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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation****2010**Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning , 2010, and endingG Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Name of foundation

Karl H. and Wealtha H. Nelson Family Foundation**A Employer identification number****36-3879767**

Number and street (or P O box number if mail is not delivered to street address)

C/O George Blazek, 8805 Indian Hills Drive

Room/suite

280**B Telephone number (see the instructions)****(402) 390-0390**

City or town

Omaha

State ZIP code

NE 68114-4077H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationI Fair market value of all assets at end of year
(from Part II, column (c), line 16)**\$ 3,743,575.**J Accounting method ☒ Cash ☐ Accrual
☐ Other (specify) _____

(Part I, column (d) must be on cash basis.)

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 ☐**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)**(a) Revenue and expenses per books****(b) Net investment income****(c) Adjusted net income****(d) Disbursements for charitable purposes (cash basis only)**

1 Contributions, gifts, grants, etc., received (att sch)

2 Ck ☒ if the foundn is not req to att Sch B

3 Interest on savings and temporary cash investments

74.**74.****74.**

4 Dividends and interest from securities

94,407.**94,407.****94,407.**

5a Gross rents

b Net rental income or (loss)

L-6a Stmt

6a Net gain/(loss) from sale of assets not on line 10

799.

b Gross sales price for all assets on line 6a

717,522.

7 Capital gain net income (from Part IV, line 2)

799.

8 Net short-term capital gain

0.

9 Income modifications

10a Gross sales less returns and allowances

b Less: Cost of goods sold

c Gross profit/(loss) (att sch)

11 Other income (attach schedule)

12 **Total.** Add lines 1 through 11**95,280.****95,280.****94,481.**

13 Compensation of officers, directors, trustees, etc

6,500.**6,500.****6,500.**

14 Other employee salaries and wages

15 Pension plans, employee benefits

16a Legal fees (attach schedule) **L-16a Stmt****28,829.****28,829.****28,829.**b Accounting fees (attach sch) **L-16b Stmt****3,400.****3,400.****3,400.**c Other prof fees (attach sch) **L-16c Stmt****23,407.****23,407.****23,407.**

17 Interest

18 Taxes (attach schedule) (see instr) **See Line 18 Stmt****823.****506.****506.**

19 Depreciation (attach sch) and depletion

20 Occupancy

1,560.**1,560.****1,560.**

21 Travel, conferences, and meetings

5,978.**5,978.****5,978.**

22 Printing and publications

23 Other expenses (attach schedule)

See Line 23 Stmt

7,429.**7,429.****7,429.**24 **Total operating and administrative expenses.** Add lines 13 through 23**77,926.****77,609.****77,609.**

25 Contributions, gifts, grants paid

166,450.**166,450.**26 **Total expenses and disbursements.** Add lines 24 and 25**244,376.****77,609.****77,609.****166,450.**

27 Subtract line 26 from line 12:

a **Excess of revenue over expenses and disbursements****-149,096.**b **Net investment income** (if negative, enter -0-)**17,671.**c **Adjusted net income** (if negative, enter -0-)**16,872.**

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash — non-interest-bearing		13,287.	13,233.	13,233.
	2	Savings and temporary cash investments		81,557.	133,379.	133,379.
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)				
	7	Other notes and loans receivable (attach sch)				
		Less: allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments — U.S. and state government obligations (attach schedule) L-10a Stmt		628,936.	628,936.	671,514.
	b	Investments — corporate stock (attach schedule) L-10b Stmt		1,866,231.	1,886,958.	2,678,499.
	c	Investments — corporate bonds (attach schedule) L-10c Stmt		456,156.	234,670.	246,950.
	11	Investments — land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)					
12	Investments — mortgage loans					
13	Investments — other (attach schedule)					
14	Land, buildings, and equipment: basis					
	Less: accumulated depreciation (attach schedule)					
15	Other assets (describe)		72.			
16	Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)		3,046,239.	2,897,176.	3,743,575.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe) Excise tax			33.	
	23	Total liabilities (add lines 17 through 22)			33.	
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				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		3,046,239.	2,897,143.	
	30	Total net assets or fund balances (see the instructions)		3,046,239.	2,897,143.	
	31	Total liabilities and net assets/fund balances (see the instructions)		3,046,239.	2,897,176.	

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	3,046,239.
2	Enter amount from Part I, line 27a	2	-149,096.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	2,897,143.
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	2,897,143.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a FHLMC		P	04/18/07	01/15/10
b FHLMC		P	04/18/07	02/16/10
c Allstate Life Global		P	02/22/05	02/26/10
d Starbucks		P	various	03/16/10
e See Columns (a) thru (d)				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 1,451.	0.	1,449.	2.
b 1,158.	0.	1,157.	1.
c 100,000.	0.	99,578.	422.
d 37,830.	0.	39,499.	-1,669.
e See Columns (e) thru (h)	0.	573,174.	2,043.

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

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a			2.
b			1.
c			422.
d			-1,669.
e See Columns (i) thru (l)			2,043.

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	799.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6).	— [If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0- in Part I, line 8.]	3	

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

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

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

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

.. ☐ Yes☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2009	180,109.	3,316,598.	0.054305
2008	225,035.	3,898,301.	0.057726
2007	212,049.	4,487,879.	0.047249
2006	202,033.	4,266,407.	0.047354
2005	197,619.	4,168,056.	0.047413

2 Total of line 1, column (d)	2	0.254047
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	0.050809
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	3,532,958.
5 Multiply line 4 by line 3	5	179,506.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	177.
7 Add lines 5 and 6	7	179,683.
8 Enter qualifying distributions from Part XII, line 4	8	166,450.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	353.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	353.
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	353.
6 Credits/Payments.			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	320.	
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	320.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached.	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	33.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0.	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> 0. Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) <u>NE – Nebraska</u>		
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? <i>If 'No,' attach explanation</i>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses</i>		X

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Part VII-A Statements Regarding Activities (Continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>George Blazek, Trustee</u> Telephone no. <u>(402) 390-0390</u> Located at <u>8805 Indian Hills Drive, Suite 280, Omaha, NE</u> ZIP + 4 <u>68114</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
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	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country <u></u>			X

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see the instructions)	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. <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b 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	
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

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Part VII-B. Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

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

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

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

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

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?**Part VIII. Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Nicolas Nelson 611 Sunset Ridge Road Northfield IL 60093	President 5.00	1,000.	0.	1,226.
Susan Wirth 920 North 60th Road Nebr City NE 68410	Vice Pres 5.00	500.	0.	0.
George Blazek 8805 Indian Hills Drive Omaha NE 68114	Secretary 5.00	1,000.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		4,000.	0.	4,753.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
None				
None	0	0.00		
None				
None	0	0.00		
None				
None	0	0.00		
None				
None	0	0.00		
None				
None	0	0.00		

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

None

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
	None	
None		
	None	
None		
	None	
None		
	None	
None		
	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 N/A	
	0.
2 N/A	
	0.
3 N/A	
	0.
4 N/A	
	0.

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
	0.
2 N/A	
	0.
All other program-related investments. See instructions	
3	
See Line 3 Statement	0.
Total. Add lines 1 through 3	None

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Form 990-PF (2010)

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	1 a	3,438,565.
b	Average of monthly cash balances	1 b	148,194.
c	Fair market value of all other assets (see instructions)	1 c	0.
d	Total (add lines 1a, b, and c)	1 d	3,586,759.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	3,586,759.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	53,801.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,532,958.
6	Minimum investment return. Enter 5% of line 5	6	176,648.

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	176,648.
2a	Tax on investment income for 2010 from Part VI, line 5	2 a	353.
b	Income tax for 2010. (This does not include the tax from Part VI)	2 b	
c	Add lines 2a and 2b	2 c	353.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	176,295.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	176,295.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	176,295.

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	1 a	166,450.
b	Program-related investments — total from Part IX-B	1 b	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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	166,450.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	166,450.

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				176,295.
2 Undistributed income, if any, as of the end of 2010.				
a Enter amount for 2009 only			164,662.	
b Total for prior years 20__, 20__, 20__				
3 Excess distributions carryover, if any, to 2010				
a From 2005	0.			
b From 2006	0.			
c From 2007	0.			
d From 2008	0.			
e From 2009	0.			
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 166,450.				
a Applied to 2009, but not more than line 2a			164,662.	
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2010 distributable amount				
e Remaining amount distributed out of corpus	1,788.			
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	1,788.			
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				
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 instructions			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				176,295.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	1,788.			
10 Analysis of line 9				
a Excess from 2006	0.			
b Excess from 2007	0.			
c Excess from 2008	0.			
d Excess from 2009	0.			
e Excess from 2010	1,788.			

BAA

Form 990-PF (2010)

N/A

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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				
Make A Wish Foundation Omaha City NE 68102	None	Public	Fund their programs to help ill children	500.
National Arbor Day Fdn Nebraska City NE 68410	None	Public	Fund tree adventure program	7,500.
G A R Hall Nebr City NE 68410	None	Public	Fund roof replacement	6,600.
People United for Families-Otoe Cnty Nebr City NE 68410	None	Public	Operating expenses	2,000.
People United for Families Nebr City NE 68410	None	Public	Fund study of buddies program	5,000.
Nebraska City Public Schools Fdn Nebraska City NE 68410	None	Public	Buy Instruments for students	17,000.
Nebr City Public Sch Fdn Nebr City NE 68410	None	Public	Nebr City Apple program	2,000.
Team Mates Mentoring Program Lincoln NE 68501	None	Public	Fund mentoring programs	5,150.
Nebr City Community Fdn Nebr City NE 68410	None	Public	Fund dog park	2,000.
See Line 3a statement				118,700.
Total			3a	166,450.
b Approved for future payment				
None		0	0	
None				
None				0.
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) Related or exempt function income (see the instructions)
		(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments			14	74.	
4	Dividends and interest from securities			14	94,407.	
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			14	799.	0.
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)				95,280.	0.
13	Total. Add line 12, columns (b), (d), and (e)				13 95,280.	

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

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

[illegible]

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes (see the instructions)	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Fdn. excise tax	317.			
Foreign taxes	506.	506.	506.	
Total	823.	506.	506.	

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Contract admin fees	5,466.	5,466.	5,466.	
Telephone	812.	812.	812.	
Office supplies	355.	355.	355.	
Insurance	796.	796.	796.	
Moving expense				
Total	7,429.	7,429.	7,429.	

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income

Columns (a) thru (d)

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
FHLMC	P	04/18/07	03/15/10
FHLMC	P	04/18/07	04/15/10
Sysco	P	05/11/06	04/18/10
FHLMC	P	04/18/07	05/17/10
BB&T Corp	P	12/18/09	06/11/10
FHLMC	P	04/18/07	06/15/10
Pfizer	P	05/01/08	06/11/10
Quest Diagnostics	P	07/22/03	06/11/10
Target	P	06/06/00	06/11/10
Travelers	P	02/24/03	06/11/10
Walgreen's	P	06/23/03	06/11/10
FHLMC	P	04/18/07	07/15/10
Frontier Comm	P	12/10/01	07/21/10
Emerson Electric	P	08/18/00	08/16/10
FHLMC	P	04/18/07	08/16/10
Frontier Comm	P	12/10/01	08/06/10
FHLMC	P	04/18/07	09/15/10
Harsco	P	06/08/10	09/01/10
Ball Corp	D	02/28/97	10/22/10
FHLMC	P	04/18/07	10/15/10
FHLMC	P	04/18/07	11/15/10
FHLMC	P	04/18/07	12/15/10
Amex Fin Select	P	05/01/08	12/27/10
Apollo Group	P	04/26/10	12/13/10
General Electric	P	08/07/01	12/31/10
Level III Comm	P	05/30/06	12/27/10
Verizon Comm	P	12/10/01	12/27/10
Monsanto	P	02/11/10	12/27/10

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (a) thru (d)

Continued

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
Class action suit receivables	P	various	12/31/10

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (e) thru (h)

(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)
4,639.	0.	4,633.	6.
1,472.	0.	1,470.	2.
29,820.	0.	29,950.	-130.
1,386.	0.	1,384.	2.
28,750.	0.	25,340.	3,410.
1,313.	0.	1,311.	2.
21,585.	0.	30,373.	-8,788.
41,137.	0.	23,920.	17,217.
20,864.	0.	12,212.	8,652.
24,185.	0.	15,156.	9,029.
36,465.	0.	35,945.	520.
1,434.	0.	1,433.	1.
0.	0.	0.	0.
100,000.	0.	99,952.	48.
1,534.	0.	1,533.	1.
1,840.	0.	2,739.	-899.
20,671.	0.	25,289.	-4,618.
61,839.	0.	6,297.	55,542.
1,801.	0.	1,799.	2.
1,793.	0.	1,791.	2.
2,133.	0.	2,131.	2.
28,278.	0.	43,704.	-15,426.
22,877.	0.	37,518.	-14,641.
36,359.		72,178.	-35,819.
21,216.	0.	23,295.	-2,079.
34,770.	0.	41,809.	-7,039.
26,721.	0.	30,012.	-3,291.
335.	0.	0.	335.
0.	0.	0.	0.
Total	0.	573,174.	2,043.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (i) thru (l)Complete only for assets showing gain in column (h) and owned
by the foundation on 12/31/69

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (column (h) gain minus column (k), but not less than -0-) or losses (from column (h))
			6.

Form 990-PF, Part IV, Capital Gains and Losses for Tax on Investment Income
Columns (i) thru (l)

Continued

Complete only for assets showing gain in column (h) and owned
by the foundation on 12/31/69(l) Gains (column (h)
gain minus column (k),
but not less than -0-)
or losses (from
column (h))

(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (column (h) gain minus column (k), but not less than -0-) or losses (from column (h))
			2.
			-130.
			2.
			3,410.
			2.
			-8,788.
			17,217.
			8,652.
			9,029.
			520.
			1.
			0.
			48.
			1.
			-899.
			-4,618.
			55,542.
			2.
			2.
			2.
			-15,426.
			-14,641.
			-35,819.
			-2,079.
			-7,039.
			-3,291.
			335.
			0.
Total			2,043.

Form 990-PF, Page 6, Part VIII, Line 1

Information about Officers, Directors, Trustees, Etc.

(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
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> Andrew Grier 2039 South 86th Avenue Omaha NE 68124	Treasurer 5.00	1,000.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> Ren Nelson 6000 Burnside Road Sebastopol CA 95472	Trustee 5.00	1,000.	0.	3,253.

Form 990-PF, Page 6, Part VIII, Line 1

Continued

Information about Officers, Directors, Trustees, Etc.

(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
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> Catherine Hannebert 4134 West 107th Drive Westminster CO 80031	Trustee 5.00	500.	0.	1,500.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> Haeven H Pedersen Jr 136 ArborView Drive Nebr City NE 68410	Trustee 5.00	500.	0.	0.
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> Sara Crook 6919 R Road Peru NE 68421	Trustee 5.00	1,000.	0.	0.

Total

4,000. 0. 4,753.

Form 990-PF, Page 7, Part IX-B, Summary of Program Related Investments

Line 3 Statement

All other program-related investments. See instructions

N/A

0.

N/A

0.

N/A

N/A

0.

N/A

N/A

N/A

0.

N/A

N/A

N/A

0.

N/A

N/A

N/A

0.

N/A

N/A

N/A

0.

N/A

N/A

N/A

0.

N/A

N/A

N/A

0.

N/A

Form 990-PF, Page 7, Part IX-B, Summary of Program Related Investments

Continued

Line 3 Statement

All other program-related investments. See instructions	
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
0	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
N/A	
N/A	
N/A	0.
n/a	
	0.

Total

0.

Form 990-PF, Page 11, Part XV, line 3a

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a Paid during the year				
Nebr City Public Schools			Fund after	Person or
Nebr	None	Public	school clubs	Business <input checked="" type="checkbox"/>
City NE 68410				5,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
a Paid during the year				
Nebraska City Public Schools Nebr City NE 68410	None	Public	Fund arts program	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 6,900.
City Of Nebr City Nebr City NE 68410	None	Public	Fund arts program	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 3,000.
ESU #4 Nebr City NE 68410	None	Public	Fund education program DVD's	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 12,000.
Friends of Arbor Lodge Nebr City NE 68410	None	Public	Fund building walkways	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 7,000.
University of Nebr Foundation Lincoln NE 68501	None	Public	General scholarship fund	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 8,000.
Nebr City Historical Society Nebr City NE 68410	None	Public	Fund operating expenses	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 6,000.
Wildewood Period House Nebr City NE 68410	None	Public	Fund painting project	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 9,000.
Nebr City Community Foundation Nebr City NE 68410	None	Public	Fund museum diretor position	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 10,000.
Morton James Public Library Nebr City NE 68410	None	Public	Operating expenses	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 1,500.
St. Mary's Community Hospital Nebr City NE 68410	None	Public	Fund "great kids" program	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 10,000.
Mayhew Cabin & Hist Village Fdn Nebr City NE 68410	None	Public	Fence	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 5,000.
City of Nebr City Nebr City NE 68410	None	Public	Missoula Children's Theater	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 2,800.
Friends of Arbor Lodge Nebr City NE 68410	None	Public	Fund fine arts show	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 1,000.
Historical Preserv Soc of NC Vol Fire Dept Nebr City NE 68410	None	Public	Education center	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 10,000.
Syracuse Foundation Syracuse NE	None	Public	Museum	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/> 3,000.

Form 990-PF, Page 11, Part XV, line 3a

Continued

Line 3a statement

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Founda- tion status of re- cipient	Purpose of grant or contribution	Person or Business Checkbox Amount
<i>a Paid during the year</i>				
Mayhew Cabin & Hist Village Foundation	-----	-----	Fund education program	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/>
Nebr City NE 68410	None	Public		3,000.
Otoe County Respite & Companion Program	-----	-----	Operating costs	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/>
Nebr City NE 68410	None	Public		5,000.
Girls Scouts Spirit of Nebr City	-----	-----	Camp Catron	Person or <input type="checkbox"/> Business <input type="checkbox"/>
Nebr City NE 68410	none	Public		10,000.
Limelight Community Stage	-----	-----	Fund purchase of a set	Person or <input type="checkbox"/> Business <input checked="" type="checkbox"/>
Nebr City NE 68410	None	Public		500.

Total

118,700.

Form 990-PF, Page 1, Part I

Line 16a - Legal Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Ellick, Jones, Buel	Legal	28,829.			

Total

28,829.

Form 990-PF, Page 1, Part I

Line 16b - Accounting Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Joyce Swanson, CPA	Return preparation and	3,400.			

Total

3,400.

Form 990-PF, Page 1, Part I

Line 16c - Other Professional Fees

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
Wells Fargo	Trust services, invest	0.			
Omaha, NE	portfoliomangement	23,407.			
Total		<u>23,407.</u>			

Form 990-PF, Page 2, Part II, Line 10a

L-10a Stmt

Line 10a - Investments - US and State Government Obligations:	End of Year		End of Year	
	State and Local Obligations Book Value	State and Local Obligations FMV	US Government Obligations Book Value	US Government Obligations FMV
\$100M Fed Home Bank DTD 11-22-02, 4			99,683.	107,125.
\$ 175M Fed Natl Mtg Assn , DTD 11-2			179,323.	182,539.
100M Fed Natl Mtg DTD 03/26/02, 6.1			103,305.	106,708.
\$100M US Treasury Notes, DTD 02-18-			96,969.	106,852.
\$100M US Treasury Note DTD 05-15-04			99,656.	111,695.
50M Fed Natl Mtg Assn DTD 03/30/05, 5			50,000.	56,595.
Total			<u>628,936.</u>	<u>671,514.</u>

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
800 shs Johnson & Johnson	30,049.	49,480.
700 shs Abbott Labs	32,871.	33,537.
1,000 shs Microsoft	24,422.	27,910.
400 shs Nestle	18,636.	23,528.
1,000 shs Hewlett Packard	28,566.	42,100.
500 shs Teva Pharmaceuticals	29,308.	26,065.
1,000 shs Target Corp	30,530.	60,130.
600 shs Fiserve	19,146.	35,136.
1,400 shs Chevron Texaco Corp	50,866.	127,750.
1,600 shs Exxon Mobil	60,903.	116,992.
3,000 shs Ball Corp	18,891.	204,150.
400 shs Visa	22,132.	28,152.
800 shs Ecolab	28,755.	40,336.
1,000 shs Vanguard REIT Viper	62,229.	55,370.
1500 shs Iron Mountain	36,090.	37,515.
300 3M Corp	25,964.	25,890.
1000 shs Walmart	52,499.	53,930.

Form 990-PF, Page 2, Part II, Line 10b

Continued

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
1132 shs Bank of New York Mellon	35,422.	34,186.
900 shs Pepsico	37,188.	58,797.
1000 shs Travelers	25,243.	55,710.
3,000 shs Comcast Corp	62,932.	62,430.
2,000 shs Walt Disney	50,569.	75,020.
3,200 shs I Shares MSCI	173,512.	173,610.
600 shs Kraft Foods	18,018.	18,906.
300 shs Proctor & Gamble	18,879.	19,299.
1,500 shs Intel Corp	32,940.	31,545.
200 shs Apache Corp	17,526.	23,846.
700 shs Carnival Corp	27,188.	32,277.
700 shs Nextera Energy	28,350.	36,393.
325 shs BHP Billiton Ltd	28,474.	30,199.
1000 shs Union Pacific Corp	28,625.	92,660.
700 shs AFLAC	28,714.	39,501.
8,400.83 shs Wells Fargo Small Cap Oppor	227,621.	287,561.
1000 shs CVS/Caremark Corp	31,530.	34,770.
400 shs Affiliated Managers Group	26,612.	39,688.
700 shs Gilead Sciences	27,937.	25,368.
1200 shs EMC Corp Mass	21,576.	27,480.
500 Shs Novartis AG	27,240.	29,475.
750 shs Plumb Creek Timber	27,375.	28,088.
500 shs Kohl's	27,124.	27,170.
600 shs NIKE	26,844.	51,252.
400 shs Diageo PLC	32,907.	29,732.
900 shs Baker Hughes	48,597.	51,453.
500 shs Berkshire Hathaway B	32,279.	40,055.
800 shs J P Morgan Chase	32,363.	33,936.
1000 shs Vodaphone	19,596.	26,440.
1000 shs United Healthcare Group	32,930.	36,110.
700 shs Cooper Industries	30,715.	40,803.
300 shs Apple	28,275.	96,768.
Total	<u>1,886,958.</u>	<u>2,678,499.</u>

Form 990-PF, Page 2, Part II, Line 10c

L-10c Stmt

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
50M Catepillar Fin Serv DTD 09/26/08 due 09/30/2013	49,947.	56,134.
75M Citigroup DTD 02/27/2005 due 02/27/2012	74,798.	78,175.
41M Federal Home Loan Mtg	35,240.	37,323.

2.2

Form 990-PF, Page 2, Part II, Line 10c

Continued

L- 10c Stmt

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
\$75M WalMart Stores, DTD 02-18-04, 4.125% due 02-15-2011	74,685.	75,318.
Total	<u>234,670.</u>	<u>246,950.</u>

42-20
M. AND RECORDS
PAGE 6-7-22
ARTICLES OF INCORPORATION
OF
THE KARL E. AND WEALTHE E. NELSON FAMILY FOUNDATION

Secretary of State

912 25.00

The undersigned incorporators, desiring to become incorporated for the charitable purposes stated in these Articles, pursuant to the laws of the State of Nebraska, and for no other purpose, hereby adopt these Articles of Incorporation:

ARTICLE I.

The name of the corporation shall be The Karl E. and Wealtha E. Nelson Family Foundation.

ARTICLE II.

The principal place of business of the corporation shall be in the City of Nebraska City, Otoe County, Nebraska.

ARTICLE III.

The purposes of this corporation are to receive and administer funds exclusively for charitable, religious, educational and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE IV.

In fulfilling the above purposes, the corporation shall conduct its affairs in accordance with the following standards:

1. The corporation shall distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

2. The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal

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Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

3. The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

4. The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

ARTICLE V.

No part of the assets or net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III above. No part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE VI.

The corporation shall commence business on the day

these Articles are filed with the Secretary of State of the State of Nebraska, and shall exist perpetually.

ARTICLE VII.

The corporation shall have no stock of any kind or character, and shall declare no dividends.

ARTICLE VIII.

The names and address of each incorporator is as follows:

Wealtha E. Nelson	801 Third Corso Nebraska City, NE 68410
William J. Roker	502 South 14th Street Nebraska City, NE 68410
Glenn A. Ried	10010 Regency Circle - Suite 200 Omaha, NE 68114

ARTICLE IX.

The affairs of the corporation shall be conducted by a Board of Trustees of at least three, and not more than nine individuals. The following individuals shall constitute the Board of Trustees of the corporation to hold office until their successors are designated in the manner herein provided:

Wealtha E. Nelson	801 Third Corso Nebraska City, NE 68410
William J. Roker	502 South 14th Street Nebraska City, NE 68410
Glenn A. Ried	10010 Regency Circle - Suite 200 Omaha, NE 68114

Wealtha E. Nelson shall be a permanent trustee of the corporation during her lifetime. The Board of Trustees shall consist of seven individuals, unless otherwise directed by Bylaws adopted by the Board of Trustees. The Board of Trustees shall meet annually on the 2nd Monday of October, or on the succeeding day if such date shall fall on Sunday, and at said time shall elect the trustees who do not hold office permanently for the succeeding year. The Board of Trustees shall also adopt Bylaws

which shall control the operation of the corporation in all respects not specifically provided for in these Articles.

The officers of the corporation shall consist of a President, Vice President, Secretary and Treasurer. Any two offices may be held by the same person. Officers of the corporation shall be elected annually by the Board of Trustees.

ARTICLE X.

The initial registered office of the corporation shall be 801 Third Corso; Nebraska City, Nebraska 68410, and the initial registered agent at such address shall be Wealtha E. Nelson, 801 Third Corso, Nebraska City, NE 68410.

ARTICLE XI.

These Articles of Incorporation may be amended from time to time by the Board of Trustees at any regular meeting of the Board, or at any meeting called especially for that purpose, provided that such amendment does not change the non-profit and charitable character of the corporation. Neither shall any amendment modify the general purpose of the corporation, as stated in these Articles. No amendment to these Articles shall be valid or effective unless adopted by a two-thirds vote of the Board of Trustees, and further, unless such amendment is specifically approved by the permanent trustee.

The corporation may be dissolved by the Board of Trustees at any regular meeting, or at a meeting called specifically for that purpose, if such dissolution is approved by the permanent trustee and receives an affirmative vote of two-thirds of the members of the Board of Trustees. Upon the dissolution of the corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization

Miscellaneous StatementGrant guidelines addendum

The foundation trustees have approved an
addendum to the grant guidelines asking
for the applicant organization's officers
to certify that the organization is exempt
from tax and that the organization will
notify the foundation if there is any change
made to its tax exempt status.

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