990-PE (2009)

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
- b Average of monthly cash balances
- c Fair market value of all other assets (see instructions)
- d **Total** (add lines 1a, b, and c)
- 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
- 3 Subtract line 2 from line 1d
- 4 Cash deemed held for charitable activities Enter 1-1/2% of line 3
(for greater amount, see instructions)
- 5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4
- 6 **Minimum investment return.** Enter 5% of line 5

1a	8,421,301.
1b	151,139.
1c	
1d	8,572,440.
2	0.
3	8,572,440.
4	128,587.
5	8,443,853.
6	422,193.

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

1	
2a	
2b	
2c	
3	
4	
5	
6	
7	

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
 - b Program-related investments – total from Part IX-B
- 2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes
- 3 Amounts set aside for specific charitable projects that satisfy the
 - a Suitability test (prior IRS approval required)
 - b Cash distribution test (attach the required schedule)
- 4 **Qualifying distributions** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4
- 5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income
Enter 1% of Part I, line 27b (see instructions)
- 6 **Adjusted qualifying distributions.** Subtract line 5 from line 4

1a	895,407.
1b	
2	
3a	
3b	
4	895,407.
5	1,612.
6	893,795.

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)

N/A

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20 __, 20 __, 20 __				
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e				
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required – see instructions)				
c Treated as distributions out of corpus (Election required – see instructions)				
d Applied to 2009 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount – see instructions				
e Undistributed income for 2008 Subtract line 4a from line 2a Taxable amount – see instructions.				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a				
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				

BAA

Form 990-PF (2009)

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

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

Part XV Supplementary Information (Complete this part only if the 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))

None

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 11

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
<i>a Paid during the year</i> See Statement 12				
Total				► 3a 315,030.
<i>b Approved for future payment</i>				
Total				► 3b

Part XVI-A Analysis of Income-Producing Activities

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(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					7,530.
4 Dividends and interest from securities					165,083.
5 Net rental income or (loss) from real estate				14	
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					-60,915.
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					22,226.
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)					133,924.
13 Total Add line 12, columns (b), (d), and (e)					133,924.

(See worksheet in the instructions for line 13 to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See the instructions)
N/A	

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

- 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

	Yes	No
1a (1)		X
1a (2)		X
1b (1)		X
1b (2)		X
1b (3)		X
1b (4)		X
1b (5)		X
1b (6)		X
1c		X

d If the answer to any of the above is 'Yes,' complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

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.

Signature of officer or trustee <i>John C. Miller</i>		Date	President	
			Title	
Paid Pre- parer's Use Only	Preparer's signature ► <i>John</i>	Date 1/07/11	Check if self employed ► <input type="checkbox"/>	Preparer's Identifying number (See Signature in the instrs) P00000476
	Firm's name (or yours if self- employed), address, and ZIP code ► ALCORN & CURETON, Ltd. CPAs 4604 B Pinecrest Office Pk Dr Alexandria, VA 22312	EIN ► 54-1207380	Phone no ► (703) 354-7750	

BAA

Statement 1

Form 990-PF, Part I, Line 6a

Net Gain (Loss) from Noninventory Sales Per Books
Assets Not Included in Part IV

Description:	1000 Kinder Morgan Energy		
Date Acquired:	9/30/2004		
How Acquired:	Purchase		
Date Sold:	1/21/2010		
To Whom Sold:			
Gross Sales Price:	63,061.		
Cost or Other Basis:	47,032.		
Basis Method:	Cost		
		Gain (Loss)	16,029.
Description:	500 BHP Billiton Ltd		
Date Acquired:	9/18/2006		
How Acquired:	Purchase		
Date Sold:	1/06/2010		
To Whom Sold:			
Gross Sales Price:	39,898.		
Cost or Other Basis:	19,612.		
Basis Method:	Cost		
		Gain (Loss)	20,286.
Description:	1000 Alico Inc		
Date Acquired:	6/15/2007		
How Acquired:	Purchase		
Date Sold:	9/27/2010		
To Whom Sold:			
Gross Sales Price:	21,914.		
Cost or Other Basis:	61,399.		
Basis Method:	Cost		
		Gain (Loss)	-39,485.
Description:	1000 Alico Inc		
Date Acquired:	10/05/2007		
How Acquired:	Purchase		
Date Sold:	9/27/2010		
To Whom Sold:			
Gross Sales Price:	21,932.		
Cost or Other Basis:	50,008.		
Basis Method:	Cost		
		Gain (Loss)	-28,076.
Description:	1000 Pozen, Inc		
Date Acquired:	2/16/2007		
How Acquired:	Purchase		
Date Sold:	9/27/2010		
To Whom Sold:			
Gross Sales Price:	6,803.		
Cost or Other Basis:	17,314.		
Basis Method:	Cost		
		Gain (Loss)	-10,511.

Client FOUN1

Foundation for Middle East Peace

52-6055574

Statement 1 (continued)

Form 990-PF, Part I, Line 6a

Net Gain (Loss) from Noninventory Sales Per Books

Assets Not Included in Part IV

Description:	3000 Pozen, Inc		
Date Acquired:	12/15/2006		
How Acquired:	Purchase		
Date Sold:	9/27/2010		
To Whom Sold:			
Gross Sales Price:	20,447.		
Cost or Other Basis:	50,986.		
Basis Method:	Cost		
		Gain (Loss)	-30,539.
Description:	350 Goldcorp, Inc		
Date Acquired:	11/09/2007		
How Acquired:	Purchase		
Date Sold:	11/13/2009		
To Whom Sold:			
Gross Sales Price:	15,319.		
Cost or Other Basis:	12,438.		
Basis Method:	Cost		
		Gain (Loss)	2,881.
Description:	Kinder Morgan 1231 gain		
Date Acquired:	1/01/2009		
How Acquired:	Purchase		
Date Sold:	6/30/2010		
To Whom Sold:			
Gross Sales Price:	28.		
Cost or Other Basis:	0.		
Basis Method:	Cost		
		Gain (Loss)	28.
Description:	Penn VA Part. - 1231 gain		
Date Acquired:	1/01/2009		
How Acquired:	Purchase		
Date Sold:	6/30/2010		
To Whom Sold:			
Gross Sales Price:	9,040.		
Cost or Other Basis:	0.		
Basis Method:	Cost		
		Gain (Loss)	9,040.
Description:	Partnerships		
Date Acquired:	1/01/2009		
How Acquired:	Purchase		
Date Sold:	6/30/2010		
To Whom Sold:			
Gross Sales Price:	0.		
Cost or Other Basis:	718.		
Basis Method:	Cost		
		Gain (Loss)	-718.

Statement 1 (continued)

Form 990-PF, Part I, Line 6a

Net Gain (Loss) from Noninventory Sales Per Books
Assets Not Included in Part IV

Description:	Lap Top Computer
Date Acquired:	5/15/2002
How Acquired:	Purchase
Date Sold:	5/11/2010
To Whom Sold:	
Gross Sales Price:	150.
Cost or Other Basis:	800.
Basis Method:	Cost
Depreciation:	800.
	Gain (Loss)
	150.
	Total \$ <u> </u> -60,915.

Statement 2

Form 990-PF, Part I, Line 11

Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Total	\$ <u> </u> 22,226.	\$ <u> </u>	\$ <u> </u> 0.

Statement 3

Form 990-PF, Part I, Line 16b

Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bookkeeping, tax and accounting fees	\$ <u> </u> 22,817.	\$ <u> </u>	\$ <u> </u> 22,817.	\$ <u> </u> 22,817.
Total	\$ <u> </u> 22,817.	\$ <u> </u> 0.	\$ <u> </u> 0.	\$ <u> </u> 22,817.

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
DC taxes	\$ <u> </u> 226.	\$ <u> </u>	\$ <u> </u> 226.	\$ <u> </u> 226.
Foreign Taxes	\$ <u> </u> 1,564.	\$ <u> </u> 1,564.	\$ <u> </u>	\$ <u> </u>
Payroll Taxes	\$ <u> </u> 22,918.	\$ <u> </u>	\$ <u> </u>	\$ <u> </u> 22,918.
Total	\$ <u> </u> 24,708.	\$ <u> </u> 1,564.	\$ <u> </u> 0.	\$ <u> </u> 23,144.

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
Bank Service Charges	\$ 352.			\$ 352.
Business Meals	7,067.			7,067.
Cabs/Parking	2,178.			2,178.
Computer Consultant/Repairs	642.			642.
Dues	392.			392.
Employee Benefits	28,360.			28,360.
Insurance	2,857.			2,857.
Internet	1,998.			1,998.
Library/Subscriptions	1,286.			1,286.
Miscellaneous	486.			486.
Norwegian Project	48,010.			48,010.
Office supplies	2,015.			2,015.
Postage	3,437.			3,437.
Programs	15,821.			15,821.
Rental Expenses	24,520.			24,520.
Telephone	3,246.			3,246.
Total	\$ 142,667.	\$ 0.	\$ 0.	\$ 142,667.

Statement 6
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Furniture and Fixtures	\$ 12,643.	\$ 10,327.	\$ 2,316.	\$ 0.
Machinery and Equipment	18,147.	13,772.	4,375.	0.
Total	\$ 30,790.	\$ 24,099.	\$ 6,691.	\$ 0.

Statement 7
Form 990-PF, Part III, Line 5
Other Decreases

Total \$ 24,802.

Statement 8
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/Other
Philip C. Wilcox, Jr. C/O FMEP, 1761 N St., NW Washington, DC 20036	President 0	\$ 108,145.	\$ 0.	\$ 0.
Dr. Landrum Bolling 1730 Rhode Island Ave. NW #707 Washington, DC 20036	Director 0	0.	0.	0.
Calvin H. Cobb, Jr. C/O FMEP, 1761 N St., NW Washington, DC 20036	Chairman 0	2,000.	0.	0.
Stephen Hartwell C/O FMEP, 1761 N St., NW Washington, DC 20036	Treasurer 0	2,000.	0.	0.
Ambassador Lucius Battle C/O FMEP, 1761 N St., NW Washington, DC 20036	Director 0	0.	0.	0.
James J. Cromwell C/O FMEP, 1761 N St., NW Washington, DC 20036	Director 0	2,000.	0.	0.
Richard S.T. Marsh C/O FMEP, 1761 N St., NW Washington, DC 20036	Secretary 0	2,000.	0.	0.
William Quandt C/O FMEP, 1761 N St., NW Washington, DC 20036	Director 0	2,000.	0.	0.
Richard Murphy C/O FMEP, 1761 N St., NW Washington, DC 20036	Director 0	2,000.	0.	0.
Peter Gubser 1522 K Street NW # 202 Washington, DC 20005	Director 0	2,000.	0.	0.
Jean Newsom 2409 Angus Road Charlottesville, VA 22901	Director 0	2,000.	0.	0.
Gail Pressberg 42 Glen Avenue Newton, MA 02459	Director 0	2,000.	0.	0.

Client FOUN1

Foundation for Middle East Peace

52-6055574

Statement 8 (continued)

Form 990-PF, Part VIII, Line 1

List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/Other
Ambassador Nicholas Veliotis 7322 Churchill Road McLean, VA 22101	Director 0	\$ 2,000.	\$ 0.	\$ 0.
Total <u>\$ 128,145.</u> <u>\$ 0.</u> <u>\$ 0.</u>				

Statement 9

Form 990-PF, Part IX-A, Line 1

Summary of Direct Charitable Activities

Direct Charitable ActivitiesExpenses

The Foundation For Middle East Peace (FMEP) is a Nonprofit organization dedicated to informing Americans about the Israeli-Palestinian conflict and assisting in a peaceful solution that brings security for both peoples. The report on Israeli settlement in the occupied territories, published bimonthly by FMEP, provides up-to-date information on Israel's settlement policies as well as the ongoing negotiations with the Palestinians over the future of the West Bank, Gaza Strip, and Jerusalem.

The Foundation also has a media outreach program. The Foundation shares data and analysis concerning settlement activity and related subjects with the media, scholars and others in the United States and abroad. Philip C. Wilcox, the Foundation's President, and Geoffrey Aronson, Editor of the Foundation's report, are available for public speaking and briefings to interested audiences. The Foundation also sponsors Israelis, Palestinians and others for visits to Washington to speak on the peace process.

Statement 10

Form 990-PF, Part IX-A, Line 2

Summary of Direct Charitable Activities

Direct Charitable ActivitiesExpenses

The Foundation awards grants to organizations and activities that contribute significantly to a solution to the Israeli-Palestinian conflict. For example, grants have supported educational, humanitarian, public affairs, civil rights, and Palestinian-Israeli reconciliation activities, as well as humanitarian and development projects that meet the needs of victims of the current conflict. Grantees have included Palestinian, Israeli, American and other groups, and joint Palestinian-Israeli peace efforts.

Statement 11
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program:

Name: Philip C. Wilcox, Jr. President

Care Of:

Street Address: 1761 N Street NW
City, State, Zip Code: Washington, DC 20036

Telephone:

Form and Content: Applicants should request application form.

Submission Deadlines: None

Restrictions on Awards: Grantees must conduct activities that respond to the Foundation's goal of fostering peace between Israel and Palestine.

Statement 12
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
Churches for Middle East Peace 110 Maryland Ave., NE # 311 Washington, DC 20002	None		General Operating Funds	\$ 30,000.
New Israel Fund 1101 14th St NW, Sixth Floor Washington, DC 20005, DC 20005	None		General Operating Funds	3,000.
Rabbis for Human Rights, Israel Rehov Harekhavim 9 Jerusalem, Israel, 93462 Israel	None		General Operating Funds	10,000.
Middle East Understanding (Lucius Battle 1761 N St., NW Washington, DC 20036	None		General Operating Funds	10,000.
IPCRI Peace Education Project P. O. BOX 9321 JERUSALEM, 91092, ISRAEL,	None		General Operating Funds	5,000.
ANERA 1522 K St SW Suite 205 Washington, DC	None		General Operating Funds	40,000.

Client FOUN1

Foundation for Middle East Peace

52-6055574

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
Americans for Peace Now 1101 14th St. NW, 6th Floor Washington, DC 20005	None		General Operating Funds	\$ 33,000.
Rabbis for Human Rights P.O. Box 1539 West Tisbury, MA 02575,	None		General Operating Funds	5,000.
Arab-American Institute 1600 K Street, Ste 601 Washington, DC 20006	None		General Operating Funds	1,000.
Mercy Corps (Haiti Relief) Dept W PO Box 2669 Portland, OR 97208	None		General Operating Funds	1,000.
Healing Across the Divides 72 Laurel Park Northhampton, MA 01060	None		General Operating Funds	10,000.
American Task Force for Palest 815 Connecitcut Ave NW, Ste 200 Washington, DC 20006	None		General Operating Funds	20,000.
Brit Tzedek V'Shalom 11 E. Adams Street Ste 707 Chicago, IL 60603	None		General Operating Funds	15,000.
Carter Center 453 Freedom Parkway NE Atlanta, GA 30307,	None		General Operating Funds	5,000.
GISHA Shaul Hamelech 8 Tel Aviv, 64733,	None		General Operating Funds	10,000.
Middle East Fellowship PO Box 1252 Brea, CA 92822	None		General Operating Funds	10,000.
Friends of UNRWA Assoc, Inc. 1666 K St. NW, Suite 440 Washington, DC 2006	None		General Operating Funds	7,000.
J Street Education Fund 18218 L Street, Suite 240 Washington, DC 20036	None		General Operating Fund	20,000.

Statement 12 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
Kairos Project c/o Greg Khalil P.O. Box 12205 Arlington, VA 22219	None		General Operating Fund	\$ 10,000.
Break the Silence c/o Shovrim Shtika P.O. Box 68150 Jerusalem, 91681	None		General Operating Fund	7,000.
Encounter 25 Broadway, Suite 1700 New York, NY 10004	None		General Operating Fund	5,000.
Council for National Interest Foundation 1250 4th Street, SW, STE WG-1 Washington, DC 20024	None		General Operating Fund	12,000.
Middle East Institute 1761 N Street, NW Washington, DC 20036	None		General Operating Fund	30,000.
The Telos Group 1614 Riggs Place, NW #1 Washington, DC 20009	None		General Operating Fund	10,000.
Charlottesville Center for Peace and Justice 417 West Main Street Charlottesville, VA 22903	None		General Operating Fund	5,500.
Syncopa , Tel Aviv P.O. Box 341 Israel	None		General Operating Fund	530.
Total \$ 315,030.				