Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

**2009**

For calendar year 2009, or tax year beginning DEC 1, 2009 , and ending NOV 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.

Name of foundation: GORDON H. & KAREN M. MILLNER FAMILY FOUNDATION

A Employer identification number: 36-3998692

Number and street (or P O box number if mail is not delivered to street address): 3535 PATTEN ROAD — Room/suite: 7A

B Telephone number: 847-432-9114

City or town, state, and ZIP code: HIGHLAND PARK, IL 60035

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 ▶ [ ]

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 2,799,605.

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

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

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

| | | (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 | 50,000. | | N/A | |
| | 2 Check ▶ [ ] if the foundation is not required to attach Sch B | | | | |
| | 3 Interest on savings and temporary cash investments | | | | |
| | 4 Dividends and interest from securities | 69,051. | 69,051. | | STATEMENT 1 |
| | 5a Gross rents | | | | |
| | b Net rental income or (loss) | | | | |
| | 6a Net gain or (loss) from sale of assets not on line 10 | 71,974. | | | |
| | b Gross sales price for all assets on line 6a 1,114,523. | | | | |
| | 7 Capital gain net income (from Part IV, line 2) | | 71,974. | | |
| | 8 Net short-term capital gain | | | | |
| | 9 Income modifications | | | | |
| | 10a Gross sales less returns and allowances | | | | |
| | b Less Cost of goods sold | | | | |
| | c Gross profit or (loss) | | | | |
| | 11 Other income | | | | |
| | 12 **Total.** Add lines 1 through 11 | 191,025. | 141,025. | | |
| Operating and Administrative Expenses | 13 Compensation of officers, directors, trustees, etc | 0. | 0. | | 0. |
| | 14 Other employee salaries and wages | | | | |
| | 15 Pension plans, employee benefits | | | | |
| | 16a Legal fees | | | | |
| | b Accounting fees STMT 2 | 4,545. | 0. | | 4,545. |
| | c Other professional fees STMT 3 | 28,002. | 28,002. | | 0. |
| | 17 Interest | | | | |
| | 18 Taxes STMT 4 | 1,258. | 1,142. | | 0. |
| | 19 Depreciation and depletion | | | | |
| | 20 Occupancy | | | | |
| | 21 Travel, conferences, and meetings | | | | |
| | 22 Printing and publications | | | | |
| | 23 Other expenses STMT 5 | 525. | 500. | | 525. |
| | 24 **Total operating and administrative expenses.** Add lines 13 through 23 | 34,330. | 29,644. | | 5,070. |
| | 25 Contributions, gifts, grants paid | 150,320. | | | 150,320. |
| | 26 **Total expenses and disbursements.** Add lines 24 and 25 | 184,650. | 29,644. | | 155,390. |
| | 27 Subtract line 26 from line 12. | | | | |
| | a Excess of revenue over expenses and disbursements | 6,375. | | | |
| | b **Net investment income** (if negative, enter -0-) | | 111,381. | | |
| | c **Adjusted net income** (if negative, enter -0-) | | | N/A | |

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**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 | 121,143. | 177,565. | 177,565. |
| | 2 | Savings and temporary cash investments | | | |
| | 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 | 4,640. | 4,640. | 4,640. |
| | 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 | | | |
| | b | Investments - corporate stock STMT 6 | 2,188,715. | 2,258,313. | 2,506,566. |
| | c | Investments - corporate bonds STMT 7 | 72,604. | 26,029. | 27,800. |
| | 11 | Investments - land, buildings, and equipment basis ▶ | | | |
| | | Less accumulated depreciation ▶ | | | |
| | 12 | Investments - mortgage loans | | | |
| | 13 | Investments - other STMT 8 | 161,927. | 88,857. | 83,034. |
| | 14 | Land, buildings, and equipment: basis ▶ 2,147. | | | |
| | | Less accumulated depreciation STMT 9 ▶ 2,147. | | | |
| | 15 | Other assets (describe ▶ ) | | | |
| | 16 | **Total assets** (to be completed by all filers) | 2,549,029. | 2,555,404. | 2,799,605. |
| 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 ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.** | | | |
| | 24 | Unrestricted | | | |
| | 25 | Temporarily restricted | | | |
| | 26 | Permanently restricted | | | |
| | | **Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.** | | | |
| | 27 | Capital stock, trust principal, or current funds | 0. | 0. | |
| | 28 | Paid-in or capital surplus, or land, bldg., and equipment fund | 0. | 0. | |
| | 29 | Retained earnings, accumulated income, endowment, or other funds | 2,549,029. | 2,555,404. | |
| | 30 | **Total net assets or fund balances** | 2,549,029. | 2,555,404. | |
| | 31 | **Total liabilities and net assets/fund balances** | 2,549,029. | 2,555,404. | |

**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 | 2,549,029. |
| 2 | Enter amount from Part I, line 27a | 2 | 6,375. |
| 3 | Other increases not included in line 2 (itemize) ▶ | 3 | 0. |
| 4 | Add lines 1, 2, and 3 | 4 | 2,555,404. |
| 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 | 2,555,404. |

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

| | (a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co ) | (b) How acquired P - Purchase D - Donation | (c) Date acquired (mo , day, yr ) | (d) Date sold (mo , day, yr ) |
|---|---|---|---|---|
| 1a | PUBLICLY TRADED SECURITIES | | | |
| 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 | 1,114,523. | | 1,042,549. | 71,974. |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

| | (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 | (l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h)) |
|---|---|---|---|---|
| a | | | | 71,974. |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

| | | | |
|---|---|---|---|
| 2 Capital gain net income or (net capital loss) | If gain, also enter in Part I, line 7<br>If (loss), enter -0- in Part I, line 7 | 2 | 71,974. |
| 3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)<br>If gain, also enter in Part I, line 8, column (c)<br>If (loss), enter -0- in Part I, line 8 | | 3 | N/A |

## 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 | 122,728. | 2,269,608. | .054075 |
| 2007 | 314,226. | 2,795,569. | .112401 |
| 2006 | 155,460. | 2,825,378. | .055023 |
| 2005 | 124,915. | 2,276,569. | .054870 |
| 2004 | 103,300. | 1,823,025. | .056664 |

| | | | |
|---|---|---|---|
| 2 | Total of line 1, column (d) | 2 | .333033 |
| 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 | .066607 |
| 4 | Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 | 4 | 2,743,574. |
| 5 | Multiply line 4 by line 3 | 5 | 182,741. |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 1,114. |
| 7 | Add lines 5 and 6 | 7 | 183,855. |
| 8 | Enter qualifying distributions from Part XII, line 4 | 8 | 155,390. |

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 ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary-see instructions) | | | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b | | | 1 | 2,228. |
| c | All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b) | | | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | | | 2 | 0. |
| 3 | Add lines 1 and 2 | | | 3 | 2,228. |
| 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 | 2,228. |
| 6 | Credits/Payments | | | | |
| a | 2009 estimated tax payments and 2008 overpayment credited to 2009 | 6a | 1,120. | | |
| 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 | 1,120. |
| 8 | Enter any **penalty** for underpayment of estimated tax Check here ☐ 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 | 1,108. |
| 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** ▶ | **Refunded** ▶ | | 11 | |

**Part VII-A Statements Regarding Activities**

| | | | Yes | No |
|---|---|---|---|---|
| 1a | During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | | X |
| b | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? | 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? | 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. | | | |
| 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.* | 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* | 3 | | X |
| 4a | Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | | X |
| b | If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A | 4b | | |
| 5 | Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.* | 5 | | X |
| 6 | Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either<br>• By language in the governing instrument, or<br>• By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument? | 6 | X | |
| 7 | Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.* | 7 | X | |
| 8a | Enter the states to which the foundation reports or with which it is registered (see 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 *General Instruction G? If "No," attach explanation* | 8b | X | |
| 9 | Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If "Yes," complete Part XIV* | 9 | | X |
| 10 | Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses | 10 | | X |

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

| | | | Yes | No |
|---|---|---|---|---|
| 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? | 13 | X | |

Website address ▶ N/A

14 The books are in care of ▶ GORDON H. MILLNER Telephone no. ▶ 847-432-9114

Located at ▶ 3535 PATTEN ROAD, UNIT 7A, HIGHLAND PARK, IL ZIP+4 ▶ 60035

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 | 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? | ☐ 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 page 20 of the instructions)? | | 1b | | X |
| | 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? | | 1c | | X |
| 2 | Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)). | | | | |
| a | At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? | ☐ Yes ☒ No | | | |
| | If "Yes," list the years ▶ ______, ______, ______, ______ | | | | |
| b | Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions ) | N/A | 2b | | |
| c | If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ______, ______, ______, ______ | | | | |
| 3a | Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? | ☐ 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.)* | N/A | 3b | | |
| 4a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | | 4a | | X |
| b | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009? | | 4b | | X |

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? [ ] Yes [X] 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 [X] No

(3) Provide a grant to an individual for travel, study, or other similar purposes? [ ] Yes [X] 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)? [ ] Yes [X] 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 [X] 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 **5b**

Organizations relying on a current notice regarding disaster assistance check here ▶ [ ]

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: 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 [X] 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 |
|---|---|---|---|---|
| GORDON H. MILLNER<br>3535 PATTEN ROAD, UNIT 7A<br>HIGHLAND PARK, IL 60035 | PRESIDENT<br>2.25 | 0. | 0. | 0. |
| KAREN M. MILLNER<br>3535 PATTEN ROAD, UNIT 7A<br>HIGHLAND PARK, IL 60035 | SEC/TREAS<br>1.25 | 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

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**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 | Expenses |
|---|---|
| 1 NOT APPLICABLE | 0. |
| 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 | Amount |
|---|---|
| 1 NOT APPLICABLE | 0. |
| 2 | |
| All other program-related investments See instructions | |
| 3 | |
| **Total.** Add lines 1 through 3 ▶ | 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 | 2,554,473. |
| b | Average of monthly cash balances | 1b | 230,881. |
| c | Fair market value of all other assets | 1c | 0. |
| d | **Total** (add lines 1a, b, and c) | 1d | 2,785,354. |
| 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 | 2,785,354. |
| 4 | Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 41,780. |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4 | 5 | 2,743,574. |
| 6 | **Minimum investment return.** Enter 5% of line 5 | 6 | 137,179. |

**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 | 137,179. |
| 2a | Tax on investment income for 2009 from Part VI, line 5 — 2a: 2,228. | | |
| b | Income tax for 2009 (This does not include the tax from Part VI ) — 2b: | | |
| c | Add lines 2a and 2b | 2c | 2,228. |
| 3 | Distributable amount before adjustments Subtract line 2c from line 1 | 3 | 134,951. |
| 4 | Recoveries of amounts treated as qualifying distributions | 4 | 0. |
| 5 | Add lines 3 and 4 | 5 | 134,951. |
| 6 | Deduction from distributable amount (see instructions) | 6 | 0. |
| 7 | **Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1 | 7 | 134,951. |

**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 | 155,390. |
| 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 | **Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 155,390. |
| 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 | 0. |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 155,390. |

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

Form **990-PF** (2009)

**Part XIII** Undistributed Income (see instructions)

| | (a) Corpus | (b) Years prior to 2008 | (c) 2008 | (d) 2009 |
|---|---|---|---|---|
| 1 Distributable amount for 2009 from Part XI, line 7 | | | | 134,951. |
| 2 Undistributed income, if any, as of the end of 2009 | | | | |
| a Enter amount for 2008 only | | | 0. | |
| b Total for prior years ______, ______, ______ | | 0. | | |
| 3 Excess distributions carryover, if any, to 2009 | | | | |
| a From 2004 12,456. | | | | |
| b From 2005 15,432. | | | | |
| c From 2006 18,586. | | | | |
| d From 2007 179,036. | | | | |
| e From 2008 10,350. | | | | |
| f Total of lines 3a through e | 235,860. | | | |
| 4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 155,390. | | | | |
| 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 | | | | 134,951. |
| e Remaining amount distributed out of corpus | 20,439. | | | |
| 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 | 256,299. | | | |
| 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 | | | | 0. |
| 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 | 12,456. | | | |
| 9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a | 243,843. | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2005 15,432. | | | | |
| b Excess from 2006 18,586. | | | | |
| c Excess from 2007 179,036. | | | | |
| d Excess from 2008 10,350. | | | | |
| e Excess from 2009 20,439. | | | | |

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

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

1 **Information Regarding Foundation Managers:**

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

GORDON H. MILLNER

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

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

c Any submission deadlines·

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

**Part XV Supplementary Information** (continued)

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

| Recipient<br>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 ATTACHED SCHEDULE | | | | 150,320. |
| **Total** | | | ▶ 3a | 150,320. |
| *b Approved for future payment* | | | | |
| NONE | | | | |
| **Total** | | | ▶ 3b | 0. |

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

| Enter gross amounts unless otherwise indicated. | Unrelated business income (a) Business code | Unrelated business income (b) Amount | Excluded by section 512, 513, or 514 (c) Exclusion code | Excluded by section 512, 513, or 514 (d) Amount | (e) Related or exempt function income |
|---|---|---|---|---|---|
| 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 | 69,051. | |
| 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 | 71,974. | |
| 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. | | 141,025. | 0. |

13 Total. Add line 12, columns (b), (d), and (e) 13 141,025.

(See worksheet in line 13 instructions 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) |
|---|---|
| | NOT APPLICABLE |

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

| | | | Yes | No |
|---|---|---|---|---|
| 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 | 1a(1) | | X |
| | (2) Other assets | 1a(2) | | X |
| b | Other transactions | | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | | X |
| | (4) Reimbursement arrangements | 1b(4) | | X |
| | (5) Loans or loan guarantees | 1b(5) | | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | | X |

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

| (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 | | |

**Sign Here**

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 [signature] Date 3-29-2011 Title President

**Paid Preparer's Use Only**

| | | | |
|---|---|---|---|
| Preparer's signature [signature] | Date 3/4/11 | Check if self-employed ☐ | Preparer's identifying number |
| Firm's name (or yours if self-employed), address, and ZIP code: RSM MCGLADREY, INC. 20 NORTH MARTINGALE RD., SUITE 500 SCHAUMBURG, IL 60173 | | EIN | |
| | | Phone no 847-413-6900 | |

**Schedule B**
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

# Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

OMB No 1545-0047

**2009**

**Name of the organization**
GORDON H. & KAREN M. MILLNER FAMILY FOUNDATION

**Employer identification number**
36-3998692

**Organization type** (check one):

| **Filers of:** | **Section:** |
|---|---|
| Form 990 or 990-EZ | ☐ 501(c)( ) (enter number) organization |
| | ☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation |
| | ☐ 527 political organization |
| Form 990-PF | ☒ 501(c)(3) exempt private foundation |
| | ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation |
| | ☐ 501(c)(3) taxable private foundation |

Check if your organization is covered by the **General Rule** or a **Special Rule.**
**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year. ▶ $ ____________

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization
GORDON H. & KAREN M. MILLNER FAMILY FOUNDATION

Employer identification number
36-3998692

**Part I** **Contributors** (see instructions)

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Aggregate contributions | (d) Type of contribution |
|---|---|---|---|
| 1 | GORDON H. AND KAREN M. MILLNER<br>3535 PATTEN ROAD, UNIT 7A<br>HIGHLAND PARK, IL 60035 | $ 50,000. | Person [X]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ]<br>Payroll [ ]<br>Noncash [ ]<br>(Complete Part II if there is a noncash contribution.) |

Name of organization
GORDON H. & KAREN M. MILLNER FAMILY FOUNDATION

Employer identification number
36-3998692

**Part II** **Noncash Property** (see instructions)

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

Name of organization: GORDON H. & KAREN M. MILLNER FAMILY FOUNDATION

Employer identification number: 36-3998692

**Part III** **Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ $

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
|---|---|---|---|
| MORGAN STANLEY | 69,051. | 0. | 69,051. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 69,051. | 0. | 69,051. |

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 | 4,545. | 0. | | 4,545. |
| TO FORM 990-PF, PG 1, LN 16B | 4,545. | 0. | | 4,545. |

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 |
|---|---|---|---|---|
| INVESTMENT FEES - MORGAN STANLEY | 28,002. | 28,002. | | 0. |
| TO FORM 990-PF, PG 1, LN 16C | 28,002. | 28,002. | | 0. |

FORM 990-PF TAXES STATEMENT 4

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|---|---|---|---|---|
| FOREIGN TAXES | 1,142. | 1,142. | | 0. |
| FEDERAL EXCISE TAX | 116. | 0. | | 0. |
| TO FORM 990-PF, PG 1, LN 18 | 1,258. | 1,142. | | 0. |

| FORM 990-PF | OTHER EXPENSES | | | STATEMENT 5 |
|---|---|---|---|---|
| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
| RESEARCH EXPENSES | 500. | 500. | | 500. |
| ILLINOIS FILING FEES | 25. | 0. | | 25. |
| TO FORM 990-PF, PG 1, LN 23 | 525. | 500. | | 525. |

| FORM 990-PF | CORPORATE STOCK | STATEMENT 6 |
|---|---|---|
| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
| SEE ATTACHED STMT - STOCKS | 2,220,693. | 2,466,471. |
| SEE ATTACHED STMT - STOCKS | 37,620. | 40,095. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 2,258,313. | 2,506,566. |

| FORM 990-PF | CORPORATE BONDS | STATEMENT 7 |
|---|---|---|
| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
| SEE ATTACHED STMT - BONDS | 26,029. | 27,800. |
| GMAC | 0. | 0. |
| TOTAL TO FORM 990-PF, PART II, LINE 10C | 26,029. | 27,800. |

| FORM 990-PF | OTHER INVESTMENTS | | STATEMENT 8 |
|---|---|---|---|
| DESCRIPTION | VALUATION METHOD | BOOK VALUE | FAIR MARKET VALUE |
| SEE ATTACHED STMT - OPTIONS | COST | <14,007.> | <17,880.> |
| SEE ATTACHED STMT - MUTUAL FUNDS | COST | 102,864. | 100,914. |
| TOTAL TO FORM 990-PF, PART II, LINE 13 | | 88,857. | 83,034. |

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 9

| DESCRIPTION | COST OR OTHER BASIS | ACCUMULATED DEPRECIATION | BOOK VALUE |
|---|---|---|---|
| COMPUTER | 2,147. | 2,147. | 0. |
| TOTAL TO FM 990-PF, PART II, LN 14 | 2,147. | 2,147. | 0. |

Gordon H. & Karen M. Millner Family Foundation - FYE 11-30-2010

| Payable To: | City | State | Foundation Status | Purpose of Grant or Contribution | Recipient Relationship | | Amount |
|---|---|---|---|---|---|---|---|
| 11-10-02 Foundation | Chicago | IL | 501(C)(3) | Educational | None | $ | 250.00 |
| Alzheimer's Association | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 12,500.00 |
| American Cancer Society | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 300.00 |
| American Diabetes Association | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 5,000.00 |
| American Friends of Magan David Adom | New York | NY | 501(C)(3) | Religious | None | $ | 1,000.00 |
| Anti Defamation League | Chicago | IL | 501(C)(3) | Charitable | None | $ | 1,000.00 |
| Arthritis Foundation | Atlanta | GA | 501(C)(3) | Medical Research | None | $ | 12,500.00 |
| Cancer Wellness Center | Northbrook | IL | 501(C)(3) | Medical Research | None | $ | 250.00 |
| Chicago Art Institute | Chicago | IL | 501(C)(3) | Educational | None | $ | 500.00 |
| Chicago Botanic Garden | Glencoe | IL | 501(C)(3) | Educational | None | $ | 500.00 |
| Chicago Center for Torah & Chesed | Chicago | IL | 501(C)(3) | Religious | None | $ | 1,000.00 |
| Chicago Community Kollel | Chicago | IL | 501(C)(3) | Religious | None | $ | 360.00 |
| Chicago Community Kollel | Chicago | IL | 501(C)(3) | Religious | None | $ | 540.00 |
| Child & Adolescent Bipolar Foundation | Evanston | IL | 501(C)(3) | Medical Research | None | $ | 750.00 |
| Children's Memorial Hospital | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 1,100.00 |
| Congregation B'Nai Torah | Highland Park | IL | 501(C)(3) | Charitable | None | $ | 720.00 |
| CURED | Lincolnshire | IL | 501(C)(3) | Medical Research | None | $ | 300.00 |
| CURED | Lincolnshire | IL | 501(C)(3) | Medical Research | None | $ | 10,000.00 |
| CURED | Lincolnshire | IL | 501(C)(3) | Medical Research | None | $ | 10,000.00 |
| Damon Runyon Cancer Research Foundation | New York | NY | 501(C)(3) | Medical Research | None | $ | 150.00 |
| Damon Runyon Cancer Research Foundation | New York | NY | 501(C)(3) | Medical Research | None | $ | 11,000.00 |
| Depression & Bipolar Support Alliance | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 1,000.00 |
| Disabled American Veterans | Cincinnati | OH | 501(C)(3) | Charitable | None | $ | 1,000.00 |
| Elizabeth Glaser Pediatric AIDS Foundation | Washington | D.C. | 501(C)(3) | Medical Research | None | $ | 2,000.00 |
| Elyse Ashley Larsen Memorial Fund | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 100.00 |
| Fourth Presbyterian Church | Chicago | IL | 501(C)(3) | Religious | None | $ | 2,000.00 |
| Friends of the Highland Park Library | Highland Park | IL | 501(C)(3) | Educational | None | $ | 250.00 |
| Friends of the Israel Defense Forces | Chicago | IL | 501(C)(3) | Charitable | None | $ | 1,000.00 |
| Greater Chicago Food Depository | Chicago | IL | 501(C)(3) | Charitable | None | $ | 150.00 |
| Harold E. Eisenberg Foundation | Highland Park | IL | 501(C)(3) | Medical Research | None | $ | 1,000.00 |
| Illinois Holocaust Museum & Education Center | Skokie | IL | 501(C)(3) | Educational | | $ | 500.00 |
| Jewish United Fund | Chicago | IL | 501(C)(3) | Religious | None | $ | 1,000.00 |
| Jewish United Fund | Chicago | IL | 501(C)(3) | Religious | None | $ | 20,000.00 |
| Juvenile Diabetes Research Foundation | New York | NY | 501(C)(3) | Medical Research | None | $ | 500.00 |
| Kids With Food Allergies, Inc. | Doylestown | PA | 501(C)(3) | Medical Research | None | $ | 1,500.00 |
| Little City Foundation | Palatine | IL | 501(C)(3) | Charitable | None | $ | 1,500.00 |
| Mazon | Los Angeles | CA | 501(C)(3) | Charitable | None | $ | 1,000.00 |
| Michael J. Fox Found. For Parkinson's Research | New York | NY | 501(C)(3) | Medical Research | None | $ | 500.00 |
| Midwest Palliative & Hospice CareCenter | Glenview | IL | 501(C)(3) | Medical Research | None | $ | 250.00 |

| Payable To: | City | State | Foundation Status | Purpose of Grant or Contribution | Recipient Relationship | | Amount |
|---|---|---|---|---|---|---|---|
| Misericordia Home | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 1,100.00 |
| Multiple Sclerosis Foundation | Fort Lauderdale | FL | 501(C)(3) | Medical Research | None | $ | 1,500.00 |
| Muscular Dystrophy Association | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 500.00 |
| National Headache Foundation | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 1,500.00 |
| National Stroke Association | Centennial | CO | 501(C)(3) | Medical Research | None | $ | 1,750.00 |
| North Shore Senior Center | Northfield | IL | 501(C)(3) | Charitable | None | $ | 250.00 |
| North Suburban Synagogue Beth El | Highland Park | IL | 501(C)(3) | Religious | None | $ | 250.00 |
| Northwestern Memorial Foundation | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 8,000.00 |
| Northwestern Univ. Feinberg School of Medicine | Chicago | IL | 501(C)(3) | Medical Research | None | $ | 500.00 |
| Open Books, LLC | Chicago | IL | 501(C)(3) | Educational | None | $ | 500.00 |
| Progeria Research Foundation | Peabody | MA | 501(C)(3) | Medical Research | None | $ | 10,000.00 |
| Province of St. Mary of Capuchin Order | New York | NY | 501(C)(3) | Religious | None | $ | 100.00 |
| Save-a-Pet | Grayslake | IL | 501(C)(3) | Charitable | None | $ | 500.00 |
| Scleroderma Foundation | Danvers | MA | 501(C)(3) | Medical Research | None | $ | 1,500.00 |
| Special Olympics Illinois | Normal | IL | 501(C)(3) | Charitable | None | $ | 1,500.00 |
| St. Jude Children's Research Hospital | Memphis | TN | 501(C)(3) | Medical Research | None | $ | 1,000.00 |
| The Komen Foundation | Dallas | TX | 501(C)(3) | Medical Research | None | $ | 2,000.00 |
| The Miami Project to Cure Paralysis | Miami | FL | 501(C)(3) | Medical Research | None | $ | 1,000.00 |
| The Smile Train | New York | NY | 501(C)(3) | Medical Research | None | $ | 500.00 |
| The Smile Train | New York | NY | 501(C)(3) | Medical Research | None | $ | 10,000.00 |
| US Holocaust Memorial Museum | Washington | DC | 501(C)(3) | Educational | None | $ | 150.00 |
| US Holocaust Memorial Museum | Washington | IL | 501(C)(3) | Educational | None | $ | 1,000.00 |
| USA Cares | Radcliff | KY | 501(C)(3) | Charitable | None | $ | 250.00 |
| | | | | | | $ | 150,320.00 |

# Holdings

*The "Market Value" and "Unrealized Gain/(Loss)" figures shown are representative values as of the last business day of the period shown above which may not reflect the value that could actually be obtained in the market. See "Pricing of Securities" in the Disclosures section at the end of this statement*

*Estimated annual income and estimated yield for certain securities can include return of principal or capital gains which could overstate such estimates Estimated yield and estimated annual income are estimates and the actual income or yield may be lower or higher than the estimates. Estimated yield reflects only the income generated by an investment It does not reflect changes in its price, which may fluctuate*

*If you hold structured products, please refer to the Special Considerations Regarding Structured Products section of the Disclosure section*

*Gain/loss information is provided for informational purposes only and should not be used for tax preparation Please refer to the gain/loss section of the disclosures for important information about gain/loss reporting*

*From January through September, realized gain/loss information will be shown only for trades settling in the current month, and/or certain adjustments (to previously closed lots) made in the current month From October through December, in order to provide information for year-end investment planning, complete year to date realized gain/loss detail will be displayed for trades settling through the last business day of the year*

## CASH, DEPOSITS AND MONEY MARKET FUNDS

| Description | Value | Estimated Annual Income | 7-Day Current Yield % | Annual Percentage Yield % |
|---|---|---|---|---|
| **MORGAN STANLEY BANK N.A. #** | **$180,361.95** | $271 00 | — | 0 150 |

| | Percentage of Assets % | Market Value | Estimated Annual Income Accrued Interest |
|---|---|---|---|
| CASH, DEPOSITS AND MONEY MARKET FUNDS | **6.4%** | **$180,361.95** | **$271.00** <br> **$0.00** |

*# Bank deposits are at Morgan Stanley Bank, N A and Morgan Stanley Private Bank, National Association (Members FDIC), affiliates of Morgan Stanley Smith Barney*

*Cash holdings shown exclude cash holdings in custody at another firm for which you receive a separate statement.*

## STOCKS

### COMMON STOCKS

Consulting Group Investment Advisor Research (CG IAR) status codes (FL, AL or NL) may be shown for certain exchange-traded funds Please refer to "CG IAR Statuses in Investment Advisory Programs" at the end of this statement for a description of these status codes All status codes represent the opinions of CG IAR and are not representations or guarantees of performance

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| **ABBOTT LABORATORIES (ABT)** | 10/24/07 | 1,000 000 | $53.079 | $53,078 54 | **$46,510.00** | $(6,568 54) LT | $1,760 00 | 3 78 |
| *Share Price. $46 510, Next Dividend Payable 02/11* | | | | | | | | |
| **AT&T INC (T)** | 2/28/08 | 1,500 000 | 36 108 | 54,162 60 | 41,685 00 | (12,477 60) LT | | |
| | 11/20/09 | 800 000 | 26 086 | 20,868 88 | 22,232 00 | 1,363 12 LT | | |
| | **Total** | 2,300 000 | | 75,031 48 | **63,917.00** | (11,114.48) LT | 3,864.00 | 6 04 |
| *Share Price $27 790, Next Dividend Payable 02/11* | | | | | | | | |
| **BANK OF NEW YORK MELLON CORP (BK)** | 12/31/09 | 1,000 000 | 28 020 | 28,020 00 | 26,990 00 | (1,030 00) ST | | |
| | 8/26/10 | 400 000 | 24 158 | 9,663 20 | 10,796 00 | 1,132 80 ST | | |

CONTINUED

# Holdings

Morgan Stanley Advisory Active Assets Account 379-036607-004

GORDON H & KAREN M MILLNER FAM FOUN
3535 PATTEN ROAD UNIT 7-A

## STOCKS

### COMMON STOCKS (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| | Total | 1,400 000 | | 37,683 20 | **37,786.00** | 102 80 ST | 504 00 | 1 33 |
| *Share Price $26 990, Next Dividend Payable 02/11* | | | | | | | | |
| **BCE INC (NEW) (BCE)** | 3/8/10 | 1,500 000 | 29 780 | 44,670 00 | **50,820.00** | 6,150 00 ST | 2,731 50 | 5 37 |
| *Share Price $33 880, Next Dividend Payable 01/11* | | | | | | | | |
| **BUCYRUS INTL INC (BUCY)** | 5/27/10 | 600 000 | 54 330 | 32,598 00 | **53,496.00** | 20,898 00 ST | 60 00 | 0 11 |
| *Share Price $89 160, Next Dividend Payable 02/11* | | | | | | | | |
| **CHEVRON CORP (CVX)** | 11/12/10 | 400 000 | 85 358 | 34,143 12 | **32,388.00** | (1,755.12) ST | 1,152.00 | 3 55 |
| *Share Price $80 970, Next Dividend Payable 12/10/10* | | | | | | | | |
| **CHICAGO BRIDGE & IRON CO. N.V. (CBI)** | 5/8/08 | 500.000 | 39 454 | 19,726 80 | 14,155 00 | (5,571 80) LT | | |
| | 1/6/09 | 1,500 000 | 11 769 | 17,652 90 | 42,465.00 | 24,812 10 LT | | |
| | 2/18/10 | 1,000.000 | 21 750 | 21,749 90 | 28,310.00 | 6,560 10 ST | | |
| | Total | 3,000 000 | | 59,129.60 | **84,930.00** | 19,240 30 LT<br>6,560 10 ST | — | — |
| *Share Price $28 310* | | | | | | | | |
| **COMCAST CORP (NEW) CLASS A (CMCSA)** | 12/29/04 | 1,850.000 | 21 893 | 40,502 66 | 37,064.75 | (3,437 91) LT | | |
| | 2/18/10 | 650.000 | 15.657 | 10,176 99 | 13,022 75 | 2,845 76 ST | | |
| | Total | 2,500 000 | | 50,679 65 | **50,087.50** | (3,437 91) LT<br>2,845 76 ST | 945 00 | 1.88 |
| *Share Price $20 035, Next Dividend Payable 01/11* | | | | | | | | |
| **CONOCOPHILLIPS (COP)** | 12/30/04 | 100 000 | 60.014 | 6,001 39 | 6,017 00 | 15.61 LT | | |
| | 5/19/09 | 900 000 | 45 929 | 41,335 83 | 54,153 00 | 12,817.17 LT | | |
| | Total | 1,000 000 | | 47,337 22 | **60,170.00** | 12,832 78 LT | 2,200 00 | 3.65 |
| *Share Price $60 170, Next Dividend Payable 12/01/10* | | | | | | | | |
| **COSTCO WHOLESALE CORP NEW (COST)** | 12/19/05 | 300 000 | 48 760 | 14,628 00 | 20,283 00 | 5,655 00 LT | | |
| | 12/16/08 | 200 000 | 52 936 | 10,587 20 | 13,522 00 | 2,934.80 LT | | |
| | Total | 500 000 | | 25,215 20 | **33,805.00** | 8,589 80 LT | 410 00 | 1 21 |
| *Share Price $67 610, Next Dividend Payable 02/11* | | | | | | | | |
| **COVIDIEN PLC NEW (COV)** | 5/14/07 | 150.000 | 41 326 | 6,198 94 | 6,310 50 | 111 56 LT | | |
| | 5/23/07 | 250 000 | 42 033 | 10,508 19 | 10,517 50 | 9 31 LT | | |
| | Total | 400 000 | | 16,707 13 | **16,828.00** | 120 87 LT | 320 00 | 1 90 |
| *Share Price $42 070, Next Dividend Payable 02/11* | | | | | | | | |

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# Holdings

**Morgan Stanley Advisory Active Assets Account**
**379-036607-004**

**GORDON H & KAREN M MILLNER FAM FOUN**
**3535 PATTEN ROAD UNIT 7-A**

## STOCKS

### COMMON STOCKS (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| **DUKE ENERGY CORP HLDING CO (DUK)** | 12/11/06 | 1,500 000 | 19 179 | 28,768.36 | **26,325.00** | (2,443 36) LT | 1,470 00 | 5 58 |
| *Share Price $17.550, Next Dividend Payable 12/16/10* | | | | | | | | |
| **EL PASO CORPORATION (EP)** | 9/9/05 | 4,000 000 | 11 930 | 47,719.20 | 53,960 00 | 6,240 80 LT | | |
| | 5/9/08 | 50 000 | 19 230 | 961.50 | 674 50 | (287 00) LT | | |
| | 4/23/10 | 1,000 000 | 11 908 | 11,908 00 | 13,490 00 | 1,582 00 ST | | |
| | 6/15/10 | 1,000 000 | 12 596 | 12,596 30 | 13,490 00 | 893 70 ST | | |
| | **Total** | 6,050 000 | | 73,185 00 | **81,614.50** | 5,953 80 LT<br>2,475 70 ST | 242.00 | 0 29 |
| *Share Price $13 490, Next Dividend Payable 01/11* | | | | | | | | |
| **EMC CORP MASS (EMC)** | 11/12/10 | 2,000.000 | 21 979 | 43,957 00 | **42,980.00** | (977 00) ST | — | — |
| *Share Price $21 490* | | | | | | | | |
| **EMERSON ELECTRIC CO (EMR)** | 11/28/07 | 500 000 | 57 271 | 28,635.71 | **27,535.00** | (1,100 71) LT | 690 00 | 2 50 |
| *Share Price $55 070, Next Dividend Payable 12/10/10* | | | | | | | | |
| **ENTERGY CORP NEW (ETR)** | 5/18/04 | 500 000 | 45 270 | 22,635 00 | 35,620 00 | 12,985 00 LT | | |
| | 3/9/06 | 300 000 | 64 330 | 19,299 00 | 21,372 00 | 2,073 00 LT | | |
| | **Total** | 800 000 | | 41,934 00 | **56,992.00** | 15,058 00 LT | 2,656 00 | 4.66 |
| *Share Price $71 240, Next Dividend Payable 12/01/10* | | | | | | | | |
| **EXXON MOBIL CORP (XOM)** | 12/21/04 | 500 000 | 51 610 | 25,805 00 | **34,780.00** | 8,975 00 LT | 880 00 | 2 53 |
| *Share Price $69 560, Next Dividend Payable 12/10/10* | | | | | | | | |
| **GENERAL ELECTRIC CO (GE)** | 3/1/10 | 2,200 000 | 16 000 | 35,199 78 | 34,826 00 | (373 78) ST | | |
| | 8/9/10 | 800 000 | 16 450 | 13,160.00 | 12,664 00 | (496 00) ST | | |
| | **Total** | 3,000 000 | | 48,359 78 | **47,490.00** | (869 78) ST | 1,440.00 | 3 03 |
| *Share Price $15 830, Next Dividend Payable 01/11* | | | | | | | | |
| **GOLDMAN SACHS GRP INC (GS)** | 3/1/10 | 400 000 | 156 855 | 62,742 12 | **62,456.00** | (286 12) ST | 560 00 | 0 89 |
| *Share Price: $156 140, Next Dividend Payable 12/30/10* | | | | | | | | |
| **H J HEINZ CO (HNZ)** | 9/2/08 | 500 000 | 51 648 | 25,824 20 | 24,135 00 | (1,689 20) LT | | |
| | 9/2/08 | 1,000 000 | 51 556 | 51,556 00 | 48,270 00 | (3,286 00) LT | | |

CONTINUED

# Holdings

**Morgan Stanley Advisory Active Assets Account**
**379-036607-004**

**GORDON H & KAREN M MILLNER FAM FOUN**
**3535 PATTEN ROAD UNIT 7-A**

## STOCKS

### COMMON STOCKS (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| | **Total** | 1,500.000 | | 77,380 20 | **72,405.00** | (4,975 20) LT | 2,700.00 | 3 72 |
| *Share Price $48 270, Next Dividend Payable 01/11* | | | | | | | | |
| **ISHARES BARCLAYS TIPS BD FD (TIP)** | 9/10/08 | 500 000 | 104 948 | 52,474 21 | 54,740 00 | 2,265 79 LT | | |
| | 8/26/10 | 300.000 | 107 966 | 32,389 80 | 32,844 00 | 454.20 ST | | |
| | **Total** | 800 000 | | 84,864 01 | **87,584.00** | 2,265 79 LT<br>454 20 ST | 2,159 20 | 2 46 |
| *Share Price $109 480, CG IAR Status· AL, Next Dividend Payable 12/10* | | | | | | | | |
| **JACOBS ENGINEERING GROUP INC (JEC)** | 11/5/04 | 1,200 000 | 21 427 | 25,712 28 | 46,200 00 | 20,487 72 LT | | |
| | 3/1/10 | 400 000 | 39 407 | 15,762 84 | 15,400 00 | (362 84) ST | | |
| | **Total** | 1,600 000 | | 41,475.12 | **61,600.00** | 20,487 72 LT<br>(362 84) ST | — | — |
| *Share Price $38 500* | | | | | | | | |
| **JOHNSON & JOHNSON (JNJ)** | 7/9/04 | 500 000 | 55.100 | 27,550 00 | 30,775 00 | 3,225 00 LT | | |
| | 9/23/05 | 500 000 | 64 900 | 32,450 00 | 30,775 00 | (1,675 00) LT | | |
| | **Total** | 1,000.000 | | 60,000 00 | **61,550.00** | 1,550.00 LT | 2,160 00 | 3 50 |
| *Share Price. $61 550, Next Dividend Payable 12/14/10* | | | | | | | | |
| **MDU RES GROUP INC (MDU)** | 12/21/07 | 450 000 | 27 490 | 12,370 50 | **9,198.00** | (3,172 50) LT | 292.50 | 3 18 |
| *Share Price $20 440, Next Dividend Payable 01/11* | | | | | | | | |
| **MICROSOFT CORP (MSFT)** | 6/22/09 | 1,200 000 | 23 910 | 28,692 00 | 30,309 00 | 1,617 00 LT | | |
| | 3/1/10 | 800.000 | 28 877 | 23,101 52 | 20,206 00 | (2,895 52) ST | | |
| | 4/23/10 | 500 000 | 31 515 | 15,757 50 | 12,628 75 | (3,128 75) ST | | |
| | **Total** | 2,500 000 | | 67,551 02 | **63,143.75** | 1,617 00 LT<br>(6,024 27) ST | 1,600 00 | 2 53 |
| *Share Price. $25 258, Next Dividend Payable 12/09/10* | | | | | | | | |
| **MOSAIC COMPANY (THE) (MOS)** | 12/26/08 | 900 000 | 32 230 | 29,007.00 | 60,867.00 | 31,860 00 LT | | |
| | 8/9/10 | 300.000 | 51.250 | 15,375 00 | 20,289 00 | 4,914 00 ST | | |
| | 10/7/10 | 200 000 | 61.513 | 12,302 52 | 13,526 00 | 1,223 48 ST | | |

CONTINUED

# Holdings

**Morgan Stanley Advisory Active Assets Account**
**379-036607-004**

**GORDON H & KAREN M MILLNER FAM FOUN**
**3535 PATTEN ROAD UNIT 7-A**

## STOCKS

**COMMON STOCKS** (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| | **Total** | 1,400 000 | | 56,684 52 | **94,682.00** | 31,860 00 LT<br>6,137 48 ST | 280 00 | 0.29 |
| *Share Price $67 630, Next Dividend Payable 02/11* | | | | | | | | |
| **NICE SYSTEMS LTD ADR (NICE)** | 4/18/07 | 1,200 000 | 37 690 | 45,228 00 | 36,768 00 | (8,460.00) LT | | |
| | 1/25/08 | 100 000 | 27 590 | 2,759 00 | 3,064 00 | 305 00 LT | | |
| | 1/25/08 | 700 000 | 27 700 | 19,390 00 | 21,448.00 | 2,058 00 LT | | |
| | **Total** | 2,000 000 | | 67,377 00 | **61,280.00** | (6,097.00) LT | — | — |
| *Share Price $30 640* | | | | | | | | |
| **NORFOLK SOUTHERN CORP (NSC)** | 3/26/09 | 600 000 | 35 598 | 21,359 04 | 36,102 00 | 14,742 96 LT | | |
| | 3/1/10 | 400 000 | 52 698 | 21,079 20 | 24,068 00 | 2,988 80 ST | | |
| | **Total** | 1,000 000 | | 42,438 24 | **60,170.00** | 14,742 96 LT<br>2,988 80 ST | 1,440 00 | 2 39 |
| *Share Price $60 170, Next Dividend Payable 12/10/10* | | | | | | | | |
| **NORTHERN TRUST CORP (NTRS)** | 11/12/10 | 800 000 | 51.151 | 40,921 12 | **40,240.00** | (681 12) ST | 896.00 | 2 22 |
| *Share Price $50 300, Next Dividend Payable 01/11* | | | | | | | | |
| **NOVARTIS AG ADR (NVS)** | 6/4/08 | 600 000 | 52.419 | 31,451 34 | 32,046 00 | 594 66 LT | | |
| | 7/24/08 | 500 000 | 59 620 | 29,810 00 | 26,705 00 | (3,105 00) LT | | |
| | **Total** | 1,100.000 | | 61,261 34 | **58,751.00** | (2,510 34) LT | 1,818 30 | 3 09 |
| *Share Price $53 410, Next Dividend Payable 04/11* | | | | | | | | |
| **NUVEEN GBL VLE OPPORT FUND (JGV)** | 7/24/06 | 3,500 000 | 20 000 | 70,000 00 | **70,245.00** | 245.00 LT | 4,200 00 | 5.97 |
| *Share Price $20 070, Next Dividend Payable 01/11* | | | | | | | | |
| **PETE AND RES CP MARYLAND (PEO)** | 5/29/09 | 2,500 000 | 21 850 | 54,625 00 | 62,700 00 | 8,075 00 LT | | |
| | **Purchases** | 2,500.000 | | 54,625 00 | **62,700.00** | 8,075 00 LT | | |
| Short Term Reinvestments | | 93 000 | | 2,096 22 | 2,332 44 | 236 22 ST | | |
| | **Total** | 2,593 000 | | 56,721 22 | **65,032.44** | 8,075 00 LT<br>236 22 ST | 1,037.20 | 1.59 |
| *Share Price $25 080, Next Dividend Payable 12/10* | | | | | | | | |
| **PFIZER INC (PFE)** | 10/16/09 | 689 000 | 17 502 | 12,059 09 | 11,230 70 | (828 39) LT | | |
| | 4/13/10 | 811 000 | 17 186 | 13,938.01 | 13,219 30 | (718 71) ST | | |

CONTINUED

# Holdings



## STOCKS

### COMMON STOCKS (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| | **Total** | 1,500 000 | | 25,997 10 | **24,450.00** | (828 39) LT<br>(718 71) ST | 1,080 00 | 4 41 |
| *Share Price $16 300, Next Dividend Payable 12/01/10* | | | | | | | | |
| **PROCTER & GAMBLE (PG)** | 4/15/09 | 1,000 000 | 48 368 | 48,368.40 | **61,070.00** | 12,701 60 LT | 1,927 00 | 3.15 |
| *Share Price $61 070, Next Dividend Payable 02/11* | | | | | | | | |
| **QUALCOMM INC (QCOM)** | 7/19/10 | 1,000 000 | 36 769 | 36,769 00 | **46,820.00** | 10,051 00 ST | 760.00 | 1.62 |
| *Share Price $46 820, Next Dividend Payable 12/22/10* | | | | | | | | |
| **REPUBLIC SERVICES INC (RSG)** | 4/24/09 | 1,500 000 | 19 418 | 29,127.60 | 42,210.00 | 13,082 40 LT | | |
| | 11/20/09 | 300 000 | 27 326 | 8,197 83 | 8,442 00 | 244 17 LT | | |
| | **Total** | 1,800 000 | | 37,325 43 | **50,652.00** | 13,326.57 LT | 1,440 00 | 2 84 |
| *Share Price $28 140, Next Dividend Payable 01/11* | | | | | | | | |
| **SEMPRA ENERGY (SRE)** | 7/22/08 | 600 000 | 54 834 | 32,900.16 | **30,054.00** | (2,846 16) LT | 936 00 | 3 11 |
| *Share Price $50 090, Next Dividend Payable 01/11* | | | | | | | | |
| **SPECTRA ENERGY CORP COM (SE)** | 4/7/08 | 1,200 000 | 23 779 | 28,535 28 | **28,524.00** | (11 28) LT | 1,200 00 | 4 20 |
| *Share Price $23 770, Next Dividend Payable 12/13/10* | | | | | | | | |
| **TEVA PHARMACEUTICALS ADR (TEVA)** | 11/11/08 | 400 000 | 43 302 | 17,320 76 | 20,016 00 | 2,695 24 LT | | |
| | 7/28/09 | 500 000 | 52 894 | 26,447.10 | 25,020 00 | (1,427 10) LT | | |
| | 11/20/09 | 200 000 | 52 667 | 10,533 30 | 10,008 00 | (525 30) LT | | |
| | 3/1/10 | 100 000 | 60 509 | 6,050.85 | 5,004 00 | (1,046 85) ST | | |
| | **Total** | 1,200 000 | | 60,352 01 | **60,048.00** | 742 84 LT<br>(1,046 85) ST | 800 40 | 1.33 |
| *Share Price $50 040, Next Dividend Payable 12/09/10* | | | | | | | | |
| **THE DIRECTV GROUP CL A (DTV)** | 6/19/07 | 1,800 000 | 24 520 | 44,136 00 | **74,754.00** | 30,618 00 LT | — | — |
| *Share Price $41 530* | | | | | | | | |
| **THE TECHNOLOGY SEL SEC SPDR FD (XLK)** | 4/9/09 | 2,000 000 | 16 809 | 33,618 40 | **47,900.00** | 14,281 60 LT | 624 00 | 1.30 |
| *Share Price $23 950; Next Dividend Payable 12/10* | | | | | | | | |
| **TYCO INTERNATIONAL LTD NEW (TYC)** | 5/14/07 | 375 000 | 50 945 | 19,104 45 | 14,208 75 | (4,895 70) LT | | |
| | 5/23/07 | 250 000 | 51 816 | 12,954 05 | 9,472 50 | (3,481 55) LT | | |
| | 7/12/07 | 275 000 | 50 630 | 13,923 25 | 10,419 75 | (3,503 50) LT | | |
| | 3/26/09 | 500 000 | 20 588 | 10,294 20 | 18,945 00 | 8,650 80 LT | | |

CONTINUED

MorganStanley SmithBarney

# Holdings

**Morgan Stanley Advisory Active Assets Account**
**379-036607-004**

**GORDON H & KAREN M MILLNER FAM FOUN**
**3535 PATTEN ROAD UNIT 7-A**

## STOCKS

### COMMON STOCKS (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| | **Total** | 1,400 000 | | 56,275 95 | **53,046.00** | (3,229 95) LT | 1,292 20 | 2 43 |
| *Share Price. $37 890, Next Dividend Payable 02/11* | | | | | | | | |
| **UNION PACIFIC CORP (UNP)** | 11/20/09 | 500.000 | 64 872 | 32,436 10 | **45,055.00** | 12,618 90 LT | 760 00 | 1 68 |
| *Share Price: $90 110, Next Dividend Payable 01/03/11* | | | | | | | | |
| **UNITED TECHNOLOGIES CORP (UTX)** | 8/31/07 | 400 000 | 75 100 | 30,040 00 | 30,108 00 | 68 00 LT | | |
| | 4/23/08 | 200 000 | 71 443 | 14,288 50 | 15,054 00 | 765 50 LT | | |
| | **Total** | 600 000 | | 44,328.50 | **45,162.00** | 833 50 LT | 1,020 00 | 2 25 |
| *Share Price $75 270, Next Dividend Payable 12/10/10* | | | | | | | | |
| **UNITEDHEALTH GP INC (UNH)** | 11/2/10 | 500 000 | 36 966 | 18,483.00 | **18,260.00** | (223.00) ST | 250 00 | 1 36 |
| *Share Price $36 520, Next Dividend Payable 12/10* | | | | | | | | |
| **VALERO ENERGY CP DELA NEW (VLO)** | 3/25/03 | 1,500.000 | 10 063 | 15,093 75 | **29,220.00** | 14,126 25 LT | 300.00 | 1 02 |
| *Share Price $19 480, Next Dividend Payable 12/15/10* | | | | | | | | |
| **VISA INC CL A (V)** | 4/3/09 | 300 000 | 59.720 | 17,916 00 | 22,155 00 | 4,239 00 LT | | |
| | 3/1/10 | 200 000 | 86 145 | 17,228 92 | 14,770 00 | (2,458 92) ST | | |
| | **Total** | 500 000 | | 35,144 92 | **36,925.00** | 4,239 00 LT<br>(2,458 92) ST | 300 00 | 0 81 |
| *Share Price $73 850, Next Dividend Payable 12/07/10* | | | | | | | | |
| **VISHAY INTERTECHNOLOGY INC (VSH)** | 11/24/10 | 2,000 000 | 14.428 | 28,856 00 | **28,520.00** | (336 00) ST | — | — |
| *Share Price: $14 260* | | | | | | | | |
| **VODAFONE GP PLC ADS NEW (VOD)** | 8/9/10 | 1,000 000 | 24 740 | 24,740 00 | 25,060 00 | 320 00 ST | | |
| | 11/12/10 | 500 000 | 28 186 | 14,092 95 | 12,530 00 | (1,562 95) ST | | |
| | **Total** | 1,500 000 | | 38,832 95 | **37,590.00** | (1,242 95) ST | 1,956.00 | 5 20 |
| *Share Price: $25 060, Next Dividend Payable 02/04/11* | | | | | | | | |
| **YAHOO INC (YHOO)** | 7/22/09 | 2,000 000 | 17 268 | 34,536 00 | **31,630.00** | (2,906 00) LT | — | — |
| *Share Price $15 815* | | | | | | | | |
| **COMMON STOCKS** | | | 2,258,313.20 | **$2,220,693.35** | **$2,466,471.19** | **$203,860.46 LT**<br>**$41,917.38 ST** | **$55,113.30** | **2.23%** |

### PREFERRED STOCKS

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| **WELLS FARGO 8% NON-CUM SER J (WFC.J)** | 11/20/09 | 1,500 000 | $25 080 | $37,619.85 2,506,566.19 | **$40,095.00** | $2,475 15 LT | $3,000 00 | 7 48 |
| *Share Price. $26 730, Moody BA1 S&P A-, Next Dividend Payable 12/15/10* | | | | | | | | |

MorganStanley SmithBarney

# Holdings

Morgan Stanley Advisory Active Assets Account
379-036607-004

GORDON H & KAREN M MILLNER FAM FOUN
3535 PATTEN ROAD UNIT 7-A

## STOCKS

### OPTIONS

| Security Description | Trade Date | Number of Contracts | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) |
|---|---|---|---|---|---|---|
| **CALL BUCYRUS INTL INC AT 75.000 EXPIRES 01/22/2011** (BUCY 110122C00075000) *Contract Price $13 800, Adjusted Option, Short Position* | 10/7/10 | (6 000) | $5 700 | $(3,419 94) | **$(8,280.00)** | $(4,860 06) ST |
| **CALL EMERSON ELECTRIC CO AT 55.000 EXPIRES 12/18/2010** (EMR 101218C00055000) *Contract Price $1 100, Short Position* | 6/21/10 | (5.000) | 1 050 | (524 99) | **(550.00)** | (25 01) ST |
| **CALL ENTERGY CORP NEW AT 80.000 EXPIRES 01/22/2011** (ETR 110122C00080000) *Contract Price $0 000, Adjusted Option; Short Position* | 10/7/10 | (8.000) | 1 500 | (1,199 97) | **0.00** | 0 00 ST |
| **CALL GENERAL ELECTRIC CO AT 20.000 EXPIRES 12/18/2010** (GE 101218C00020000) *Contract Price. $0 000, Short Position* | 6/21/10 | (7.000) | 0 220 | (153 99) | **0.00** | 0 00 ST |
| **CALL MOSAIC COMPANY (THE) AT 60.000 EXPIRES 12/18/2010** (MOS 101218C00060000) *Contract Price $7 850, Short Position* | 8/18/10 | (8 000) | 4 960 | (3,967 93) | **(6,280.00)** | (2,312 07) ST |
| **CALL NORFOLK SOUTHERN COR AT 65.000 EXPIRES 01/22/2011** (NSC 110122C00065000) *Contract Price $0 550, Adjusted Option, Short Position* | 10/7/10 | (10 000) | 1 150 | (1,149 98) | **(550.00)** | 599 98 ST |
| **CALL PROCTER & GAMBLE AT 60.000 EXPIRES 01/22/2011** (PG 110122C00060000) *Contract Price. $2 110, Adjusted Option, Short Position* | 8/26/10 | (10 000) | 2 710 | (2,709 95) | **(2,110.00)** | 599 95 ST |
| **CALL VISA INC CL A AT 80.000 EXPIRES 12/18/2010** (V 101218C00080000) *Contract Price $0.220, Short Position* | 8/26/10 | (5 000) | 1 760 | (879 98) | **(110.00)** | 769.98 ST |
| **OPTIONS** | | | | **$(14,006.73)** | **$(17,880.00)** | **$(5,227.23) ST** |

MorganStanley SmithBarney

# Holdings

**Morgan Stanley Advisory Active Assets Account**
**379-036607-004**

**GORDON H & KAREN M MILLNER FAM FOUN**
**3535 PATTEN ROAD UNIT 7-A**

| | Percentage of Assets % | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income / Accrued Interest | Yield % |
|---|---|---|---|---|---|---|
| STOCKS | 89.0% | $2,244,306.47 | $2,488,686.19 | $206,335.61 LT | $58,113.30 | 2.33% |
| | | | | $36,690.15 ST | $0.00 | |
| TOTAL STOCKS (LONG) | | | $2,506,566 19 | | | |
| TOTAL STOCKS (SHORT) | | | $(17,880.00) | | | |

## CORPORATE FIXED INCOME

### FIXED-RATE CAPITAL SECURITIES

| Security Description | Trade Date | Face Value | Orig. Unit Cost / Adj. Unit Cost | Orig. Total Cost / Adj. Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income / Accrued Interest | Yield % |
|---|---|---|---|---|---|---|---|---|
| AMERICAN ELEC POWER 8.75% 3/1/2063 | 5/21/08 | 1,000 000 | $26 029 | $26,029.34 | | | $2,187 50 | 7 86 |
| CUSIP 02557T208 | | | $26 029 | $26,029 34 | $27,800.00 | $1,770 66 LT | — | |

*Unit Price $27 800, Coupon Rate 8 750%, Matures 03/01/63, Interest Paid Quarterly Sep 01, Callable $25.00 on 03/01/13; Moody BAA3 S&P BB+*

| | Percentage of Assets % | Orig. Total Cost / Adj. Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income / Accrued Interest | Yield % |
|---|---|---|---|---|---|---|
| CORPORATE FIXED INCOME | 1.0% | $26,029.34 | | | $2,187.50 | 7.87% |
| | | $26,029.34 | $27,800.00 | $1,770.66 LT | $0.00 | |

## MUTUAL FUNDS

### OTHER MUTUAL FUNDS

*Consulting Group Investment Advisor Research (CG IAR) status codes (FL, AL or NL) may be shown for certain mutual funds Please refer to "CG IAR Statuses in Investment Advisory Programs" at the end of this statement for a description of these status codes All status codes represent the opinions of CG IAR and are not representations or guarantees of performance*

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| IVA WORLDWIDE A (IVWAX) | 11/20/09 | 3,340 013 | $14 970 | $50,000.00 | $54,876 41 | $4,876 41 LT | | |
| | Purchases | 3,340.013 | | 50,000 00 | 54,876.41 | 4,876 41 LT | | |
| Short Term Reinvestments | | 103 054 | | 1,520 04 | 1,693.18 | 173 14 ST | | |
| | Total | 3,443 067 | | 51,520 04 | 56,569.59 | 4,876 41 LT | — | — |
| | | | | | | 173 14 ST | | |
| Market Value vs Total Purchases + | | | | 50,000.00 | 56,569.59 | | | |
| Net Value Increase/(Decrease) | | | | | 6,569 59 | | | |

*Share Price $16 430, Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest*

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| KEELEY SMALL CAP VALUE A (KSCVX) | 12/6/06 | 1,883 239 | 26 550 | 50,000 00 | 43,201 50 | (6,798 50) LT | | |

CONTINUED

MorganStanley SmithBarney

# Holdings

**Morgan Stanley Advisory Active Assets Account**
**379-036607-004**

**GORDON H & KAREN M MILLNER FAM FOUN**
**3535 PATTEN ROAD UNIT 7-A**

## MUTUAL FUNDS

### OTHER MUTUAL FUNDS (CONTINUED)

| Security Description | Trade Date | Quantity | Unit Cost | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income | Dividend Yield % |
|---|---|---|---|---|---|---|---|---|
| | Purchases | 1,883 239 | | 50,000 00 | 43,201.50 | (6,798.50) LT | | |
| Long Term Reinvestments | | 46.298 | | 1,272.25 | 1,062 08 | (210 17) LT | | |
| Short Term Reinvestments | | 3 541 | | 71 36 | 81 23 | 9 87 ST | | |
| | Total | 1,933.078 | | 51,343 61 | 44,344.81 | (7,008 67) LT<br>9 87 ST | — | — |
| Market Value vs Total Purchases +<br>Net Value Increase/(Decrease) | | | | 50,000.00 | 44,344 81<br>(5,655 19) | | | |

*Share Price $22 940, CG IAR Status. AL, Enrolled In MS Dividend Reinvestment, Capital Gains Reinvest*

| | Percentage of Assets % | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income Accrued Interest | Yield % |
|---|---|---|---|---|---|---|
| MUTUAL FUNDS | 3.6% | $102,863.65 | $100,914.40 | $(2,132.26) LT<br>$183.01 ST | $0.00<br>$0.00 | — |

*Transactions in mutual fund positions held directly at the Fund Company are not included in the total above and are not reflected on the Summary Page*
*For more information about the pricing of Money Market Funds, please see the Disclosures section of the statement*

*+ Net Value Increase/(Decrease) compares your Total Purchases (excluding Dividend Reinvestments) with the Market Value of all shares you hold of the fund This calculation is for informational purposes only, does not reflect your total unrealized gain or loss and should not be used for tax purposes*

| | Percentage of Assets % | Total Cost | Market Value | Unrealized Gain/(Loss) | Estimated Annual Income Accrued Interest | Yield % |
|---|---|---|---|---|---|---|
| TOTAL MARKET VALUE | 100.0% | $2,373,199.46 | $2,797,762.54 | $205,974.01 LT<br>$36,873.16 ST | $60,571.80<br>$0.00 | 2.16% |
| TOTAL VALUE (includes accrued interest) | | | $2,797,762.54 | | | |