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

2010

For calendar year 2010, or tax year beginning , 2010, and ending , 20

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

Name of foundation
PETER C. KESLING FOUNDATION

A Employer identification number 35-6377932

Number and street (or P O box number if mail is not delivered to street address)
MUSEUM BUILDING, SUITE 2
2405 INDIANA AVENUE

Room/suite

B Telephone number (see page 10 of the instructions) (219) 785-2591

City or town, state, and ZIP code
LAPORTE, IN 46350

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, col. (c), line 16)* ▶ $ 2,050,446.

J Accounting method: ☒ Cash ☐ Accrual
☐ Other (specify)
(Part I, column (d) must be on cash basis)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))*

			(a) Revenue and expenses per books	**(b)** Net investment income	**(c)** Adjusted net income	**(d)** Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	42,364.			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	4.	4.		ATCH 1
	4	Dividends and interest from securities	24,567.	24,567.		ATCH 2
	5a	Gross rents	4,022.			
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-1,133.			
	b	Gross sales price for all assets on line 6a 113,440.				
	7	Capital gain net income (from Part IV, line 2)				
	8	Net short-term capital gain			573.	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	84.	84.		ATCH 3
	12	**Total.** Add lines 1 through 11	69,908.	24,655.	573.	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.			
	14	Other employee salaries and wages	6,000.			6,000.
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) ATCH 4	6,000.	0.	6,000.	0.
	c	Other professional fees (attach schedule) *	3,556.	3,556.		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)**	5,759.		2,533.	3,226.
	19	Depreciation (attach schedule) and depletion	5,280.		5,280.	
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 7	13,850.		5,776.	8,074.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	40,445.	3,556.	19,589.	17,300.
	25	Contributions, gifts, grants paid	2,349.			2,349.
	26	**Total expenses and disbursements** Add lines 24 and 25	42,794.	3,556.	19,589.	19,649.
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	27,114.			
	b	**Net investment income** (if negative, enter -0-)		21,099.		
	c	**Adjusted net income** (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see page 30 of the instructions. *ATCH 5 JSA ** ATCH 6

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Part II Balance Sheets

		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	21,917.	69,591.	69,591.
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use	26,319.	26,319.	26,319.
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) ATCH 8	452,754.	434,111.	625,096.
	c	Investments - corporate bonds (attach schedule) ATCH 9	157,125.	159,686.	161,234.
	11	Investments - land, buildings, and equipment basis ▶ 752,504. Less accumulated depreciation (attach schedule) ▶	752,504.	752,504.	752,504.
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule) ATCH 10	9,931.	9,772.	12,300.
	14	Land, buildings, and equipment basis ▶ 206,122. Less accumulated depreciation (attach schedule) ▶ 79,219.	131,222.	126,903.	ATCH 11 126,903.
	15	Other assets (describe ▶ ATCH 12)	498,676.	498,676.	498,676.
	16	**Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	2,050,448.	2,077,562.	2,272,623.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ ATCH 13)	256.	256.	
	23	**Total liabilities** (add lines 17 through 22)	256.	256.	
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	1,976,268.	1,976,268.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	73,924.	101,038.	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	2,050,192.	2,077,306.	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	2,050,448.	2,077,562.	

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	2,050,192.
2	Enter amount from Part I, line 27a	2	27,114.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	2,077,306.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,077,306.

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	SEE PART IV SCHEDULE			
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) 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				
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	-1,133.
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 pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	573.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	14,955.	683,116.	0.021892
2008	16,007.	744,224.	0.021508
2007	15,077.	821,300.	0.018357
2006	23,754.	837,310.	0.028369
2005	18,573.	2,149,161.	0.008642

2	**Total** of line 1, column (d)	2	0.098768
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	0.019754
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	777,144.
5	Multiply line 4 by line 3	5	15,352.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	211.
7	Add lines 5 and 6	7	15,563.
8	Enter qualifying distributions from Part XII, line 4	8	19,649.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 . . . Date of ruling or determination letter _____________ (attach copy of ruling 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	211.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) . . .			2	
3	Add lines 1 and 2			3	211.
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	211.
6	Credits/Payments				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	256.		
b	Exempt foreign organizations-tax withheld at source	6b	0.		
c	Tax paid with application for extension of time to file (Form 8868)	6c	0.		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	256.
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** . . . . ▶			10	45.
11	Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶ 45. **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 $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year. (1) On the foundation ▶$ ______________ (2) On foundation managers ▶ $ ______________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . *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?	4b		X
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: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV* . .	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ IN,			
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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9	X	
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10	X	

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

			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 page 20 of the 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 ▶ MS. LAURA ALLEN, SECRETARY Telephone no ▶ 219-326-1337

Located at ▶ LA PORTE, IN ZIP + 4 ▶ 46350

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

			Yes	No
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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 22 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 2010?	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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? ☐ 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 page 22 of the instructions)	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 2010 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 2010)*	3b		X
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 2010?	4b		X

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

5a During the year did the foundation pay or incur any amount to
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **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? ☐ 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** 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 ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** No: X

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 14		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

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

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

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 page 23 of the 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 ▶		NONE

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 DISPLAYING A COLLECTION OF ANTIQUE/CLASSIC AUTOMOBILES, WHICH HIGHLIGHTS THE PAST 100 YEARS OF THE AUTOMOTIVE INDUSTRY.	17,300.
2 PRESERVATION OF THE AUTOMOBILES FOR ENJOYMENT AND EDUCATION.	
3 PRESERVATION AND RESTORATION OF HISTORIC BUILDINGS AND LANDMARKS FOR ENJOYMENT AND EDUCATION.	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	761,389.
b	Average of monthly cash balances	1b	15,290.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	12,300.
d	**Total** (add lines 1a, b, and c)	1d	788,979.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	788,979.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	11,835.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	777,144.
6	**Minimum investment return.** Enter 5% of line 5	6	38,857.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☒ and do not complete this part)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2010 from Part VI, line 5 2a		
b	Income tax for 2010. (This does not include the tax from Part VI) 2b		
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

Part XII Qualifying Distributions(see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes:		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	19,649.
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	0.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	19,649.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	211.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	19,438.

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 page 26 of the instructions)

			(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1	Distributable amount for 2010 from Part XI, line 7					0.
2	Undistributed income, if any, as of the end of 2010					
a	Enter amount for 2009 only				0.	
b	Total for prior years 20 08 ,20 07 ,20 06					
3	Excess distributions carryover, if any, to 2010					
a	From 2005	18,573.				
b	From 2006	24,123.				
c	From 2007	15,077.				
d	From 2008	16,007.				
e	From 2009	14,955.				
f	**Total** of lines 3a through e		88,735.			
4	Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 19,649.					
a	Applied to 2009, but not more than line 2a				0.	
b	Applied to undistributed income of prior years (Election required - see page 26 of the instructions)					
c	Treated as distributions out of corpus (Election required - see page 26 of the instructions)					
d	Applied to 2010 distributable amount					
e	Remaining amount distributed out of corpus		19,649.			
5	Excess distributions carryover applied to 2010 *(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		108,384.			
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 page 27 of the instructions					
e	Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				0.	
f	Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011					0.
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)					
8	Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)		18,573.			
9	**Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a		89,811.			
10	Analysis of line 9					
a	Excess from 2006	24,123.				
b	Excess from 2007	15,077.				
c	Excess from 2008	16,007.				
d	Excess from 2009	14,955.				
e	Excess from 2010	19,649.				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

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 2010, 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			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
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 .	19,649.	14,955.	16,007.	15,077.	65,688.
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	19,649.	14,955.	16,007.	15,077.	65,688.
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets . . .	2,272,623.	2,397,749.	2,309,922.	2,437,465.	9,417,759.
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)			1,556,310.	1,616,165.	3,172,475.
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . .	25,905.	22,771.	24,807.	27,377.	100,860.
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)					0.
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					0.
(3) Largest amount of support from an exempt organization					0.
(4) Gross investment income .					0.

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

1 Information Regarding Foundation Managers:

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

PETER C. KESLING

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

N/A

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

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

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

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 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*				
ATTACHMENT 15				
Total . . . . ▶ 3a				2,349.
b *Approved for future payment*				
Total . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion 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			14	4.	
4 Dividends and interest from securities			14	24,567.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			16	4,022.	
6 Net rental income or (loss) from personal property					
7 Other investment income			01	84.	
8 Gain or (loss) from sales of assets other than inventory			18	-1,133.	
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)				27,544.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 27,544.

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 29 of the instructions)

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		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

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

(trustee) 5/9/11 ▶ Trustee

Signature of officer or trustee — Date — Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
KENNETH J. KEBER		5/9/2011		P00240883

Firm's name ▶ CROWE HORWATH LLP Firm's EIN ▶ 35-0921680

Firm's address ▶ 330 E JEFFERSON BLVD, PO BOX 7
SOUTH BEND, IN 46624-0007 Phone no 574-232-3992

Form 990-PF (2010)

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

2010

Name of the organization
PETER C. KESLING FOUNDATION

Employer identification number
35-6377932

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).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. **Schedule B (Form 990, 990-EZ, or 990-PF) (2010)**

JSA
0E1251 1 000

Schedule B (Form 990, 990-EZ, or 990-PF) (2010) Page _____ of _____ of Part I

Name of organization PETER C. KESLING FOUNDATION

Employer identification number 35-6377932

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	DENNIS HENDERLONG CHARITABLE TRUST 2405 MUSEUM BUILDING STE 2 LA PORTE, IN 46350-6061	$ 42,364.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

PETER C. KESLING FOUNDATION 35-6377932

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		FIDELITY #74853 (SEE ATTACHED DETAIL)					VARIOUS	VARIOUS
24,761.		24,188.					573.	
		FIDELITY #74853 (SEE ATTACHED DETAIL)					VARIOUS	VARIOUS
88,679.		90,385.					-1,706.	
TOTAL GAIN (LOSS)							-1,133.	

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
WELLS FARGO		3.	3.
FIDELITY		1.	1.
	TOTAL	4.	4.

ATTACHMENT 2

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FIDELITY #677-021474 DIVIDENDS	7,731.	7,731.
FIDELITY #670-740853 INTEREST	7,328.	7,328.
FIDELITY #670-740853 DIVIDENDS	7,511.	7,511.
FIDELITY #670-740853 US GOV'T INTEREST	282.	282.
FIDELITY #670-740853 OID US GOV.	206.	206.
FIDELITY #670-740853 LESS ACCR. INTEREST	-190.	-190.
FIDELITY MARKET DISCOUNT INCOME	560.	560.
FIDELITY	1,139.	1,139.
TOTAL	24,567.	24,567.

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
LITIGATION SETTLEMENT FUND INCOME	84.	84.
TOTALS	84.	84.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ACCOUNTING FEES	6,000.		6,000.	
TOTALS	6,000.	0.	6,000.	0.

ATTACHMENT 5

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DEAN INVESTMENT MGMT FEES	3,006.	3,006.
FIDELITY INVESTMENT FEES	550.	550.
TOTALS	3,556.	3,556.

ATTACHMENT 6

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	ADJUSTED NET INCOME	CHARITABLE PURPOSES
PROPERTY TAXES	4,863.	2,432.	2,431.
PAYROLL TAXES	795.		795.
SUNDRIFT EXPENSES	101.	101.	
TOTALS	5,759.	2,533.	3,226.

ATTACHMENT 7

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	ADJUSTED NET INCOME	CHARITABLE PURPOSES
UTILITIES	661.	331.	330.
TITLES AND OTHER FEES	45.		45.
REPAIRS AND MAINTENANCE	10,773.	5,387.	5,386.
MEMBERSHIP AND SUBSCRIPTION	790.		790.
OFFICE SUPPLIES	178.		178.
INSURANCE-AUTOMOBILES	91.		91.
INSURANCE BUILDING	908.		908.
SUN DRIFT LLC	58.	58.	
FAIRFIELD LOT #56	346.		346.
TOTALS	13,850.	5,776.	8,074.

ATTACHMENT 8

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SEE ATTACHED - A/C# 670-740853	323,194.	335,532.
4,773.83 SHS WISC ENERGY (WEC)	110,917.	289,564.
TOTALS	434,111.	625,096.

ATTACHMENT 9

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SEE ATTACHED - A/C# 670-740853	159,686.	161,234.
TOTALS	159,686.	161,234.

ATTACHMENT 10

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
.005 INTEREST SUNDRIFT LLC	9,772.	12,300.
TOTALS	9,772.	12,300.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 11

ASSET DESCRIPTION	METHOD/ CLASS	FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
		BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
STOCK SHELVES	M7	350.			350.	350.			350.
CASTERS	M7	140.			140	140			140.
DRIP PANS	M7	515			515.	515.			515
JBM & PDH FURNITUR	M7	601.			601	601			601
CHAIR/WASTEBASKET	M7	397.			397.	397.			397.
VARIOUS	M7	414.			414.	414.			414.
BLAZER FOR VOLUNTE	M7	569.			569.	569.			569
VARIOUS FURNITURE	M7	945.			945.	945.			945.
REIMB PICTURE FRA	M7	770			770.	770.			770.
REIMBURSEMENT	M7	1,282			1,282.	1,282.			1,282.
PLANTS	M7	1,401.			1,401.	1,401.			1,401.
VARIOUS FURNITURE	M7	8,737			8,737.	8,737.			8,737.
BOOK CASES	M7	631			631.	631.			631.
ANTIQUES	M7	453.			453.	453.			453.
POSTS-BASES & ROPE	M7	1,035.			1,035	1,035			1,035.
DISPLAY	M7	214.			214.	214.			214.
VARIOUS	M7	1,587.			1,587.	1,587.			1,587.
FINE WOODWORK	M7	2,616.			2,616	2,593.			2,593.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 11 (CONT'D)

		FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
WOODWORK	M7	1,908.			1,908.	1,891.			1,891.
BLDG MATS	M7	36			36	36.			36
FINE WOODWORK	M7	6,507			6,507.	6,449.			6,449.
FURNITURE & FIXTUR	M7	337			337	334			334.
PAINT & GLASS	M7	192			192	191.			191
MCMASTER CAR SUPPL	M7	222.			222.	220.			220.
DISPLAY CABINET	M7	4,600.			4,600	4,559.			4,559.
CABINETS	M7	244.			244.	242.			242.
PAINT & GLASS	M7	95.			95.	94.			94
MSC IND SUPPLY	M7	148			148.	147.			147.
MCMASTER CARR	M7	322.			322.	318.			318
TABLES	M7	493.			493.	489.			489
FINE WOODWORK	M7	200.			200.	198.			198.
POSTS & FRAME	M7	1,237.			1,237.	1,226.			1,226
FURNITURE & FIXTUR	M7	113			113.	112			112.
CABINET - LABOR	M7	415			415	390			390.
BLDG MATS - CABINE	M7	72.			72.	68.			68.
LABOR-CABINET	M7	1,150.			1,150	1,105.			1,105.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 11 (CONT'D)

		FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
CONFERENCE TABLE	M7	357.			357	357.			357.
FOLDING CHAIRS	M7	156			156.	156.			156.
CONFERENCE ROOM CH	M7	1,216.			1,216.	1,216.			1,216.
DISPLAY CABINETS	M7	95.			95.	95.			95
FURNITURE & DUES.	M7	7,261			7,261	7,261.			7,261.
VARIOUS	M7	1,698			1,698.	1,698.			1,698.
ROPES & ROPE HANDL	M7	2,105.			2,105.	2,105.			2,105.
TABLE	M7	437.			437.	437			437.
ANTIQUES DISPLAY I	M7	450			450	450			450.
ROPES	M7	1,117.			1,117.	1,117.			1,117.
FOLDING CHAIRS	M7	923			923	888.	35		923.
MISCELLANEOUS			2,298.		2,298.				
DISPLAY CASES	M7	1,145.			1,145	1,145.			1,145.
CREDENZA	M7	2,475			2,475.	1,734.	220.		1,954
CHAIRS	M7	463.			463	312.	43		355
ROOF-LITTLE STONE	M27	14,469.			14,469	1,934.	526.		2,460
PAVING-DOOR PRAIRI	M15	16,014.			16,014	4,487	1,153.		5,640
NEW SIDING-DOOR PR	M39	7,610.			7,610.	772.	195.		967.

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 11 (CONT'D)

		FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
DPB IMPROVEMENTS	M39	75,494.			75,494.	4,761.	1,936.		6,697
SM BARN IMPROVEMEN	M39	8,446.			8,446.	533.	217.		750.
LSH IMPROVEMENTS	M27	4,891.			4,891	438.	178		616.
MISC FURN & FIX	M7	360.			360.	202.	45.		247.
DPB IMPROVEMENTS	M39	3,768.			3,768	141.	97		238.
SM BARN IMPROVEMEN	M39	8,348.			8,348.	312.	214.		526
LSH WASHER/DRYER	M5	1,304			1,304.	678.	250.		928
DOOR PR. - SIDING	M39	1,120			1,120.	6.	29.		35.
DPB - SIDING WORK	M39	192.			192.	1	5		6.
TV/DVD PLYR & SHLF	M7		961.		961		137.		137.
TOTALS		202,862.			206,121.	73,939.			79,219.

ATTACHMENT 12

FORM 990PF, PART II - OTHER ASSETS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
CLASSIC AUTOS AND ARTWORK	498,676.	498,676.
TOTALS	498,676.	498,676.

ATTACHMENT 13

FORM 990PF, PART II - OTHER LIABILITIES

DESCRIPTION		ENDING BOOK VALUE
MEDICARE WITHHOLDING		15.
TAX WITHHOLDINGS		241.
	TOTALS	256.

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

ATTACHMENT 14

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CHARLENE J. KESLING MUSEUM BUILDING, SUITE 2 2405 INDIANA AVENUE LAPORTE, IN 46350	TRUSTEE 1.00	0.	0.	0.
LAURA L. ALLEN MUSEUM BUILDING, SUITE 2 2405 INDIANA AVENUE LAPORTE, IN 46350	TRUSTEE 1.00	0.	0.	0.
PETER C. KESLING MUSEUM BUILDING, SUITE 2 2405 INDIANA AVENUE LAPORTE, IN 46350	TRUSTEE 1.00	0.	0.	0.
CHRISTOPHER KESLING MUSEUM BUILDING, SUITE 2 2405 INDIANA AVENUE LAPORTE, IN 46350	TRUSTEE 1.00	0.	0.	0.
EMILY KESLING MUSEUM BUILDING, SUITE 2 2405 INDIANA AVENUE LAPORTE, IN 46350	TRUSTEE 1.00	0.	0.	0.

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

ATTACHMENT 14 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ADAM W. KESLING MUSEUM BUILDING, SUITE 2 2405 INDIANA AVENUE LAPORTE, IN 46350	TRUSTEE 1.00	0.	0.	0.
	GRAND TOTALS	0.	0.	0.

PETER C. KESLING FOUNDATION 35-6377932

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MISCELLANEOUS CASH CONTRIBUTIONS			325.
LAPORTE COUNTY HISTORICAL SOCIETY 2405 INDIANA AVENUE, SUITE 1 LAPORTE, IN 46350	NONE EXEMPT	CHARITABLE	2,024.
		TOTAL CONTRIBUTIONS PAID	2,349.

SCHEDULE D (Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

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

OMB No 1545-0092

2010

Name of estate or trust: PETER C. KESLING FOUNDATION

Employer identification number: 35-6377932

Note: *Form 5227 filers need to complete* ***only*** *Parts I and II*

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

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

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	573.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet	4	( )
5 **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ▶	5	573.

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

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

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-1,706.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet	11	( )
12 **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ▶	12	-1,706.

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

Schedule D (Form 1041) 2010

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0F1210 2 000

Part III **Summary of Parts I and II** **Caution:** *Read the instructions* ***before*** *completing this part.*		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13 **Net short-term gain or (loss)**	13			573.
14 **Net long-term gain or (loss):**				
a Total for year	14a			-1,706.
b Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b			
c 28% rate gain	14c			
15 **Total net gain or (loss).** Combine lines 13 and 14a ▶	15			-1,133.

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

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of:
a The loss on line 15, column (3) **or** b $3,000 . . . 16 (1,133.)

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

Part V Tax Computation Using Maximum Capital Gains Rates

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

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

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

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

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . 17
18 Enter the **smaller** of line 14a or 15 in column (2) but not less than zero . . . 18
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . 19
20 Add lines 18 and 19 . . . 20
21 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . ▶ 21
22 Subtract line 21 from line 20 If zero or less, enter -0- . . . 22
23 Subtract line 22 from line 17 If zero or less, enter -0- . . . 23
24 Enter the **smaller** of the amount on line 17 or $2,300 . . . 24
25 Is the amount on line 23 equal to or more than the amount on line 24?
☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box.
☐ **No.** Enter the amount from line 23 . . . 25
26 Subtract line 25 from line 24 . . . 26
27 Are the amounts on lines 22 and 26 the same?
☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the **smaller** of line 17 or line 22 27
28 Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . 28
29 Subtract line 28 from line 27 . . . 29
30 Multiply line 29 by 15% (15) . . . 30
31 Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . 31
32 Add lines 30 and 31 . . . 32
33 Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . 33
34 **Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . 34

SCHEDULE D-1 (Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ See instructions for Schedule D (Form 1041).
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

OMB No 1545-0092

2010

Name of estate or trust
PETER C. KESLING FOUNDATION

Employer identification number
35-6377932

Part I **Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a FIDELITY #74853 (SEE ATTACHED DETAIL)	VARIOUS	VARIOUS	24,761.	24,188.	573.

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b . . . . 573.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. **Schedule D-1 (Form 1041) 2010**

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

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a FIDELITY #74853 (SEE ATTACHED DETAIL)	VARIOUS	VARIOUS	88,679.	90,385.	-1,706.

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . -1,706.

Fidelity
INVESTMENTS

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PETER C KESLING FOUNDATION
MUSEUM BUILDING STE 2
2405 INDIANA AVE
LA PORTE IN 46350-6061

Customer Service 937-222-9531

Additional Information

This detail information is not reported to the IRS It may assist you in tax return preparation

	Amount
Accrued Interest Paid on Purchases	189 94
Account Fees	3,005 87
Short-Term Realized Gain/Loss	573 20
Long-Term Realized Gain/Loss	-1,705 52

Detail Information — Accrued Interest Paid on Purchases

This detail information is not reported to the IRS It may assist you in tax return preparation

Description	CUSIP	Date	Amount
CITIGROUP INC SR NT 6 00000% 12/13/2013	172967FE6	08/19/10	160 00
UNITED STATES TREAS NTS 2 37500%	912828GD6	08/17/10	29 94
		Total Accrued Interest Paid	**189.94**

Detail Information — Account Fees

This detail information is not reported to the IRS It may assist you in tax return preparation

Description	Date	Amount
Advisor Fee	02/08/10	768 60
Advisor Fee	05/04/10	795.30
Advisor Fee	08/03/10	713 12
Advisor Fee	11/08/10	728 85
	Total Account Fees	**3,005.87**

Detail Information — Short-Term Realized Gain/Loss

Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes

This detail information is not reported to the IRS It may assist you in tax return preparation

Description/CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis		Gain/Loss(-)
BARD C R INC / 067383109						
12/21/09	09/16/10	100 000	8,006 78	7,888 74	f	118 04
CAMPBELL SOUP CO / 134429109						
12/21/09	07/22/10	190 000	6,842 96	6,343 77	f	499 19

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PETER C KESLING FOUNDATION
MUSEUM BUILDING STE 2
2405 INDIANA AVE
LA PORTE IN 46350-6061

Customer Service 937-222-9531

Detail Information — Short-Term Realized Gain/Loss

Cost basis, realized gain and loss, and holding period information reported may not reflect all adjustments necessary for tax reporting purposes
This detail information is not reported to the IRS It may assist you in tax return preparation

Description/CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss(-)
CLOROX CO DEL / 189054109					
12/21/09	08/25/10	60 000	3,844 25	3,725 17 f	119 08
FRONTIER COMMUNICATIONS CORP COM / 35906A108					
07/08/10	07/08/10	0 000	0 07	0 00 f	0 07
SAFEWAY INC COM NEW FMLY SAFEWAY STORES / 786514208					
12/21/09	09/28/10	295 000	6,066 91	6,230 09 f	-163 18
				Short-Term Realized Gain	736 38
				Short-Term Realized Loss	-163 18
				Short-Term Realized Disallowed Loss	0 00
				Total Short-Term Realized Gain/Loss	**573.20**

f - FIFO (First-in First-out)

Amortization, accretion, and similar adjustments to cost basis are not provided for short-term instruments, unit investment trusts, or securities of foreign issuers

Detail Information — Long-Term Realized Gain/Loss

Cost basis realized gain and loss and holding period information reported may not reflect all adjustments necessary for tax reporting purposes
This detail information is not reported to the IRS It may assist you in tax return preparation

Description/CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis	Gain/Loss(-)
AT&T INC COM / 00206R102					
01/22/07	08/25/10	35 000	911 29	1,239 07 f	-327 78
APACHE CORP / 037411105					
03/07/07	12/10/10	45 000	5,133 93	3,065 88 f cp	2,068 05
BANK NEW YORK MELLON CORP / 064058100					
05/09/07	09/24/10	150 000	3,850 59	6,591 40 f	-2,740 81
various	09/28/10	130 000	3,338 15	3,443 42 f	-105 27
		USD Subtotal	**7,188.74**	**10,034.82**	
CHEVRON CORP NEW / 166764100					
02/07/07	06/02/10	60 000	4,361 37	4,438 59 f	-77 22
CONOCOPHILLIPS / 20825C104					
various	09/24/10	65 000	3,614 83	3,479 33 f t	135 50
various	12/08/10	80 000	5,129 44	5,140 42 f t	-10 98
		USD Subtotal	**8,744.27**	**8,619.75**	
FEDL NATL MTG ASSN NTS 4 250% 08/15/2010 / 31359MYN7					
11/17/05	08/16/10	30,000 000	30,000 00	29,440 39	0 00
		Adjusted Cost Basis		30,000 00 f d	0 00
		Market Discount Income		559 61 r	

Fidelity INVESTMENTS

2010 Supplemental Information

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PETER C KESLING FOUNDATION
MUSEUM BUILDING STE 2
2405 INDIANA AVE
LA PORTE IN 46350-6061

Customer Service 937-222-9531

Detail Information — Long-Term Realized Gain/Loss

Cost basis, realized gain and loss and holding period information reported may not reflect all adjustments necessary for tax reporting purposes
This detail information is not reported to the IRS It may assist you in tax return preparation

Description/CUSIP Date Acquired	Date Sold	Quantity	Proceeds	Cost Basis		Gain/Loss(-)
FRONTIER COMMUNICATIONS CORP COM / 35906A108						
various	09/28/10	60 000	468 76	533 05	f	-64 29
JOHNSON & JOHNSON / 478160104						
various	09/24/10	90 000	5,568 66	5,959 63	f	-390 97
LOCKHEED MARTIN CORP / 539830109						
09/09/09	11/30/10	85 000	5,767 23	6,226 82	f	-459 59
MCGRAW-HILL COS INC FORMERLY MCGRAW- / 580645109						
04/06/09	09/24/10	80 000	2,620 55	1,908 67	f	711 88
MICROSOFT CORP / 594918104						
08/21/08	06/02/10	135 000	3,486 98	3,661 07	f	-174 09
08/21/08	12/08/10	110 000	2,965 31	2,983 10	f	-17 79
		USD Subtotal	**6,452.29**	**6,644.17**		
MURPHY OIL CORP / 626717102						
04/06/09	09/28/10	70 000	4,259 58	3,297 29	f	962 29
PROGRESSIVE CORP OHIO / 743315103						
01/16/07	08/25/10	225 000	4,292 18	5,316 70	f	-1,024 52
VERIZON COMMUNICATIONS / 92343V104						
03/20/07	09/24/10	90 000	2,910 62	3,100 55	f	-189 93
				Long-Term Realized Gain		4,347 25
				Long-Term Realized Loss		-6,052 77
				Long-Term Realized Disallowed Loss		0 00
				Total Long-Term Realized Gain/Loss		**-1,705.52**

f - FIFO (First-in, First-out)

cp - Cost basis information (or proceeds from short sales) was provided by you We treat it as original cost basis For equities, we will adjust the cost basis for any corporate actions which our system supports from the date the security was transferred to the account For asset-backed fixed income securities, we will adjust the cost basis for principal pay downs from the date the security was transferred to the account We do not apply any wash sale rules to tax lots with customer-provided cost basis In certain cases, when positions are transferred between accounts the cost basis information may be automatically transferred and deemed to be customer-provided

t - Cost basis information was provided by a third party We treat it as original cost basis, as of the date it is provided, and we assume that for equities, it reflects any prior corporate actions, and for asset-backed fixed-income securities, it reflects any prior principal pay downs We do not apply any wash sale rules to tax lots with third party-provided cost basis

d - Adjusted cost basis reflects any cumulative original issue discount, premium, or acquisition premium (including any year-to-date amount) It assumes such amounts were amortized or accrued for tax purposes from the acquisition date through the disposition date Premium amortization was calculated using the yield-to-maturity method Acquisition premium was calculated using the ratable accrual method Any market discount accretion for this position was calculated using the straight-line method and, if applicable, recognized upon disposition Gain/loss displayed for this transaction is calculated using the cost basis adjustments, as described above The adjusted cost basis used here may not reflect all adjustments necessary for tax reporting purposes (such as wash sale adjustments) and may not apply if you are using an alternative amortization calculation method Refer to IRS Publication 550, *Investment Income and Expenses*, for additional information

Fidelity INVESTMENTS

2010 Investment Report

January 1, 2010 - December 31, 2010

Online	Fidelity.com
FAST(sm)-Automated Telephone	800-544-5555
Customer Service	800-544-6666

Envelope 931002678

DEAN FINANCIAL SERVICES LLC
3500 PENTAGON BLVD
SUITE 200
BEAVER CREEK OH 45431

Your Client
PETER C KESLING FOUNDATION
MUSEUM BUILDING STE 2
2405 INDIANA AVE
LA PORTE IN 46350-6061

▶ This Investment Report summarizes activity in your Fidelity accounts for the past year. We hope you find it helpful, however, keep in mind that it is not intended for tax reporting purposes. Adjustments often occur after this report has been created. Fidelity mails a separate (Forms 1099) Tax Reporting Statement, if applicable, to assist you with your tax returns, in January or by February 15th. That statement includes information on estimated realized gains & losses, estimated cost basis, and Fidelity tax-exempt funds. Your Form 5498, Form 1099-R, and other forms are each mailed separately.

Brokerage PETER C KESLING FOUNDATION

2010 Account Summary	
Beginning value as of Jan 1	$509,136.68
Withdrawals	-25,000 00
Transaction costs, loads and fees	-3,545.88
Net adjustments	-15 00
Change in investment value	32,803.98
Ending value as of Dec 31	**$513,379.78**

Income Summary	
Taxable	
Ordinary Dividends	
Dividends	$7,518 53
Interest	7,327.64
U.S. Gov	282.07
Total	**$15,128.24**

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
Stocks					
AT&T INC COM (T)	$321.30	165.000	$29 380	$5,841 34	$4,847 70
ALLSTATE CORP (ALL)	192.00	240.000	31.880	10,404 07	7,651.20
AMGEN INC (AMGN)	0.00	130.000	54.900	7,311 72	7,137.00

2010 Investment Report

January 1, 2010 - December 31, 2010

Brokerage

PETER C KESLING FOUNDATION

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
APACHE CORP (APA)	60 00	55.000	119 230	3,747 14*c*	6,557.65
BAKER HUGHES INC (BHI)	105.00	175.000	57.170	4,789 55	10,004.75
BANK OF AMERICA CORP (BAC)	14 40	360.000	13.340	16,517.92	4,802.40
BEST BUY INC (BBY)	24.00	160 000	34 290	5,626.37	5,486 40
CVS CAREMARK CORP (CVS)	70 00	200.000	34 770	6,556.49	6,954 00
CHEVRON CORP NEW (CVX)	453.20	130 000	91 250	9,464.56	11,862 50
CISCO SYS INC (CSCO)	0.00	310.000	20.230	6,016.14	6,271 30
CLOROX CO DEL (CLX)	229.50	65.000	63.280	4,035.61	4,113.20
COMPUTER SCIENCES CORP (CSC)	52.50	175.000	49 600	9,687.73	8,680.00
CONOCOPHILLIPS (COP)	577 00	140.000	68 100	5,523 65	9,534.00
DEVON ENERGY CORP NEW (DVN)	51.20	80.000	78.510	5,734.61	6,280.80
EXXON MOBIL CORP (XOM)	252 30	145 000	73.120	10,442 79*c*	10,602.40
FREEPORT MCMORAN COPPER & GOLD INC (FCX)	78.00	60.000	120 090	4,179 17	7,205.40
GENERAL DYNAMICS CRP (GD)	196 80	120.000	70 960	5,392.80	8,515 20
GENERAL ELECTRIC CO (GE)	0.00	455.000	18.290	7,398.28	8,321.95
HEWLETT-PACKARD CO DE (HPQ)	50 40	190.000	42 100	9,033.78	7,999.00
ITT CORP COM (ITT)	197.31	205.000	52.110	8,487.50	10,682.55
ILLINOIS TOOL WORKS (ITW)	0.00	125.000	53 400	5,980.89	6,675.00
INTEL CORP (INTC)	62.21	395 000	21 030	7,279.71	8,306 85
JPMORGAN CHASE & CO (JPM)	58 00	290.000	42 420	13,908 43	12,301.80
JOHNSON & JOHNSON (JNJ)	320.65	85.000	61.850	4,989 03	5,257 25
KIMBERLY CLARK CORP (KMB)	193 50	75 000	63.040	5,145.83	4,728.00
L-3 COMMUNICATIONS HLDGS INC (LLL)	192.00	120 000	70 490	9,316 30	8,458 80
LILLY ELI & CO (LLY)	588 00	300 000	35 040	13,673.10	10,512 00
MCGRAW-HILL COS INC FORMERLY MCGRAW-HILL INC (MHP)	197 40	150 000	36 410	3,578 77	5,461 50
MEDTRONIC INC (MDT)	236.52	275.000	37.090	9,996.23	10,199.75
METLIFE INC COM (MET)	96.20	130.000	44 440	6,316 71	5,777 20
MICROSOFT CORP (MSFT)	219.35	225.000	27 910	5,065.59	6,279 75
MURPHY OIL CORP (MUR)	106.75	50.000	74 550	2,355.20	3,727 50
NORTHERN TR CORP (NTRS)	105 00	125.000	55.410	6,311.41	6,926 25
NUCOR CORP (NUE)	0 00	145.000	43.820	6,043.40	6,353.90

Brokerage

PETER C KESLING FOUNDATION

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
OMNICOM GROUP (OMC)	153.75	205.000	45.800	5,395.76	9,389.00
PEPSICO INC (PEP)	148.05	105.000	65.330	6,344.52	6,859.65
PFIZER INC (PFE)	270.00	375.000	17.510	10,000.45	6,566.25
STATE STREET CORP (STT)	1.90	190.000	46.340	7,226.68	8,804.60
STRYKER CORP (SYK)	138.00	230.000	53.700	8,719.23	12,351.00
SYSCO CORP (SYY)	225.00	225.000	29.400	7,418.67	6,615.00
US BANCORP DEL COM NEW (USB)	40.00	200.000	26 970	7,320.73	5,394.00
UNITEDHEALTH GROUP (UNH)	81.00	200.000	36.110	6,645.59	7,222.00
VERIZON COMMUNICATIONS (VZ)	434.25	160.000	35 780	5,122.16	5,724.80
WAL-MART STORES INC (WMT)	0.00	110.000	53.930	5,940.70	5,932.30
WELLS FARGO & CO NEW (WFC)	40.00	200 000	30 990	6,907 95	6,198.00
Bonds					
FEDERAL HOME LN MTG CORP 5.750% 01/15/2012 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP 3134A4JT2	575 00	10,000 000	105 399	10,052.46	10,539.90
FEDERAL HOME LN MTG CORP 4.50000% 01/15/2013 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 3134A4SA3	675.00	15,000.000	107.566	15,585.60	16,134.90
BERKSHIRE HATHAWAY FIN CORP 5.00000% 08/15/2013 FIXED COUPON MOODYS Aa2 S&P AA+ SEMIANNUALLY MAKE WHOLE CALL CUSIP. 084664BG5	750.00	15,000.000	109.152	15,883.50	16,372.80
CITIGROUP INC SR NT 6 00000% 12/13/2013 FIXED COUPON MOODYS A3 S&P A SEMIANNUALLY CUSIP: 172967FE6	450.00	15,000.000	109.273	16,266.00	16,390.95

Brokerage

PETER C KESLING FOUNDATION

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
UNITED STATES TREAS NTS 2.000% 01/15/2014 INFL FACTOR = 1.18388 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 912828BW9	282.07	12,000.000	107.359	14,212.72	15,248.67
UNITED STATES TREAS NTS 2 37500% 01/15/2017 INFL FACTOR = 1 08472 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 912828GD6	0.00	13,000.000	111.438	15,735.57	15,710.94
Short-term Bonds					
FEDL NATL MTG ASSN NTS 4.500% 02/15/2011 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP. 31359MF40	1,800.00	40,000.000	100 503	39,297 19*B*	40,201.20
FEDERAL NATL MTG ASSN 6 000% 05/15/2011 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 31359MJH7	1,800.00	30,000.000	102.116	32,653.33	30,634.80
Core Account					
CASH	2.64	16,614.070	1.000	not applicable	16,614 07
Total Market Value as of December 31, 2010					**$513,379.78**
Total income earned on positions no longer held	1,961.09				
2010 Income Earned	**$ 15,128.24**				

All positions held in cash account unless indicated otherwise

B - See Cost Basis information and Endnotes for important information about the adjusted cost basis information provided.

c - Cost basis information (or proceeds from short sales) has been provided by you and has not been adjusted except as otherwise indicated. When positions are transferred between accounts, in certain cases, cost basis information may be automatically transferred and deemed to be customer-provided. t - Third-party provided

Form 4562

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2010

Attachment Sequence No 67

Name(s) shown on return: PETER C. KESLING FOUNDATION

Identifying number: 35-6377932

Business or activity to which this form relates: GENERAL DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011 Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property Instead, use Part V.*

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	5,143.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property	SEE					
b 5-year property	DETAIL					
c 7-year property		961.	7.000	HY	200DB	137.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	5,280.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

JSA **For Paperwork Reduction Act Notice, see separate instructions.**
0X2300 3 000

Form **4562** (2010)

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles*

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2010 tax year (see instructions):					
43 Amortization of costs that began before your 2010 tax year				43	
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	

Description of Property

GENERAL DEPRECIATION

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
STOCK SHELVES	01/07/1994	350.	100 000			350	350	350	200DB	MQ			7		
CASTERS	01/21/1994	140.	100.000			140.	140	140	200DB	MQ			7		
DRIP PANS	01/28/1994	515	100.000			515.	515.	515.	200DB	MQ			7		
JBM & PDH FURNITUR	06/12/1994	601	100.000			601.	601.	601.	200DB	MQ			7		
CHAIR/WASTEBASKET	07/01/1994	397.	100 000			397	397	397	200DB	MQ			7		
VARIOUS	07/29/1994	414	100.000			414.	414	414.	200DB	MQ			7		
BLAZER FOR VOLUNTE	09/16/1994	569.	100.000			569	569.	569.	200DB	MQ			7		
VARIOUS FURNITURE	10/09/1994	945.	100 000			945	945	945.	200DB	MQ			7		
REIMB PICTURE FRA	03/17/1995	770.	100.000			770.	770	770.	200DB	HY			7		
REIMBURSEMENT	03/24/1995	1,282.	100.000			1,282.	1,282	1,282.	200DB	HY			7		
PLANTS	06/23/1995	1,401	100.000			1,401	1,401.	1,401.	200DB	HY			7		
VARIOUS FURNITURE	11/23/1994	8,737.	100.000			8,737.	8,737.	8,737	200DB	MQ			7		
BOOK CASES	03/15/1997	631	100.000			631.	631.	631.	200DB	MQ			7		
ANTIQUES	08/22/1997	453.	100.000			453.	453.	453.	200DB	MQ			7		
POSTS-BASES & ROPE	12/12/1997	1,035.	100 000			1,035.	1,035.	1,035.	200DB	MQ			7		
DISPLAY	03/15/1998	214	100.000			214.	214.	214.	200DB	HY			7		
VARIOUS	03/15/1998	1,587.	100 000			1,587.	1,587	1,587.	200DB	HY			7		
FINE WOODWORK	03/14/2000	2,616	100.000			2,616	2,593.	2,593	200DB	HY			7		
WOODWORK	03/15/2000	1,908.	100.000			1,908	1,891.	1,891.	200DB	HY			7		
Less Retired Assets															
Subtotals						206,121	73,939.	79,219.							5,280.
Listed Property															
Less Retired Assets															
Subtotals															
TOTALS		206,121.				206,121.	73,939.	79,219							5,280.

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired

JSA
0X9024 1 000

Description of Property

GENERAL DEPRECIATION

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
BLDG MATS	04/13/2000	36.	100.000			36	36.	36.	200DB	HY			7		
FINE WOODWORK	04/13/2000	6,507.	100.000			6,507.	6,449.	6,449.	200DB	HY			7		
FURNITURE & FIXTUR	05/04/2000	337.	100.000			337.	334.	334.	200DB	HY			7		
PAINT & GLASS	05/19/2000	192.	100.000			192	191.	191.	200DB	HY			7		
MCMASTER CAR SUPPL	05/30/2000	222	100.000			222.	220.	220.	200DB	HY			7		
DISPLAY CABINET	06/14/2000	4,600	100 000			4,600.	4,559	4,559.	200DB	HY			7		
CABINETS	06/15/2000	244.	100.000			244.	242.	242.	200DB	HY			7		
PAINT & GLASS	06/22/2000	95.	100 000			95	94	94	200DB	HY			7		
MSC IND SUPPLY	06/23/2000	148.	100.000			148.	147.	147	200DB	HY			7		
MCMASTER CARR	07/20/2000	322	100.000			322	318	318.	200DB	HY			7		
TABLES	07/25/2000	493.	100 000			493	489	489	200DB	HY			7		
FINE WOODWORK	09/07/2000	200.	100.000			200	198.	198.	200DB	HY			7		
POSTS & FRAME	11/08/2000	1,237.	100.000			1,237.	1,226.	1,226.	200DB	HY			7		
FURNITURE & FIXTUR	12/31/2000	113.	100 000			113	112	112.	200DB	HY			7		
CABINET - LABOR	03/15/2001	415	100.000			415.	390	390.	200DB	MQ			7		
BLDG MATS - CABINE	03/15/2001	72	100.000			72.	68.	68.	200DB	MQ			7		
LABOR-CABINET	04/10/2001	1,150.	100.000			1,150	1,105	1,105.	200DB	MQ			7		
CONFERENCE TABLE	12/06/2001	357	100.000			357.	357	357.	200DB	MQ			7		
FOLDING CHAIRS	12/13/2001	156.	100.000			156.	156.	156.	200DB	MQ			7		
Less. Retired Assets															
Subtotals															

Listed Property

Less· Retired Assets															
Subtotals															
TOTALS															

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired

JSA
0X9024 1 000

Description of Property

GENERAL DEPRECIATION

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
CONFERENCE ROOM CH	12/13/2001	1,216.	100.000			1,216.	1,216	1,216.	200DB	MQ			7		
DISPLAY CABINETS	12/31/2001	95.	100.000			95	95	95.	200DB	MQ			7		
FURNITURE & DUES	07/01/1994	7,261	100.000			7,261.	7,261	7,261.	200DB	MQ			7		
VARIOUS	08/26/1994	1,698.	100.000			1,698.	1,698.	1,698.	200DB	MQ			7		
ROPES & ROPE HANDL	03/15/1996	2,105.	100 000			2,105.	2,105.	2,105.	200DB	HY			7		
TABLE	05/15/1996	437.	100 000			437	437.	437	200DB	HY			7		
ANTIQUES DISPLAY I	09/30/1995	450.	100.000			450.	450.	450.	200DB	HY			7		
ROPES	12/12/1996	1,117	100.000			1,117	1,117.	1,117	200DB	HY			7		
FOLDING CHAIRS	01/15/2002	923	100.000			923.	888.	923.	200DB	HY			7		35.
MISCELLANEOUS	12/31/2002	2,298	100 000			2,298.									
DISPLAY CASES	06/01/2003	1,145.	100.000			1,145.	1,145	1,145.	200DB	HY			7		
CREDENZA	05/03/2006	2,475	100 000			2,475	1,734.	1,954.	200DB	MQ			7		220.
CHAIRS	09/26/2006	463.	100.000			463	312.	355	200DB	MQ			7		43.
ROOF-LITTLE STONE	01/13/2006	14,469	100 000			14,469.	1,934.	2,460	SL	MM			27.5		526.
PAVING-DOOR PRAIRI	10/05/2006	16,014	100.000			16,014.	4,487.	5,640.	150DB	MQ			15		1,153.
NEW SIDING-DOOR PR	01/13/2006	7,610.	100.000			7,610	772.	967.	SL	MM			39		195.
DPB IMPROVEMENTS	07/01/2007	75,494.	100.000			75,494.	4,761	6,697	SL	MM			39		1,936.
SM BARN IMPROVEMEN	07/01/2007	8,446	100.000			8,446.	533.	750.	SL	MM			39		217.
LSH IMPROVEMENTS	07/01/2007	4,891	100 000			4,891.	438	616.	SL	MM			27.5		178.
Less Retired Assets															
Subtotals															
Listed Property															
Less Retired Assets															
Subtotals															
TOTALS															

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired
JSA
0X9024 1 000

PETER C. KESLING FOUNDATION

2010

35-6377932

Description of Property

GENERAL DEPRECIATION

DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Me-thod	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
MISC FURN & FIX	07/01/2007	360.	100.000			360	202.	247	200DB	HY			7		45.
DPB IMPROVEMENTS	07/01/2008	3,768.	100 000			3,768	141.	238.	SL	MM			39		97.
SM BARN IMPROVEMEN	07/01/2008	8,348.	100.000			8,348.	312.	526.	SL	MM			39		214.
LSH WASHER/DRYER	07/01/2008	1,304.	100.000			1,304.	678.	928.	200DB	HY			5		250.
DOOR PR. - SIDING	10/05/2009	1,120.	100.000			1,120.	6.	35	SL	MM			39		29
DPB - SIDING WORK	10/30/2009	192	100 000			192	1	6	SL	MM			39		5.
TV/DVD PLYR & SHLF	07/27/2010	961.	100 000			961.		137.	200DB	HY			7		137
Less· Retired Assets															
Subtotals		206,121.													

Listed Property

Less Retired Assets															
Subtotals															
TOTALS															

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired

JSA
0X9024 1 000

2010 Investment Report

January 1, 2010 - December 31, 2010

Online	Fidelity.com
FAST(sm)-Automated Telephone	800-544-5555
Customer Service	800-544-6666

Envelope 931002678

DEAN FINANCIAL SERVICES LLC
3500 PENTAGON BLVD
SUITE 200
BEAVER CREEK OH 45431

Your Client
PETER C KESLING FOUNDATION
MUSEUM BUILDING STE 2
2405 INDIANA AVE
LA PORTE IN 46350-6061

▶ This Investment Report summarizes activity in your Fidelity accounts for the past year. We hope you find it helpful, however, keep in mind that it is not intended for tax reporting purposes. Adjustments often occur after this report has been created. Fidelity mails a separate (Forms 1099) Tax Reporting Statement, if applicable, to assist you with your tax returns, in January or by February 15th. That statement includes information on estimated realized gains & losses, estimated cost basis, and Fidelity tax-exempt funds. Your Form 5498, Form 1099-R, and other forms are each mailed separately.

Brokerage

PETER C KESLING FOUNDATION

2010 Account Summary	
Beginning value as of Jan 1	$509,136.68
Withdrawals	-25,000.00
Transaction costs, loads and fees	-3,545.88
Net adjustments	-15 00
Change in investment value	32,803.98
Ending value as of Dec 31	**$513,379.78**

Income Summary	
Taxable	
Ordinary Dividends	
Dividends	$7,518.53
Interest	7,327.64
U S. Gov	282 07
Total	**$15,128.24**

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
Stocks					
AT&T INC COM (T)	$321 30	165 000	$29 380	$5,841.34	$4,847 70
ALLSTATE CORP (ALL)	192.00	240.000	31 880	10,404.07	7,651.20
AMGEN INC (AMGN)	0.00	130 000	54 900	7,311.72	7,137.00

2010 Investment Report

January 1, 2010 - December 31, 2010

Brokerage

PETER C KESLING FOUNDATION

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
APACHE CORP (APA)	60.00	55.000	119 230	3,747 14c	6,557 65
BAKER HUGHES INC (BHI)	105 00	175.000	57 170	4,789 55	10,004.75
BANK OF AMERICA CORP (BAC)	14.40	360.000	13.340	16,517 92	4,802.40
BEST BUY INC (BBY)	24 00	160.000	34 290	5,626.37	5,486 40
CVS CAREMARK CORP (CVS)	70.00	200.000	34 770	6,556.49	6,954 00
CHEVRON CORP NEW (CVX)	453 20	130.000	91 250	9,464 56	11,862 50
CISCO SYS INC (CSCO)	0.00	310.000	20.230	6,016.14	6,271 30
CLOROX CO DEL (CLX)	229 50	65.000	63.280	4,035.61	4,113.20
COMPUTER SCIENCES CORP (CSC)	52 50	175 000	49 600	9,687 73	8,680.00
CONOCOPHILLIPS (COP)	577 00	140.000	68 100	5,523 65	9,534.00
DEVON ENERGY CORP NEW (DVN)	51.20	80.000	78 510	5,734.61	6,280.80
EXXON MOBIL CORP (XOM)	252.30	145.000	73 120	10,442.79c	10,602.40
FREEPORT MCMORAN COPPER & GOLD INC. (FCX)	78 00	60.000	120 090	4,179 17	7,205.40
GENERAL DYNAMICS CRP (GD)	196 80	120 000	70 960	5,392.80	8,515 20
GENERAL ELECTRIC CO (GE)	0.00	455.000	18.290	7,398.28	8,321.95
HEWLETT-PACKARD CO DE (HPQ)	50 40	190 000	42.100	9,033.78	7,999 00
ITT CORP COM (ITT)	197 31	205 000	52.110	8,487.50	10,682.55
ILLINOIS TOOL WORKS (ITW)	0.00	125.000	53 400	5,980.89	6,675.00
INTEL CORP (INTC)	62 21	395.000	21 030	7,279 71	8,306 85
JPMORGAN CHASE & CO (JPM)	58 00	290.000	42.420	13,908.43	12,301.80
JOHNSON & JOHNSON (JNJ)	320.65	85.000	61.850	4,989.03	5,257 25
KIMBERLY CLARK CORP (KMB)	193 50	75 000	63 040	5,145.83	4,728 00
L-3 COMMUNICATIONS HLDGS INC (LLL)	192.00	120.000	70.490	9,316.30	8,458.80
LILLY ELI & CO (LLY)	588.00	300.000	35.040	13,673 10	10,512 00
MCGRAW-HILL COS INC FORMERLY MCGRAW- HILL INC (MHP)	197 40	150 000	36 410	3,578.77	5,461 50
MEDTRONIC INC (MDT)	236.52	275 000	37.090	9,996.23	10,199.75
METLIFE INC COM (MET)	96.20	130.000	44.440	6,316.71	5,777 20
MICROSOFT CORP (MSFT)	219.35	225.000	27 910	5,065.59	6,279.75
MURPHY OIL CORP (MUR)	106 75	50 000	74 550	2,355.20	3,727 50
NORTHERN TR CORP (NTRS)	105.00	125.000	55 410	6,311.41	6,926.25
NUCOR CORP (NUE)	0 00	145.000	43.820	6,043 40	6,353.90

Brokerage

PETER C KESLING FOUNDATION

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
OMNICOM GROUP (OMC)	153.75	205.000	45.800	5,395.76	9,389.00
PEPSICO INC (PEP)	148.05	105.000	65.330	6,344.52	6,859.65
PFIZER INC (PFE)	270.00	375.000	17.510	10,000.45	6,566 25
STATE STREET CORP (STT)	1.90	190.000	46.340	7,226.68	8,804.60
STRYKER CORP (SYK)	138.00	230.000	53.700	8,719.23	12,351.00
SYSCO CORP (SYY)	225.00	225.000	29.400	7,418.67	6,615.00
US BANCORP DEL COM NEW (USB)	40.00	200.000	26.970	7,320.73	5,394.00
UNITEDHEALTH GROUP (UNH)	81.00	200.000	36.110	6,645.59	7,222.00
VERIZON COMMUNICATIONS (VZ)	434.25	160.000	35.780	5,122.16	5,724.80
WAL-MART STORES INC (WMT)	0.00	110.000	53.930	5,940.70	5,932.30
WELLS FARGO & CO NEW (WFC)	40.00	200 000	30 990	6,907.95	6,198 00
Bonds					
FEDERAL HOME LN MTG CORP 5.750% 01/15/2012 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 3134A4JT2	575 00	10,000 000	105 399	10,052.46	10,539.90
FEDERAL HOME LN MTG CORP 4.50000% 01/15/2013 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 3134A4SA3	675 00	15,000.000	107.566	15,585.60	16,134.90
BERKSHIRE HATHAWAY FIN CORP 5.00000% 08/15/2013 FIXED COUPON MOODYS Aa2 S&P AA+ SEMIANNUALLY MAKE WHOLE CALL CUSIP: 084664BG5	750.00	15,000.000	109.152	15,883.50	16,372.80
CITIGROUP INC SR NT 6.00000% 12/13/2013 FIXED COUPON MOODYS A3 S&P A SEMIANNUALLY CUSIP· 172967FE6	450 00	15,000.000	109.273	16,266.00	16,390.95

Brokerage

PETER C KESLING FOUNDATION

Holdings (Symbol) as of 12/31	Income Earned	Quantity	Price per Unit	Total Cost Basis	Total Value
UNITED STATES TREAS NTS 2.000% 01/15/2014 INFL FACTOR = 1 18388 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP. 912828BW9	282.07	12,000.000	107.359	14,212.72	15,248 67
UNITED STATES TREAS NTS 2 37500% 01/15/2017 INFL FACTOR = 1 08472 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 912828GD6	0.00	13,000.000	111.438	15,735.57	15,710.94
Short-term Bonds					
FEDL NATL MTG ASSN NTS 4.500% 02/15/2011 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP: 31359MF40	1,800.00	40,000.000	100.503	39,297 19*B*	40,201.20
FEDERAL NATL MTG ASSN 6.000% 05/15/2011 FIXED COUPON MOODYS Aaa S&P AAA SEMIANNUALLY CUSIP· 31359MJH7	1,800.00	30,000 000	102.116	32,653.33	30,634 80
Core Account					
CASH	2.64	16,614.070	1.000	not applicable	16,614.07
Total Market Value as of December 31, 2010					**$513,379.78**
Total income earned on positions no longer held	1,961.09				
2010 Income Earned	**$ 15,128.24**				

All positions held in cash account unless indicated otherwise

B - See Cost Basis information and Endnotes for important information about the adjusted cost basis information provided

c - Cost basis information (or proceeds from short sales) has been provided by you and has not been adjusted except as otherwise indicated. When positions are transferred between accounts, in certain cases, cost basis information may be automatically transferred and deemed to be customer-provided. t - Third-party provided