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 , **and ending**

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: JAMES & ZITA GAVIN FOUNDATION

A Employer identification number: 36-3256613

Number and street (or P O box number if mail is not delivered to street address): 701 PARK DRIVE — Room/suite:

B Telephone number: (847)251-8064

City or town, state, and ZIP code: KENILWORTH, IL 60043

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: [X] 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)* ▶$ 10,468,977.

J Accounting method: [X] 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).)

		(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	0.		N/A	
2	Check ▶ [X] if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	185.	185.		STATEMENT 1
4	Dividends and interest from securities	308,156.	308,156.		STATEMENT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	126,129.			
b	Gross sales price for all assets on line 6a 137,252.				
7	Capital gain net income (from Part IV, line 2)		126,129.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total. Add lines 1 through 11	434,470.	434,470.		
Operating and Administrative Expenses 13	Compensation of officers, directors, trustees, etc	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees				
c	Other professional fees				
17	Interest				
18	Taxes STMT 3	9,222.	0.		0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses STMT 4	25.	0.		25.
24	**Total operating and administrative expenses.** Add lines 13 through 23	9,247.	0.		25.
25	Contributions, gifts, grants paid	392,000.			392,000.
26	**Total expenses and disbursements.** Add lines 24 and 25	401,247.	0.		392,025.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	33,223.			
b	**Net investment income** (if negative, enter -0-)		434,470.		
c	**Adjusted net income** (if negative, enter -0-)			N/A	

RECEIVED MAY 2 0 2011 OGDEN, UT IRS-OSC

SCANNED MAY 2 4 2011

023501 12-07-10 LHA For Paperwork Reduction Act Notice, see the instructions. Form **990-PF** (2010)

G14 4

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only

		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	75,957.	14,455.	14,455.
	2 Savings and temporary cash investments	954,782.	907,430.	907,430.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	2,871.		
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 5	3,010,823.	3,159,960.	7,227,572.
	c Investments - corporate bonds STMT 6	2,719,377.	2,719,377.	2,319,520.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	6,763,810.	6,801,222.	10,468,977.
Liabilities	17 Accounts payable and accrued expenses		4,189.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	4,189.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	6,763,810.	6,797,033.	
	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			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances**	6,763,810.	6,797,033.	
	31 **Total liabilities and net assets/fund balances**	6,763,810.	6,801,222.	

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	6,763,810.
2	Enter amount from Part I, line 27a	2	33,223.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	6,797,033.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	6,797,033.

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 ATTACHED	P		
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	137,252.		11,123.	126,129.
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				126,129.
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 } 2 126,129.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):
If gain, also enter in Part I, line 8, column (c).
If (loss), enter -0- in Part I, line 8 } 3 N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	430,524.	7,859,132.	.054780
2008	433,531.	8,376,538.	.051755
2007	465,334.	8,272,920.	.056248
2006	428,052.	8,110,112.	.052780
2005	490,075.	7,615,182.	.064355

2	**Total** of line 1, column (d)	2	.279918
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	.055984
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	9,526,026.
5	Multiply line 4 by line 3	5	533,305.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,345.
7	Add lines 5 and 6	7	537,650.
8	Enter qualifying distributions from Part XII, line 4	8	392,025.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	8,689.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3 Add lines 1 and 2			3	8,689.
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	8,689.
6 Credits/Payments:				
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	8,689.		
b Exempt foreign organizations - tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c			
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d			7	8,689.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached			8	32.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	32.
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	
11 Enter the amount of line 10 to be: **Credited to 2011 estimated tax** ▶	Refunded ▶		11	

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ 0. **(2)** On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • 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 instructions) ▶ IL			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ JAMES L GAVIN Telephone no. ▶ (847) 251-8064
Located at ▶ 701 PARK DRIVE, KENILWORTH, IL ZIP+4 ▶ 60043-1008

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			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)? N/A	1b		
	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 instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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)? ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

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

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

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b |

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ZITA GAVIN 161 THORNTREE LANE WINNETKA, IL 60093	PRESIDENT 1.00	0.	0.	0.
WILLIAM GAVIN 3640 SUNSET BEACH DRIVE, NW OLYMPIA, WA 98502	VICE-PRES. 0.50	0.	0.	0.
STEVEN J GAVIN 200 LAKE STREET GLENCOE, IL 60022	SECRETARY 0.50	0.	0.	0.
JAMES L. GAVIN 701 PARK DRIVE KENILWORT, IL 60043	TREASURER 1.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

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

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

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

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	9,600,233.
b	Average of monthly cash balances		1b	70,859.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	9,671,092.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2	Acquisition indebtedness applicable to line 1 assets		2	0.
3	Subtract line 2 from line 1d		3	9,671,092.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	145,066.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	9,526,026.
6	**Minimum investment return.** Enter 5% of line 5		6	476,301.

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

1	Minimum investment return from Part X, line 6		1	476,301.
2a	Tax on investment income for 2010 from Part VI, line 5	2a 8,689.		
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	8,689.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	467,612.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	467,612.
6	Deduction from distributable amount (see instructions)		6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	467,612.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	392,025.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	392,025.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	392,025.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				467,612.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years: ___ , ___ , ___		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005 115,986.				
b From 2006 30,129.				
c From 2007 62,826.				
d From 2008 28,964.				
e From 2009 52,936.				
f Total of lines 3a through e	290,841.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ $ 392,025.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				392,025.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	75,587.			75,587.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	215,254.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			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)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	40,399.			
9 **Excess distributions carryover to 2011** Subtract lines 7 and 8 from line 6a	174,855.			
10 Analysis of line 9:				
a Excess from 2006 30,129.				
b Excess from 2007 62,826.				
c Excess from 2008 28,964.				
d Excess from 2009 52,936.				
e Excess from 2010				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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			
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

SEE STATEMENT 7

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

NONE

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

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE ATTACHED LIST	NONE	PUBLIC	PROGRAM SUPPORT	392,000.
Total			▶ 3a	392,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	185.	
4 Dividends and interest from securities			14	308,156.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	126,129.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		434,470.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	434,470.

(See worksheet in line 13 instructions to verify calculations.)

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

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

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

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

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

Sign Here

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

Zita C. Gavin — May 15 2011 — President

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
A G. RUZICKA, JR	A J Ruzicka Jr	5-9-11		

Firm's name ▶ RUZICKA & ASSOCIATES, LTD. 333 SKOKIE BOULEVARD #105 — Firm's EIN ▶

Firm's address ▶ NORTHBROOK, IL 60062 — Phone no. (847)446-6400

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
JP MORGAN CHASE	185.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	185.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
UBS	308,156.	0.	308,156.
TOTAL TO FM 990-PF, PART I, LN 4	308,156.	0.	308,156.

FORM 990-PF TAXES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE	9,222.	0.		0.
TO FORM 990-PF, PG 1, LN 18	9,222.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SERVICE CHARGES	25.	0.		25.
TO FORM 990-PF, PG 1, LN 23	25.	0.		25.

FORM 990-PF CORPORATE STOCK STATEMENT 5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
EQUITIES	3,159,960.	7,227,572.
TOTAL TO FORM 990-PF, PART II, LINE 10B	3,159,960.	7,227,572.

FORM 990-PF CORPORATE BONDS STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
FIXED INCOME	2,468,995.	2,142,013.
MUTUAL FUNDS	250,382.	177,507.
TOTAL TO FORM 990-PF, PART II, LINE 10C	2,719,377.	2,319,520.

FORM 990-PF PART XV - LINE 1A LIST OF FOUNDATION MANAGERS STATEMENT 7

NAME OF MANAGER

ZITA GAVIN
WILLIAM GAVIN

9 09 AM
01/04/11
Accrual Basis

JAMES ZITA GAVIN FOUNDATION
GRANT EXPENSE
January through December 2010

	Date	Num	Name	Amount	Address
Grant Expense					
	02/08/2010	1635	Immaculate Hearts of Jesus and Mary	50 000 00	48765 Annapolos Road, Hopedale, OH 43976
	08/23/2010	1640	Vox Populi Mariae Mediatrici	50 000 00	313 High Street, Hopedale, OH 43976
	09/01/2010	1641	Immaculate Hearts of Jesus and Mary	50 000 00	48765 Annapolos Road, Hopedale, OH 43976
	09/01/2010	1642	Immaculate Conception Church	25,000 00	770 Deerfield Road, Highland Park, IL 60035-3516
	09/01/2010	1643	Immaculate Conception Church	30 000 00	770 Deerfield Road, Highland Park, IL 60035-3516
	11/01/2010	1644	Sisters of the Holy Family	20 000 00	6901 Chef Menteur Hwy, New Orleans, LA 70126
	11/01/2010	1645	St Augustine High School	25,000 00	2600 A P Tureaud Ave, New Orleans, LA 70119
	11/01/2010	1646	Maria Joseph Manor	15,000 00	875 Montour Blvd, Danville, PA 17821
	11/01/2010	1647	St Lambert Church	2,000 00	8147 Karlov Avenue, Skokie, IL 60076-3226
	11/01/2010	1648	Eternal Word Television Network	5 000 00	5817 Old Leeds Rd , Irondale, AL 35210-2164
	11/01/2010	1649	God s Love We Deliver	10 000 00	166 Avenue of the Americas, New York, NY 10013
	11/01/2010	1650	Mission Societyof Mandeville	25 000 00	6234 Crooked Creek Road, Norcross, GA 30092
	11/01/2010	1651	Totos Tuus	20 000 00	c/o William Griffin, 151 Meadow Lane, Winnetka, IL 60093
	11/01/2010	1652	Relevant Radio	5 000 00	PO Box 10707, Green Bay, WI 54307-0707
	11/01/2010	1653	St. Thomas More Academy	15 000 00	6456 E Bristol Road, Burton, MI 48519-1745
	11/17/2010	1654	St Bernard Church	25,000 00	248 South Harbor Drive, Holmes Beach, FL 34217
	12/01/2010	1655	LINKUnlimited	5,000 00	2221 S State St, Chicago, IL 60616
	12/01/2010	1656	Vox Populi Mariae Mediatrici	15,000 00	313 High Street, Hopedale, OH 43976
Total Grant Expense				392 000 00	

UBS

UBS Financial Services Inc
1 NORTH WACKER DRIVE
SUITE 3700
CHICAGO IL 60606-2883

APZ2002676647 1210 Y4 1

Business Services Account

December 2010

Duplicate statement for the account of:
JAMES & ZITA GAVIN FOUNDATION
C/O JAMES L GAVIN
701 PARK DRIVE
KENILWORTH IL 60043-1008
Account number Y4 75130 FB

00002879 02 AV 0.460 02 TR 00016 B201B061 000000 cpl
MR TONY RUZICKA
RUZICKA & ASSOCIATES
333 N SKOKIE BLVD SUITE 105
NORTHBROOK IL 60062-1622

Your Financial Advisor:
BRAMSON, FRANK
Phone: 312-525-7400/888-827-8469

Questions about your statement?
Call your Financial Advisor or the ResourceLine at 800-762-1000, account 414075130

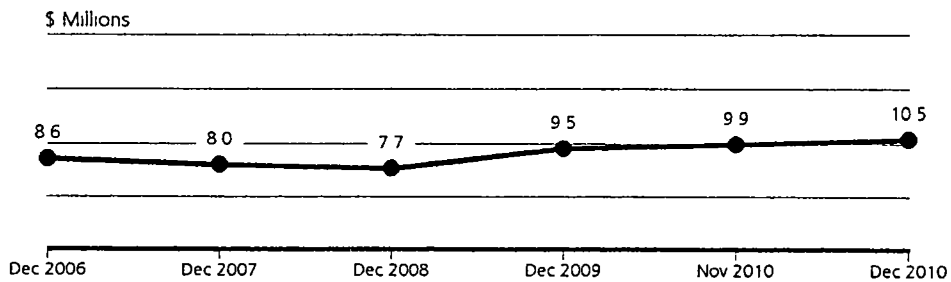
Visit our website:
www ubs com/financialservices

Value of your account

	on November 30 ($)	on December 31 ($)
Your assets	9,943,867 43	10,464,978 89
Your liabilities	0.00	0 00
Value of your account	**$9,943,867.43**	**$10,464,978.89**
Accrued interest in value above	$8,239 59	$10,456 94

As a service to you, your portfolio value of $10,464,978 89 includes accrued interest

Tracking the value of your account



Sources of your account growth during 2010

Value of your account at year end 2009	$9,538,081 33
Net deposits and withdrawals	-$332,500 00
Your investment return	
Dividend and interest income	$308,155 44
Change in market value	$951,242 12
Value of your account on Dec 31, 2010	**$10,464,978.89**

UBS

Account name: JAMES & ZITA GAVIN FOUNDATION
Account number: Y4 75130 FB

Your account balance sheet

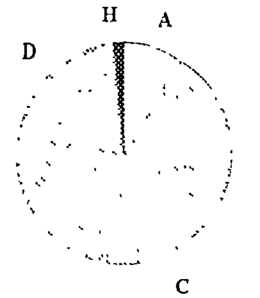
The value of your account includes assets held at UBS and certain assets held away from UBS See page 1 for more information

Summary of your assets

		Value on December 31 ($)	Percentage of your account
A	Cash and money balances	907,429 95	8 67%
B	Cash alternatives	0 00	0 00%
C	Equities	7,227,572 00	69.07%
D	Fixed income	2,152,469 94	20 56%
E	Alternative strategies	0 00	0 00%
F	Broad commodities	0 00	0 00%
G	Real estate	0.00	0 00%
H	Other	177,507 00	1 70%
Total assets		**$10,464,978.89**	**100.00%**

Value of your account **$10,464,978.89**

Your current asset allocation



Eye on the markets

Index	Percentage change December 2010	Percentage change Year to date
S&P 500	6 78%	15 16%
Russell 3000	6 78%	16 93%
MSCI - Europe, Australia & Far East	8 11%	8 21%
Barclays Capital Aggregate Bond Index 10+ Yrs	-2 13%	9 38%

Interest rates on December 31, 2010

3-month Treasury bills 0 12%

One-month LIBOR 0 26%

Change in the value of your account

	December 2010 ($)	Year to date ($)
Opening account value	**$9,943,867.43**	**$9,538,081.33**
Withdrawals and fees, including investments transferred out	0 00	-332,500 00
Dividend and interest income	44,798 99	308,155.44
Change in value outside assets/accruals	2,217 35	0 00
Change in market value	474,095 12	951,242 12
Closing account value	**$10,464,978.89**	**$10,464,978.89**

Dividend and interest income earned

For purposes of this statement, taxability of interest and dividend income has been determined from a US tax reporting perspective Based upon the residence of the account holder, account type, or product type, some interest and/or dividend payments may not be subject to United States (US) and/or Puerto Rico (PR) income taxes The client monthly statement is not intended to be used and cannot be relied upon for tax purposes Clients should refer to the applicable tax reporting forms they receive from UBS annually, such as the Forms 1099 and the Forms 480, for tax reporting information It is the practice of UBS to file the applicable tax reporting forms with the US Internal Revenue Service and PR Treasury Department, and in such forms accurately classify dividends and/or interest as tax exempt or taxable income Please consult your individual tax preparer

	December 2010 ($)	Year to date ($)
Taxable dividends	38,736.49	226,453.08
Taxable interest	6,062 50	81,700 28
Total current year	**$44,798.99**	**$308,153.36**
Prior year adjustment	0 00	2 08
Total dividend & interest	**$44,798.99**	**$308,155.44**

Summary of gains and losses

Values reported below exclude products for which gains and losses are not classified

	Realized gains and losses		Unrealized
	December 2010 ($)	Year to date ($)	gains and losses ($)
Short term	0 00	0 00	7,899 75
Long term	0 00	126,128 77	3,659,726 44
Total	**$0.00**	**$126,128.77**	**$3,667,626.19**

Cash activity summary

See the section *Account activity this month* for details UBS Bank USA deposit account balances are included in the *opening and closing balances* value, are insured by the FDIC within applicable limits, but are not protected by SIPC See *Important information about your statement* at the end of this document for details about those balances

	December 2010 ($)	Year to date ($)
Opening balances	**$862,630.96**	**$954,782.34**
Additions		
Dividend and interest income	44,798 99	308,155 44
Proceeds from investment transactions	0 00	137,252 42
Total additions	**$44,798.99**	**$445,407.86**
Subtractions		
Other funds debited	0 00	-332,500 00
Funds withdrawn for investments bought	0 00	-160,260 25
Total subtractions	**$0.00**	**-$492,760.25**
Net cash flow	**$44,798.99**	**-$47,352.39**
Closing balances	**$907,429.95**	**$907,429.95**

Your investment objectives:

You have identified the following investment objectives for this account If you have questions about these objectives, disagree with them, or wish to change them, please contact your Financial Advisor or Branch Manager You can find a full description of the alternative investment objectives in *Important information about your statement* at the end of this document

Your return objective:
Current income & capital appreciation
Your risk profile:
Primary - Moderate
Secondary - Aggressive/Speculative

Your account instructions

- Statement copies are sent to 1 interested party

Your assets

Some prices, income and current values shown may be approximate As a result, gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information

Cash

Cash and money balances

Holding	Opening balance on Dec 1 ($)	Closing balance on Dec 31 ($)	Price per share on Dec 31 ($)	Average rate	Dividend/Interest period	Days in period
RMA MONEY MKT PORTFOLIO	862,630 96	907,429 95	1 00	0.01%	Nov 23 to Dec 26	34

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ABBOTT LABS								
Symbol ABT Exchange· NYSE								
EAI $3,580 Current yield 3 67%	Jul 22, 96	2,000 000	21 008	42,016 74 [1]	47 910	95,820 00	53,803 26	LT
	Earnings	34 000	52 339	1,779 54	47 910	1,628 94	-150 60	
Security total		2,034 000		43,796 28		97,448 94	53,652 66	
AMEREN CORP								
Symbol AEE Exchange NYSE								
EAI $6,160 Current yield: 5 46%	Jan 2, 98	1,000 000	38 450	38,454 00 [1]	28 190	28,190 00	-10,264 00	LT
	Feb 19, 04	1,000 000	46 460	46,716 00 [1]	28 190	28,190 00	-18,526 00	LT
	May 14, 04	2,000.000	42.190	84,604 00 [1]	28 190	56,380 00	-28,224 00	LT
Security total		4,000 000		169,774 00		112,760 00	-57,014 00	
BAXTER INTL INC								
Symbol BAX Exchange NYSE								
EAI $4,342 Current yield 2 45%	May 14, 03	3,502 000	32 195	112,750 00 [1]	50 620	177,271 24	64,521 24	LT
BP PLC SPON ADR								
Symbol BP Exchange NYSE	Aug 11, 08	2,000 000	60 010	120,425 25	44 170	88,340 00	-32,085 25	LT
	Sep 17, 08	2,000 000	51.066	102,537 25	44 170	88,340 00	-14,197 25	LT
Security total		4,000 000		222,962 50		176,680 00	-46,282 50	

continued next page

Your assets › Equities › Common stock (continued)

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BRISTOL MYERS SQUIBB CO								
Symbol BMY Exchange NYSE								
EAI $6,600 Current yield 4 98%	Sep 13, 04	5,000 000	24 200	121,506 00 [1]	26 480	132,400 00	10,894 00	LT
DOW CHEMICAL								
Symbol DOW Exchange NYSE								
EAI $3,300 Current yield 1 76%	Jul 13, 06	5,500 000	36 800	202,735 25	34 140	187,770 00	-14,965 25	LT
DUKE REALTY CORP NEW REITS								
Symbol DRE Exchange NYSE								
EAI $8,160 Current yield 5 46%	Mar 10, 94	4,000 000	12 570	50,280 00 [1]	12 460	49,840 00	-440 00	LT
	Jun 20, 94	2,000 000	13 540	27,080 00 [1]	12 460	24,920 00	-2,160 00	LT
	Jun 23, 94	2,000 000	13 230	26,460 00 [1]	12 460	24,920 00	-1,540 00	LT
	Jan 22, 03	3,500 000	24 600	86,520 00 [1]	12 460	43,610 00	-42,910 00	LT
	Jan 22, 03	500 000	24 590	12,360 50 [1]	12 460	6,230 00	-6,130 50	LT
Security total		12,000 000		202,700 50		149,520 00	-53,180 50	
EL PASO CORP								
Symbol EP Exchange NYSE								
EAI $400 Current yield 0 29%	Sep 23, 02	10,000 000	7 370	74,255 00 [1]	13 760	137,600 00	63,345 00	LT
GALLAGHER ARTHUR J & CO								
Symbol AJG Exchange NYSE								
EAI $11,264 Current yield 4 40%	Jun 20, 96	8,000 000	8 284	66,274 00 [1]	29 080	232,640 00	166,366 00	LT
	Mar 5, 97	800 000	7 910	6,328 00 [1]	29 080	23,264 00	16,936 00	LT
Security total		8,800 000		72,602 00		255,904 00	183,302 00	
GENL ELECTRIC CO								
Symbol GE Exchange NYSE								
EAI $2,800 Current yield 3 06%	Apr 11, 08	5,000 000	32 500	162,905 25	18 290	91,450 00	-71,455 25	LT
GOLDMAN SACHS GROUP INC								
Symbol GS Exchange NYSE								
EAI $1,400 Current yield 0 83%	Jan 21, 10	1,000.000	160 130	160,260 25	168 160	168,160 00	7,899 75	ST
HORIZON GROUP PROPERTIES INC SBI								
Symbol HGPI Exchange OTC		369 000	---This information was unavailable---		0 350	129 15		
HOSPIRA INC								
Symbol HSP Exchange NYSE	Jul 22, 96	200 000	13 936	2,787 26 [1]	55 690	11,138 00	8,350 74	LT

continued next page

Your assets › **Equities** › **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
MERCK & CO INC NEW COM								
Symbol MRK Exchange NYSE								
EAI $3,040 Current yield 4 22%	Nov 14, 03	2,000 000	46 880	94,016 00 [1]	36 040	72,080 00	-21,936 00	LT
NEXTERA ENERGY INC COM								
Symbol NEE Exchange· NYSE								
EAI. $21,888 Current yield 3 85%	Oct 23, 01	4,400 000	26 331	115,857 00 [1]	51 990	228,756 00	112,899 00	LT
	Oct 23, 01	2,600 000	26 290	68,354 00 [1]	51 990	135,174 00	66,820 00	LT
	Oct 23, 01	1,000 000	26 325	26,325 00 [1]	51 990	51,990 00	25,665 00	LT
	Jul 11, 02	2,944 000	33.867	99,705 03 [1]	51 990	153,058 56	53,353 53	LT
Security total		10,944 000		310,241 03		568,978 56	258,737 53	
PNC FINANCIAL SERVICES GROUP								
Symbol PNC Exchange NYSE								
EAI $39 Current yield 0 66%	Jan 26, 05	98 000	908 673	89,306 00 [1]	60 720	5,950 56	-83,355 44	LT
STEPAN CO								
Symbol SCL Exchange NYSE								
EAI $63,046 Current yield 1 36%	Dec 16, 86	23,019 000	5 560	128,027.68 [1]	76 270	1,755,659 13	1,627,631 45	LT
	Aug 7, 95	36,176 000	17.000	614,992 00 [1]	76 270	2,759,143 52	2,144,151 52	LT
	Apr 9, 96	1,426 000	18.210	25,979 00 [1]	76 270	108,761 02	82,782 02	LT
Security total		60,621 000		768,998 68		4,623,563 67	3,854,564 99	
SUPERVALU INC								
Symbol SVU Exchange NYSE								
EAI $447 Current yield 3 64%	May 7, 04	1,276 000	44.790	57,152 04 [1]	9 630	12,287 88	-44,864 16	LT
UNIT CORP								
Symbol UNT Exchange NYSE	Jul 13, 06	3,500 000	54 940	192,508 69	46 480	162,680 00	-29,828 69	LT
Total				**$3,061,256.73**		**$7,143,772.00**	**$4,082,386.12**	

Total estimated annual income: $136,466

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Your assets › Equities (continued)

Closed end funds & Exchange traded products

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
PUTNAM HIGH INCOME SECURITIES FUND Symbol PCF Exchange NYSE EAI $5,270 Current yield 6 29%	Jan 5, 94	10,000 000	9 870	98,703 00 [1]	8 380	83,800 00	-14,903 00	LT

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Fixed income

Corporate bonds and notes

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values Actual market values may vary and thus gains/losses may not be accurately reflected Cost basis has been adjusted for accreted original issue discount (OID) If you have made a tax election to deduct the premium amortization on taxable debt securities, you may request that UBS adjust cost basis for the bond premium amortization

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
DOLE FOODS CO RATE 08 750% MATURES 07/15/13 ACCRUED INTEREST $4,034 72 CUSIP 256605AD8 Moody B3 S&P B- EAI $8,750 Current yield. 8 19%	Jun 21, 01	100,000 000	99 800	99,805 00 [1]	106 875	106,875 00	7,070 00	LT
SOLO CUP CO RATE 08 500% MATURES 02/15/14 ACCRUED INTEREST $6,422 22 CUSIP 834260AB7 Moody Caa2 S&P CCC EAI $17,000 Current yield 9 44%	May 02, 05	200,000 000	99 750	199,506 00 [1]	90 000	180,000 00	-19,506 00	LT
Total		**$300,000.000**		**$299,311.00**		**$286,875.00**	**-$12,436 00**	

Total accrued interest: $10,456.94

Total estimated annual income: $25,750

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Account name: JAMES & ZITA GAVIN FOUNDATION
Account number: Y4 75130 FB

Your Financial Advisor:
BRAMSON, FRANK
312-525-7400/888-827-8469

Your assets › Fixed income (continued)

Closed end funds & Exchange traded products

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BLACKROCK INCOME TRUST INC								
Symbol BKT Exchange NYSE								
EAI $6,360 Current yield 4 65%	Jul 20, 93	10,000 000	9 130	91,328 00 [1]	6 840	68,400 00	-22,928 00	LT
	Dec 23, 93	10,000 000	8 080	80,803 00 [1]	6 840	68,400 00	-12,403 00	LT
Security total		20,000 000		172,131 00		136,800 00	-35,331 00	
JOHN HANCOCK PREFERRED INCOME FUND								
Symbol HPI Exchange NYSE								
EAI $12,202 Current yield 7 97%	Sep 17, 08	8,200 000	10 494	86,388 83	18 680	153,176 00	66,787 17	LT
MANAGED HIGH YIELD PLUS FUND								
Symbol HYF Exchange NYSE								
EAI $824 Current yield 10 91%	Jun 24, 98	3,432 000	14 930	51,242 00 [1]	2 200	7,550 40	-43,691 60	LT
NUVEEN GLOBAL GOVT ENH								
Symbol JGG Exchange NYSE								
EAI $9,360 Current yield 9 97%	Nov 20, 06	6,000 000	19 250	115,805 25	15 650	93,900 00	-21,905 25	LT
NUVEEN MULTI-STRATEGY INCOME & GROWTH 2								
Symbol JQC Exchange NYSE								
EAI $5,600 Current yield 7 95%	Nov 20, 06	8,000 000	13 880	111,445 25	8 800	70,400 00	-41,045 25	LT
Total				**$537,012.33**		**$461,826.40**	**-$75,185.93**	

Total estimated annual income: $34,346

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Your assets › Fixed income (continued)

Preferred securities

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BARCLAYS BANK PLC SP ADR 7 1%PF3 SER 3 PREFERRED CLBL PAR VALUE - 25 00 USD Symbol BCS PRA Exchange NYSE EAI $7,100 Current yield 7 12%	Sep 7, 07	4,000 000	25 000	100,000 00	24 930	99,720 00	-280 00	LT
BARCLAYS BANK PLC ADR PFD SR 5 SER 5 8 125% PREFERRED CLBL PAR VALUE - 25 00 USD Symbol BCS PRD Exchange NYSE EAI $16,248 Current yield 7 90%	Apr 9, 08	8,000 000	25 000	200,000 00	25 700	205,600 00	5,600 00	LT
CORTS TR BOEING CO NTS 6 125% DUE 02/15/33 CALLABLE Symbol HYM Exchange NYSE EAI $10,717 Current yield 6 09%	Apr 21, 04	7,000 000	25 000	175,000 00 1	25 130	175,910 00	910 00	LT
DUKE REALTY CORP CALL 11/30/09@25 00 REITS SER L 6 60% PREFERRED CLBL Symbol DRE PRL Exchange NYSE EAI $13,200 Current yield 7 31%	Apr 6, 05	8,000 000	24 330	195,448 40 1	22 570	180,560 00	-14,888 40	LT
GENERAL MOTORS 6 2500% CV SR DEBENTURES SRC DUE7/15/33 IN DEFAULT Exchange. OTC	Jun 26, 03	2,000 000	25 000	50,000 00 1	7 499	14,998 00	-35,002 00	LT
GENERAL MTRS CORP 7 500% DUE 07/01/44 Exchange OTC	Jun 23, 04	12,000 000	25 000	300,000 00 1	7 350	88,200 00	-211,800 00	LT
NATIONAL CITY CAP TR II 6 625% DUE 11/15/36 CALLABLE Symbol NCC PRA Exchange NYSE EAI $13,248 Current yield 6 63%	Oct 27, 06	8,000 000	25 000	200,000 00	24 980	199,840 00	-160 00	LT

continued next page

Your assets › Fixed income › Preferred securities (continued)

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
SVB CAP II PREFERRED 7 000% DUE 10/15/33 CLBL 10/30/08@$25 00 Symbol SIVBO Exchange OTC EAI $7,732 Current yield 7 23%	Mar 8, 05	4,418 000	24 900	112,223 20 [1]	24 200	106,915 60	-5,307 60	LT
WELLS FARGO CAPITAL IV 7 000% DUE 09/01/31 CALLABLE Symbol WSF Exchange NYSE EAI $7,000 Current yield 6 92%	Aug 22, 01	4,000 000	25 000	100,000 00 [1]	25 294	101,176 00	1,176 00	LT
WELLS FARGO CAPITAL IV 8.625% DUE 09/14/68 CALLABLE Symbol WCO Exchange NYSE EAI $17,248 Current yield 7 83%	Aug 12, 08	8,000 000	25 000	200,000 00	27 549	220,392 00	20,392 00	LT
Total				**$1,632,671.60**		**$1,393,311.60**	**-$239,360.00**	

Total estimated annual income. $92,493

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Other

Closed end funds & Exchange traded products

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
NUVEEN DIVERS DIV & INCM FD Symbol JDD Exchange NYSE EAI $15,322 Current yield 8 63%	Feb 19, 04	6,300 000	15 900	100,676 00 [1]	10 890	68,607 00	-32,069 00	LT
	Apr 16, 04	10,000 000	14 890	149,706 00 [1]	10.890	108,900 00	-40,806 00	LT
Security total		16,300 000		250,382 00		177,507 00	-72,875 00	

[1] Indicates cost basis information provided by you or another third party UBS FS has not verified this information and does not guarantee its accuracy

Your assets (continued)

Your total assets

		Value on Dec 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**907,429.95**	**8.67%**	**907,429.95**		
Equities	* Common stock	7,143,772 00		3,061,256 73	136,466 00	4,082,386 12
	Closed end funds & Exchange traded products	83,800 00		98,703 00	5,270 00	-14,903 00
	Total equities	**7,227,572.00**	**69.07%**	**3,159,959.73**	**141,736.00**	**4,067,483.12**
Fixed income	Corporate bonds and notes	286,875 00		299,311 00	25,750 00	-12,436 00
	Closed end funds & Exchange traded products	461,826 40		537,012 33	34,346 00	-75,185 93
	Preferred securities	1,393,311 60		1,632,671 60	92,493 00	-239,360 00
	Total accrued interest	10,456 94				
	Total fixed income	**2,152,469.94**	**20.56%**	**2,468,994.93**	**152,589.00**	**-326,981.93**
Other	**Closed end funds & Exchange traded products**	**177,507.00**	**1.70%**	**250,382.00**	**15,322.00**	**-72,875.00**
Total		**$10,464,978.89**	**100.00%**	**$6,786,766.61**	**$309,647.00**	**$3,667,626.19**

* Missing cost basis information

Account activity this month

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document

Date	Activity	Description	Your expense code	Quantity/ Face value	Price/Value ($)	Cash amount ($)	Cash and money balance ($)
Nov 30		**Cash and money balance**					**$862,630.96**
Dec 1	Interest	WELLS FARGO CAPITAL IV 7 000% DUE 09/01/31 CALLABLE PAID ON 4000				1,750 00	
Dec 1	Dividend	PUTNAM HIGH INCOME SECURITIES FUND PAID ON 10000				439 00	864,819 96
Dec 10	St Cap Gain	RMA MONEY MKT PORTFOLIO AS OF 12/09/10				30 77	864,850 73
Dec 15	Foreign Dividend	BARCLAYS BANK PLC SP ADR 7 1%PF3 SER 3 PREFERRED CLBL PAR VALUE - PAID ON 4000				1,775 00	
Dec 15	Foreign Dividend	BARCLAYS BANK PLC 8 125% SER 5 PREFERRED CLBL PAR VALUE - 25 00 USD PAID ON 8000				4,062 50	

continued next page

UBS

Account name: JAMES & ZITA GAVIN FOUNDATION
Account number: Y4 75130 FB

Realized gains and losses

The estimated realized gains and losses shown below are not for tax purposes Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses, we liquidate the oldest security lot first This is known as the first-in, first-out or FIFO accounting method We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order See *Important information about your statement* at the end of this document for more information We may not adjust gains and losses for all capital changes

We automatically adjust cost basis for tax-exempt and AMT coupon municipal securities for estimated amortization of bond premiums and for accreted OID for securities issued at a discount If you requested that UBS adjust cost basis for the bond premium amortization on taxable debt securities then cost basis reflected for these securities has been adjusted Estimates in the *Unclassified* section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Long-term capital gains and losses

Security description	Method	Quantity or face value ($)	Purchase date	Sale date	Sale amount ($)	Purchase amount ($)	Loss ($)	Gain ($)	Net gain or loss ($)
STEPAN CO	FIFO	2,000.000	Dec 16, 86	Apr 20, 10	137,252 42	11,123 65		126,128 77	126,128.77 [1]
Net capital gains/losses:									**$126,128.77**

[1] indicates cost basis information has been provided by a source other than UBS Financial Services