Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2010

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

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

Name of foundation: LOCKTON FAMILY FOUNDATION

A Employer identification number: 48-1135485

Number and street (or P O box number if mail is not delivered to street address): 444 W. 47TH STREET

Room/suite: 900

B Telephone number (see page 10 of the instructions): (816) 960-9082

City or town, state, and ZIP code: KANSAS CITY,, MO 64112

C If exemption application is pending, check here ▶ [ ]

D 1 Foreign organizations, check here ▶ [ ]

2 Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 1,590,149.

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

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

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

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	598,443.			
	2	Check ▶ [ ] if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	4.	4.		ATCH 1
	4	Dividends and interest from securities	24,116.	24,116.		ATCH 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	226,644.			
	b	Gross sales price for all assets on line 6a 768,088.				
	7	Capital gain net income (from Part IV, line 2)		226,644.		
	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) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	849,207.	250,764.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule) ATCH 3	76.	76.	0.	0.
	b	Accounting fees (attach schedule) ATCH 4	2,500.	1,250.	0.	1,250.
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) **	502.			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 6	5,779.	5,337.		442.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	8,857.	6,663.	0.	1,692.
	25	Contributions, gifts, grants paid	10,000.			10,000.
	26	Total expenses and disbursements Add lines 24 and 25	18,857.	6,663.	0.	11,692.
	27	Subtract line 26 from line 12				
	a	Excess of revenue over expenses and disbursements	830,350.			
	b	**Net investment income** (if negative, enter -0-)		244,101.		
	c	**Adjusted net income** (if negative, enter -0-)				

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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	7,182.	5,133.	5,133.
2	Savings and temporary cash investments	19,659.	612,985.	612,985.
3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10 a	Investments - U S and state government obligations (attach schedule)			
b	Investments - corporate stock (attach schedule) ATCH 7	618,530.	705,317.	705,317.
c	Investments - corporate bonds (attach schedule) ATCH 8	222,437.	266,714.	266,714.
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 ▶)			
16	**Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	867,808.	1,590,149.	1,590,149.
Liabilities 17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)		0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ X			
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	867,808.	1,590,149.	
30	**Total net assets or fund balances** (see page 17 of the instructions)	867,808.	1,590,149.	
31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	867,808.	1,590,149.	

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	867,808.
2	Enter amount from Part I, line 27a	2	830,350.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,698,158.
5	Decreases not included in line 2 (itemize) ▶ ATTACHMENT 9	5	108,009.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,590,149.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	SEE PART IV SCHEDULE			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 } — 2 — 226,644.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)
If (loss), enter -0- in Part I, line 8 — 3

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	3,153.	732,229.	0.004306
2008	272,638.	1,132,612.	0.240716
2007	3,845.	1,265,934.	0.003037
2006	648.	378,754.	0.001711
2005	1,633,427.	1,352,515.	1.207696

2	**Total** of line 1, column (d)	2	1.457466
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	0.291493
4	Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	913,085.
5	Multiply line 4 by line 3	5	266,158.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,441.
7	Add lines 5 and 6	7	268,599.
8	Enter qualifying distributions from Part XII, line 4	8	11,692.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ____________ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	4,882.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	4,882.
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	4,882.
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010 — 6a: 1,377.		
b	Exempt foreign organizations-tax withheld at source — 6b: 0.		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 0.		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	1,377.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	3,505.
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** ▶ 0. **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ ______ (2) On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
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		
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ MO,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10	X	

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

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ CHERYL L. WILLIAMS Telephone no ▶ 816-960-9082

Located at ▶ 444 W. 47TH ST. SUITE 900 KANSAS CITY, MO ZIP + 4 ▶ 64112

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

		Line	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.

			Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?		1b		
	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		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010?	☐ Yes ☒ No			
	If "Yes," list the years ▶				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see page 22 of the instructions.)		2b		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)*		3b		X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?		4b		X

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

		Yes	No
5a	During the year did the foundation pay or incur any amount to:		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? . . . . . . ☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? . . . ☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? . . . ☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) . . . ☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? . . . ☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? . . . **5b**		
	Organizations relying on a current notice regarding disaster assistance check here . . . ▶ ☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . ☐ Yes ☐ No *If "Yes," attach the statement required by Regulations section 53 4945-5(d)*		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . ☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . **6b** *If "Yes" to 6b, file Form 8870*		X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? . . ☐ Yes ☒ No		
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? . . . **7b**		X

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 10		0.	0.	0.

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

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

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 page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		0.

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	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	0.
2	
All other program-related investments See page 24 of the instructions	
3 NONE	0.
Total. Add lines 1 through 3 . . . . ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes		
a	Average monthly fair market value of securities	1a	877,360.
b	Average of monthly cash balances	1b	49,630.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0.
d	**Total** (add lines 1a, b, and c)	1d	926,990.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	926,990.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	13,905.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	913,085.
6	**Minimum investment return.** Enter 5% of line 5	6	45,654.

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

1	Minimum investment return from Part X, line 6			1	45,654.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	4,882.		
b	Income tax for 2010 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	4,882.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	40,772.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	40,772.
6	Deduction from distributable amount (see page 25 of the instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	40,772.

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes		
a	Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	11,692.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	11,692.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	11,692.

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

Part XIII Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1	Distributable amount for 2010 from Part XI, line 7				40,772.
2	Undistributed income, if any, as of the end of 2010				
a	Enter amount for 2009 only				
b	Total for prior years 20 08 ,20 07 ,20 06		0.		
3	Excess distributions carryover, if any, to 2010				
a	From 2005 1,566,487.				
b	From 2006				
c	From 2007				
d	From 2008 216,478.				
e	From 2009 3,153.				
f	Total of lines 3a through e	1,786,118.			
4	Qualifying distributions for 2010 from Part XII, line 4 ▶ $ 11,692.				
a	Applied to 2009, but not more than line 2a				
b	Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c	Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d	Applied to 2010 distributable amount				11,692.
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).)*	29,080.			29,080.
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,757,038.			
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 page 27 of the instructions		0.		
e	Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f	Undistributed income for 2010. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8	Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	1,537,407.			
9	**Excess distributions carryover to 2011.** Subtract lines 7 and 8 from line 6a	219,631.			
10	Analysis of line 9				
a	Excess from 2006				
b	Excess from 2007				
c	Excess from 2008 216,478.				
d	Excess from 2009 3,153.				
e	Excess from 2010				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

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

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

1 **Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

Check here ▶ [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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ATTACHMENT 11				
Total ▶ 3a				10,000.
b *Approved for future payment*				
NONE				0.
Total ▶ 3b				0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	4.	
4 Dividends and interest from securities			14	24,116.	
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	226,644.	
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)				250,764.	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 250,764.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
	NOT APPLICABLE

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

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

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

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

Cheryl Lockton Williams

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
Nicola L Wright	Nicola L Wright	4/28/11		P01053352

Firm's name ▶ JMW & ASSOCIATES, LLC — Firm's EIN ▶ 57-1224592

Firm's address ▶ 5700 BROADMOOR ST., SUITE 203 MISSION, KS 66202 — Phone no 913-499-4920

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

Schedule of Contributors

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

OMB No 1545-0047

2010

Name of the organization
LOCKTON FAMILY FOUNDATION

Employer identification number
48-1135485

Organization type (check one)

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization LOCKTON FAMILY FOUNDATION

Employer identification number 48-1135485

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	CHERYL L. WILLIAMS 5825 OVERHILL MISSION, KS 66205	$ 277,707.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
2	CHERYL L. WILLIAMS 5825 OVERHILL MISSION, KS 66205	$ 320,736.	Person [X] Payroll [ ] Noncash [X] (Complete Part II if there is a noncash contribution)

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

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

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

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

Name of organization LOCKTON FAMILY FOUNDATION

Employer identification number 48-1135485

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
2	SEE STATEMENT C	$ 320,736.	12/09/2010
		$	
		$	
		$	
		$	
		$	

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

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					726.	
		SMITH BARNEY - SEE STMT A					VARIOUS	VARIOUS
107,715.		95,633.					12,082.	
		SMITH BARNEY - SEE STMT A					VARIOUS	VARIOUS
341,559.		366,755.					-25,196.	
		414 SHS APPLE INC					VARIOUS	12/10/2010
131,969.		31,801.					100,168.	
		766 SHS ARM HOLDINGS PLC ADR					08/12/2009	12/10/2010
14,411.		4,795.					9,616.	
		71 SHS INTUITIVE SURGICAL INC					08/31/2005	12/10/2010
18,432.		5,187.					13,245.	
		919 SHS LAS VEGAS SANDS CORP					11/21/2008	12/10/2010
42,065.		2,822.					39,243.	
		757 SHS SALESFORCE.COM INC					VARIOUS	12/10/2010
111,211.		34,451.					76,760.	
TOTAL GAIN(LOSS)							226,644.	

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
COMMERCE BANK	4.	4.
TOTAL	4.	4.

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

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
SMITH BARNEY - 0776C		24,098.	24,098.
SMITH BARNEY - 11313		18.	18.
	TOTAL	24,116.	24,116.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
LATHROP & GAGE	76.	76.		
TOTALS	76.	76.	0.	0.

ATTACHMENT 4

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
JMW & ASSOCIATES	2,500.	1,250.		1,250.
TOTALS	2,500.	1,250.	0.	1,250.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
FOREIGN TAXES PAID	502.
TOTALS	502.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
CONSULTING/ADVISORY FEES	5,315.	5,315.	
WEB HOSTING FEE	442.		442.
BANK FEES	22.	22.	
TOTALS	5,779.	5,337.	442.

ATTACHMENT 7

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
SMITH BARNEY 0776C - SEE STMT B	618,530.	705,317.	705,317.
TOTALS	618,530.	705,317.	705,317.

ATTACHMENT 8

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
SMITH BARNEY 0776C - SEE STMT B	222,437.	266,714.	266,714.
TOTALS	222,437.	266,714.	266,714.

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION		AMOUNT
UNREALIZED G/L		108,009.
	TOTAL	108,009.

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

ATTACHMENT 10

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
CHERYL L. WILLIAMS 5825 OVERHILL MISSION, KS 66205	TRUSTEE 2.00	0.	0.	0.
	GRAND TOTALS	0.	0.	0.

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

ATTACHMENT 11

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
BOY SCOUTS 10210 HOLMES ROAD KANSAS CITY, MO 64131	NONE 501(C)(3)	CIVIC	10,000.
		TOTAL CONTRIBUTIONS PAID	10,000.

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

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

OMB No 1545-0092

2010

Name of estate or trust: LOCKTON FAMILY FOUNDATION

Employer identification number: 48-1135485

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

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

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

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	12,082.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet	4	( )
5 **Net short-term gain or (loss).** Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	12,082.

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

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

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	213,836.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	726.
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet	11	( )
12 **Net long-term gain or (loss).** Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	214,562.

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

Part III Summary of Parts I and II **Caution:** *Read the instructions before completing this part.*		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13 **Net short-term gain or (loss)**	13			12,082.
14 **Net long-term gain or (loss):**				
a Total for year	14a			214,562.
b Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c 28% rate gain	14c			
15 **Total net gain or (loss).** Combine lines 13 and 14a ▶	15			226,644.

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

Part IV Capital Loss Limitation

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

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

Part V Tax Computation Using Maximum Capital Gains Rates

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

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

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

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

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . 17

18 Enter the **smaller** of line 14a or 15 in column (2) but not less than zero . . . 18

19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . 19

20 Add lines 18 and 19 . . . 20

21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶ 21

22 Subtract line 21 from line 20 If zero or less, enter -0- . . . 22

23 Subtract line 22 from line 17 If zero or less, enter -0- . . . 23

24 Enter the **smaller** of the amount on line 17 or $2,300 . . . 24

25 Is the amount on line 23 equal to or more than the amount on line 24?
☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box
☐ **No.** Enter the amount from line 23 . . . 25

26 Subtract line 25 from line 24 . . . 26

27 Are the amounts on lines 22 and 26 the same?
☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the smaller of line 17 or line 22 . . . 27

28 Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . 28

29 Subtract line 28 from line 27 . . . 29

30 Multiply line 29 by 15% (15) . . . 30

31 Figure the tax on the amount on line 23 Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . 31

32 Add lines 30 and 31 . . . 32

33 Figure the tax on the amount on line 17 Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . 33

34 **Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . 34

SCHEDULE D-1
(Form 1041)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

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

OMB No 1545-0092

2010

Name of estate or trust: LOCKTON FAMILY FOUNDATION

Employer Identification number: 48-1135485

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a SMITH BARNEY - SEE STMT A	VARIOUS	VARIOUS	107,715.	95,633.	12,082.

1b **Total.** Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . 12,082.

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

JSA
0F1221 1 000

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

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price (see page 4 of the instructions)	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a SMITH BARNEY - SEE STMT A	VARIOUS	VARIOUS	341,559.	366,755.	-25,196.
414 SHS APPLE INC	VARIOUS	12/10/2010	131,969.	31,801.	100,168.
766 SHS ARM HOLDINGS PLC ADR	08/12/2009	12/10/2010	14,411.	4,795.	9,616.
71 SHS INTUITIVE SURGICAL INC	08/31/2005	12/10/2010	18,432.	5,187.	13,245.
919 SHS LAS VEGAS SANDS CORP	11/21/2008	12/10/2010	42,065.	2,822.	39,243.
757 SHS SALESFORCE.COM INC	VARIOUS	12/10/2010	111,211.	34,451.	76,760.

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . . 213,836.

Ref 00008998 00069955

MorganStanley SmithBarney

Private Wealth Management Statement
2010 Year End Summary

THE LOCKTON FAMILY FOUNDATION

Account Number 183-0776C-15 333

Details of Earnings 2010 - continued

Dividends and Distributions, Section 2

Amounts displayed for dividends include dividend reinvestments, money fund earnings, accrued dividends received and dividends exempt from Federal income tax.

Reference number	Description	Nondividend distributions	Foreign tax paid	Cash liquidation distributions	Non cash liquidation distributions	Investment expense	NRA Withholding
160001300	921943858000 VANGUARD EUROPE PACIFIC ETF THIS AMOUNT INCLUDES TAXES PAID TO A FOREIGN GOVERNMENT A PORTION OF THIS INCOME HAS BEEN RECLASSIFIED		$ 249 69				
160001400	922042858000 VANGUARD EMERGING MARKETS ETF THIS AMOUNT INCLUDES TAXES PAID TO A FOREIGN GOVERNMENT A PORTION OF THIS INCOME HAS BEEN RECLASSIFIED		251 94				
Totals			**$ 501.63**				

Details of Short Term Gain (Loss) 2010

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	213	ISHARES BARCLAYS TREAS INFLATION PROTECTED SECS FD MorganStanley SmithBarney LLC acted as your agent	08/21/09	06/04/10	$ 22,524 11	$ 21,656 05		$ 868.06
125000120	17	ISHARES JP MORGAN EM BOND FD MorganStanley SmithBarney LLC acted as your agent in this transaction	06/04/10	07/23/10	1,818 53	1,735 72		82.81

2010 YEAR END SUMMARY

STATEMENT A

Private Wealth Management Statement
2010 Year End Summary

THE LOCKTON FAMILY FOUNDATION

Account Number 183-0776C-15 333

Details of Short Term Gain (Loss) 2010 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000130	139	ISHARES JP MORGAN EM BOND FD MorganStanley SmithBarney LLC acted as your agent in this transaction.	06/04/10	11/19/10	$ 15,248 14	$ 14,192 05		$ 1,056 09
125000140	45	SPDR SERIES TR BARCLAYS HIGH YIELD BD ETF MorganStanley SmithBarney LLC acted as your agent	06/04/10	07/23/10	1,766 26	1,683 45		82.81
125000150	20	SPDR LEHMAN INTL TREASURY BOND FUND MorganStanley SmithBarney LLC acted as your agent	06/04/10	07/23/10	1,119 12	1,055 80		63 32
125000180	146	VANGUARD EUROPE PACIFIC ETF MorganStanley SmithBarney LLC acted as your agent in this transaction	06/04/10	07/23/10	4,667.54	4,373 14		294.40
125000190	119	VANGUARD EUROPE PACIFIC ETF MorganStanley SmithBarney LLC acted as your agent in this transaction.	06/04/10	11/19/10	4,286 32	3,564 41		721.91
125000220	133	VANGUARD INTL EQUITY INDEX FD VANGUARD PACIFIC ETF MorganStanley SmithBarney LLC acted as your agent	08/21/09	06/04/10	6,379 89	6,780 34	(400.45)	
125000240	1,048	VANGUARD REIT ETF MorganStanley SmithBarney LLC acted as your agent in this transaction.	08/21/09	06/04/10	49,904 91	40,591 61 R		9,313 30
Total					$ 107,714 82	$ 95,632 57	($ 400.45)	$ 12,482.70

12,082.25

2010 YEAR END SUMMARY

STATEMENT A

Ref 00008998 00069957

MorganStanley SmithBarney

Private Wealth Management Statement
2010 Year End Summary

THE LOCKTON FAMILY FOUNDATION

Account Number 183-0776C-15 333

Details of Long Term Gain (Loss) 2010

This section shows your sales of securities during the year. The "Sale Proceeds" column excludes any accrued income you may have received. In addition, although cash in lieu less than $20 is not included on Form 1099-B (if applicable), it is included in this section. Please note, this material is being prepared for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor.

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
125000010	367	ISHARES BARCLAYS TREAS	09/19/08	06/04/10	$ 38,809 15	$ 38,108 71		$ 700 44
	4	INFLATION PROTECTED SECS FD	09/23/08		422 99	413 65		9 34
	35	MorganStanley SmithBarney LLC	04/17/09		3,701 15	3,525 61		175 54
		acted as your agent						
125000020	266	ISHARES RUSSELL MIDCAP VALUE	01/18/08	06/04/10	10,038 72	11,117.73	(1,079.01)	
	507	INDEX FD	04/14/08		19,133 95	22,189 70	(3,055 75)	
		MorganStanley SmithBarney LLC						
		acted as your agent						
125000030	78	ISHARES RUSSELL MIDCAP VALUE	04/14/08	07/23/10	2,998 27	3,413.80	(415.53)	
	130	INDEX FD	09/19/08		4,997 11	5,666 89	(669.78)	
		MorganStanley SmithBarney LLC						
		acted as your agent						
125000040	54	ISHARES RUSSELL MIDCAP GROWTH	07/20/07	06/04/10	2,508 17	3,195 16	(686.99)	
	2	INDEX FD	10/19/07		92 90	116.50	(23.60)	
	64	MorganStanley SmithBarney LLC	12/17/07		2,972 65	3,608 00	(635.35)	
	308	acted as your agent	01/18/08		14,305 86	15,374 67	(1,068 81)	
	210		04/14/08		9,753 99	10,869 23	(1,115 24)	
125000050	33	ISHARES RUSSELL MIDCAP GROWTH	04/14/08	11/19/10	1,745 50	1,708 02		37.48
		INDEX FD						
		MorganStanley SmithBarney LLC						
		acted as your agent						
125000060	376	ISHARES RUSSELL 1000 VALUE IND	10/29/08	07/23/10	21,394 78	19,567 04		1,827.74
		FUND						
		MorganStanley SmithBarney LLC						
		acted as your agent						
125000070	85	ISHARES RUSSELL 1000 GROWTH	10/29/08	11/19/10	4,634 97	3,301 40		1,333 57
		INDEX FUND						
		MorganStanley SmithBarney LLC						
		acted as your agent						
125000080	36	ISHARES TR RUSSELL 2000 VALUE	07/20/07	06/04/10	2,175 03	2,955 58	(780.55)	
	16	INDEX FUND	09/21/07		966 68	1,259.36	(292.68)	
	14	MorganStanley SmithBarney LLC	10/19/07		845 84	1,063 86	(218 02)	
	53	acted as your agent	12/17/07		3,202 13	3,709 79	(507.66)	
	25		01/18/08		1,510 44	1,564.27	(53 83)	

2010 YEAR END SUMMARY

STATEMENT A

Ref 00008998 00069958

MorganStanley SmithBarney

Private Wealth Management Statement
2010 Year End Summary

THE LOCKTON FAMILY FOUNDATION

Account Number 183-0776C-15 333

Details of Long Term Gain (Loss) 2010 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
	192		04/14/08		$ 11,600 15	$ 12,656 68	($ 1,056 53)	
	95		09/19/08		5,739 66	6,946 40	(1,206 74)	
	75		03/17/09		4,531 31	2,719.79		1,811 52
	103		04/17/09		6,223 00	4,588 56		1,634 44
125000090	3	ISHARES TR RUSSELL 2000 VALUE INDEX FUND MorganStanley SmithBarney LLC acted as your agent	04/17/09	11/19/10	196 44	133 65		62 79
125000100	142	ISHARES TR RUSSELL 2000 GROWTH	07/20/07	06/04/10	9,999 17	12,444 57	(2,445 40)	
	13	INDEX FUND	09/21/07		915.42	1,121 02	(205.60)	
	60	MorganStanley SmithBarney LLC	12/17/07		4,225 00	4,896 21	(671.21)	
	28	acted as your agent	01/18/08		1,971 67	2,061.03	(89 36)	
	2		02/22/08		140 83	146 23	(5 40)	
	176		04/14/08		12,393 34	12,920 65	(527 31)	
	112		09/19/08		7,886 67	8,818 04	(931.37)	
125000110	13	ISHARES TR RUSSELL 2000 GROWTH INDEX FUND MorganStanley SmithBarney LLC acted as your agent	09/19/08	11/19/10	1,039 95	1,023 52		16 43
125000160	816	VANGUARD BD INDEX FD INC TOTAL BD MARKET ETF MorganStanley SmithBarney LLC acted as your agent	09/24/08	06/04/10	65,523 69	62,913 60		2,610 09
125000170	3	VANGUARD BD INDEX FD INC TOTAL BD MARKET ETF MorganStanley SmithBarney LLC acted as your agent	09/24/08	07/23/10	244 73	231.30		13 43
125000200	149	VANGUARD EMERGING MARKETS ETF MorganStanley SmithBarney LLC acted as your agent in this transaction	07/20/07	07/23/10	6,120 81	7,341.89	(1,221 08)	
125000210	118	VANGUARD EMERGING MARKETS ETF MorganStanley SmithBarney LLC acted as your agent in this transaction.	07/20/07	11/19/10	5,505 87	5,814.38	(308 51)	
125000220	282	VANGUARD INTL EQUITY INDEX FD	01/18/08	06/04/10	13,527 31	17,557 32	(4,030 01)	
	1	VANGUARD PACIFIC ETF	02/22/08		47.97	62 04	(14 07)	
	22	MorganStanley SmithBarney LLC acted as your agent	09/22/08		1,055 32	1,203 39	(148 07)	

2010 YEAR END SUMMARY

STATEMENT A

MorganStanley SmithBarney

Private Wealth Management Statement
2010 Year End Summary

THE LOCKTON FAMILY FOUNDATION

Account Number 183-0776C-15 333

Details of Long Term Gain (Loss) 2010 - *continued*

Reference number	Quantity	Security Description	Opening Trade Date	Closing Trade Date	Sale Proceeds	Cost	(Loss)	Gain
	3		10/29/08		$ 143 91	$ 123 20		$ 20 71
	29		03/17/09		1,391 11	1,021 57		369.54
125000230	112	VANGUARD INTL EQUITY INDEX FD	07/20/07	05/04/10	4,532 58	8,794 44	(4,261.86)	
	42	VANGUARD EUROPEAN ETF	09/21/07		1,699 72	3,238 62	(1,538.90)	
	218	MorganStanley SmithBarney LLC	12/17/07		8,822.35	16,461 16	(7,638.81)	
	31	acted as your agent	02/22/08		1,254 55	2,070 04	(815.49)	
	2		09/19/08		80 94	117 39	(36.45)	
	34		09/22/08		1,375 96	1,990 97	(615.01)	
	175		10/29/08		7,082.16	7,120 75	(38 59)	
	249		03/17/09		10,076 92	7,487 43		2,589.49
Total					$ 341,558 79	$ 366,754.81	($ 38,408.57)	$ 13,212.55

(25,196.02)

R The basis for this tax lot has been adjusted due to a reclassification of income

Details of Deposits and Withdrawals 2010

This section reflects any deposits or withdrawals made to your account during the year.

Deposits

Reference number	Date	Description	Amount
210000100	05/28/10	CONSULTING & ADVISORY SERVICES FROM 05/13/10 TO 06/30/10	$ 4 02
210000200	08/10/10	CONSULTING & ADVISORY SERVICES FROM 08/06/10 TO 09/30/10	$ 772 24
Total			$ 776.26

Withdrawals

Reference number	Date	Description	Referral number	Amount
220000100	01/15/10	CONSULTING & ADVISORY SERVICES FROM 01/01/10 TO 03/31/10		$ 1,280 52
220000200	04/16/10	CONSULTING & ADVISORY SERVICES FROM 04/01/10 TO 06/30/10		$ 1,353 19

2010 YEAR END SUMMARY

STATEMENT A

Ref 00018799 00126116

MorganStanley SmithBarney

Private Wealth Management Statement

December 1 - December 31, 2010

THE LOCKTON FAMILY FOUNDATION   Account number 183-0776C-15 333

PORTFOLIO DETAILS

Your holdings are valued using the most current prices available to Citigroup Global Markets Inc. (CGMI). In most cases, these values are as of 12/31/10, but in some cases CGMI's sources are unable to provide timely information. To see the date of the most recent price update, please view your account online at www.smithbarney.com.

Securities purchased or sold are included or excluded in this section as of the trade-date This section may include securities that have not settled as of this statement closing date. Please see the "Unsettled Purchases/Sales" section for more information Dividend yield is the estimated annual income, assuming the current dividend, divided by the security's market price at the end of the statement period We do not guarantee the accuracy of the prices reflected on the statement nor do these prices represent levels at which securities can be bought or sold.
Please Note: *unrealized gain/(loss) is being shown for informational purposes only and should not be used for tax preparation without the assistance of your tax advisor*

Money fund

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at $1 00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below $1 00 per share In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account

Number of shares	Description	Current value	Accrued dividends	Annualized % dividend yield	Anticipated Income (annualized)
27,171.98	WESTERN ASSET U S. TREASURY RESERVES CLASS N	$ 27,171.98		01%	$ 2.71
Total money fund		$ 27,171.98	$ 0.00		$ 2.71

STATEMENT 8

Ref 00018799 00126117

MorganStanley SmithBarney

Private Wealth Management Statement

December 1 - December 31, 2010

THE LOCKTON FAMILY FOUNDATION **Account number 183-0776C-15 333**

Exchange traded & closed end funds

Citi Investment Research & Analysis (CIRA) ratings may be shown for certain closed-end funds All research ratings represent the "opinions" of the research provider and are not representations or guarantees of performance. Because the research report contains more complete information regarding the analyst's opinions, analysis, and rating, you should read the entire research report and not infer its contents from the rating CIRA closed-end fund recommendations include an investment rating and a risk rating. The Investment Rating code (1,2, 3) is based upon CIRA's expectation of the security's performance relative to its peer group of closed-end funds The Risk Rating (L, M, H or S) represents the fund's expected risk, taking into account the quality and liquidity of the underlying securities, financial leverage and foreign currency exposure Please refer to the end of this statement for a guide describing CIRA ratings

Closed end investment companies are grouped below by portfolio designations Gain/Loss is provided to assist in tax preparation It is not intended to calculate investment returns or performance.

Consulting Group Research (CGR) rating codes (FL, AL or NL) may be shown for certain exchange-traded funds. Please refer to the "Guide to Investment Ratings" at the end of this statement for a description of these rating codes All research ratings represent the "opinions" of Consulting Group Research and are not representations or guarantees of performance

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
71	ISHARES RUSSELL MIDCAP VALUE	IWS	09/19/08	$ 3,095 00	$ 43.591	$ 45 01	$ 3,195 71	$ 100.71 LT		
72	INDEX FD		09/22/08	3,034 60	42.147	45.01	3,240 72	206 12 LT		
146	Equity portfolio		03/17/09	3,236 82	22.17	45 01	6,571 46	3,334.64 LT		
170	**Rating:** CG RESEARCH : AL		08/21/09	5,723 80	33 669	45 01	7,651 70	1,927.90 LT		
459				**15,090.22**	**32.876**		**20,659.59**	**5,569.37**	**1.95**	**403.00**
257	ISHARES RUSSELL MIDCAP GROWTH	IWP	04/14/08	13,301 88	51.758	56 61	14,548.77	1,246.89 LT		
40	INDEX FD		09/19/08	1,926.06	48 151	56 61	2,264 40	338.34 LT		
60	Equity portfolio		09/22/08	2,830 99	47.183	56 61	3,396 60	565.61 LT		
162	**Rating:** CG RESEARCH AL		08/21/09	6,561 00	40.50	56.61	9,170.82	2,609.82 LT		
214			07/23/10	9,893 22	46.23	56 61	12,114.54	2,221.32 ST		
733				**34,513.15**	**47.085**		**41,495.13**	**6,981 98**	**844**	**350.37**
926	ISHARES RUSSELL 1000 VALUE IND	IWD	10/29/08	48,189 04	52 04	64 87	60,069 62	11,880 58 LT		
207	FUND		01/15/09	9,220 82	44 545	64.87	13,428.09	4,207.27 LT		
142	Equity portfolio		03/17/09	5,489 72	38 66	64.87	9,211 54	3,721.82 LT		
904	**Rating:** CG RESEARCH AL		06/04/10	51,460 29	56 925	64 87	58,642 48	7,182.19 ST		
30			11/19/10	1,835.89	61.196	64 87	1,946 10	110.21 ST		
2,209				**116,195.76**	**52.601**		**143,297.83**	**27,102.07**	**1.976**	**2,831.94**
1,538	ISHARES RUSSELL 1000 GROWTH	IWF	10/29/08	59,735 92	38 84	57.26	88,065.88	28,329 96 LT		
165	INDEX FUND		04/17/09	6,288 15	38.11	57 26	9,447 90	3,159.75 LT		
1,213	Equity portfolio		06/04/10	58,963 32	48 609	57 26	69,456.38	10,493.06 ST		
634	**Rating:** CG RESEARCH · AL		07/23/10	30,906 74	48 748	57 26	36,302.84	5,396.10 ST		
3,550				**155,894 13**	**43.914**		**203,273 00**	**47,378 87**	**1.271**	**2,584.40**

STATEMENT B

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
3	ISHARES TR RUSSELL 2000 VALUE	IWN	04/17/09	$ 133.65	$ 44 549	$ 71.09	$ 213 27	$ 79.62 LT		
272	INDEX FUND		08/21/09	14,946 35	54.949	71.09	19,336.48	4,390.13 LT		
20	Equity portfolio		07/23/10	1,179 94	58 997	71 09	1,421.80	241 86 ST		
295	**Rating:** CG RESEARCH · AL			**16,259.94**	**55 118**		**20,971.55**	**4,711.61**	**1.628**	**341.61**
29	ISHARES TR RUSSELL 2000 GROWTH	IWO	03/17/09	1,227 36	42 322	87.42	2,535.18	1,307.82 LT		
98	INDEX FUND		04/17/09	5,002.87	51.049	87 42	8,567.16	3,564.29 LT		
101	Equity portfolio		08/21/09	6,322 06	62.594	87 42	8,829.42	2,507.36 LT		
15	**Rating:** CG RESEARCH · AL		07/23/10	1,046.10	69.74	87.42	1,311.30	265.20 ST		
243				**13,598 39**	**55 96**		**21,243.06**	**7,644.67**	**.662**	**140 70**
3,197	VANGUARD EUROPE PACIFIC ETF Equity portfolio **Rating:** CG RESEARCH . AL	VEA	06/04/10	**95,759.74**	29 953	36 15	**115,571.55**	**19,811.81** ST	**2.481**	**2,867 71**
416	VANGUARD EMERGING MARKETS ETF	VWO	07/20/07	20,498 15	49 274	48 146	20,028 74	(469.41) LT		
176	Equity portfolio		12/17/07	8,955.76	50.885	48 146	8,473.70	(482 06) LT		
584	**Rating:** CG RESEARCH . AL		01/18/08	27,724.52	47 473	48.146	28,117.26	392.74 LT		
176			09/19/08	6,671 03	37 903	48 146	8,473 70	1,802.67 LT		
563			10/29/08	12,926 48	22.96	48 146	27,106 20	14,179.72 LT		
5			03/17/09	111 20	22 24	48 146	240.73	129 53 LT		
332			04/17/09	8,957.36	26.98	48 146	15,984.47	7,027.11 LT		
175			08/21/09	6,294 75	35.97	48.146	8,425.55	2,130.80 LT		
456			06/04/10	17,341.63	38.029	48 146	21,954.58	4,612 95 ST		
2,883				**109,480.88**	**37.975**		**138,804.93**	**29,324.05**	**1.692**	**2,349.65**
441	ISHARES JP MORGAN EM BOND FD Taxable bond portfolio **Rating:** CG RESEARCH . AL	EMB	06/04/10	**45,026.59**	102.101	107 08	**47,222.28**	**2,195.69** ST	**5.149**	**2,431.67**
1,586	SPDR SERIES TR BARCLAYS HIGH	JNK	06/04/10	59,332 26	37 41	39.71	62,980.06	3,647.80 ST		
96	YIELD BD ETF		11/19/10	3,865 92	40 27	39 71	3,812 16	(53 76) ST		
1,682	Taxable bond portfolio **Rating:** CG RESEARCH · AL			**63,198.18**	**37.573**		**66,792.22**	**3,594.04**	**9.345**	**6,241.90**
476	SPDR LEHMAN INTL TREASURY BOND	BWX	06/04/10	25,127 99	52 789	58 46	27,826.96	2,698 97 ST		
16	FUND		11/19/10	949.34	59 334	58 46	935 36	(13 98) ST		
492	Taxable bond portfolio **Rating:** CG RESEARCH . AL			**26,077.33**	**53.003**		**28,762.32**	**2,684.99**	**908**	**261.25**
935	VANGUARD BD INDEX FD INC	BND	09/24/08	72,088.50	77.10	80.27	75,052.45	2,963 95 LT		
202	TOTAL BD MARKET ETF		04/17/09	15,606.52	77.26	80.27	16,214.54	608.02 LT		
56	Taxable bond portfolio **Rating:** CG RESEARCH · AL		08/21/09	4,405 60	78 671	80 27	4,495.12	89.52 LT		

STATEMENT B

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
351	VANGUARD BD INDEX FD INC	BND	11/19/10	$ 28,722.15	$ 81 829	$ 80.27	$ 28,174 77	($ 547.38) ST		
1,544	TOTAL BD MARKET ETF Taxable bond portfolio			120,822.77	78.253		123,936.88	3,114.11	3.479	4,312 39
Total closed end fund equity allocation							$ 705,316.64			
Total closed end fund taxable bond allocation							$ 266,713.70			
Total exchange traded funds and closed end funds				$ 811,917.08			$ 972,030.34	$ 58,262.04 ST $ 101,851.22 LT	2.68	$ 26,116.59
Total portfolio value				$ 839,089.06			$ 999,202.32	$ 58,262.04 ST $ 101,851.22 LT	2.61	$ 25,119.30

TRANSACTION DETAILS

All transactions appearing are based on trade-date.

Money fund activity

Opening money fund balance $ 19,004 83

Date	Activity	Description	Amount
12/08/10	Autoinvest	WESTERN ASSET U.S TREASURY RESERVES CLASS N	541 45
12/10/10	Autoinvest	WESTERN ASSET U.S. TREASURY RESERVES CLASS N	468 89

All transactions are traded at $1 00 per share

Date	Activity	Description	Amount
12/30/10	Autoinvest	WESTERN ASSET U.S. TREASURY RESERVES CLASS N	7,156 54
		MONEY FUND EARNINGS REINVESTED (SEE DETAILS UNDER EARNINGS DETAILS)	.27
		Closing balance	$ 27,171 98

EARNINGS DETAILS

The tax status of earnings is reliable to the best of our knowledge. **Taxable and non-taxable** *designations refer to the federal income tax status of your securities, not of your account.*

Other dividends

Date	Description	Comment	Taxable	Non-taxable	Amount
12/07/10	ISHARES JP MORGAN EM BOND FD	CASH DIV ON 441 0000 SHS X/D 12/01/10	$ 202.27		$ 202.27
12/07/10	VANGUARD BD INDEX FD INC TOTAL BD MARKET ETF	CASH DIV ON 1544 0000 SHS X/D 12/01/10	339 18		339 18
12/09/10	SPDR SERIES TR BARCLAYS HIGH YIELD BD ETF	CASH DIV ON 1682 0000 SHS X/D 12/01/10	468.89		468 89
12/29/10	ISHARES RUSSELL MIDCAP VALUE INDEX FD	CASH DIV ON 459 0000 SHS X/D 12/22/10	126.65		126 65
12/29/10	ISHARES RUSSELL MIDCAP GROWTH INDEX FD	CASH DIV ON 733 0000 SHS X/D 12/22/10	130 93		130 93

STATEMENT 8

LOCKTON FAMILY FOUNDATION **EIN: 48-1135485**
2010 STOCK CONTRIBUTIONS

DATE	STOCKS	SHARES	CONT. VALUE
12/9/2010	APPLE, INC	414	132,379
12/9/2010	ARM HOLDINGS PLC	766	14,500
12/9/2010	INTUITIVE SURGICAL, INC	71	18,496
12/9/2010	LAS VEGAS SANDS CORP	919	42,954
12/9/2010	SALESFORCE.COM, INC	757	112,407
TOTAL			**320,736**

STATEMENT C