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

2010

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

MAR 1, 2010

, and ending FEB 28, 2011

G Check all that apply

 Initial return Initial return of a former public charity
 Amended return Address change

 Final return
 Name change

Name of foundation

MARGOES FOUNDATION

A Employer identification number

94-2955164

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

1660 BUSH STREET

Room/suite

300

B Telephone number

(415) 561-6540

City or town, state, and ZIP code

SAN FRANCISCO, CA 94109

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 Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

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

► \$ 5,479,610. (Part I, column (d) must be on cash basis)

J Accounting method Cash Accrual
 Other (specify) _____
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))

		(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			N/A	
2	Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B Interest on savings and temporary cash investments				
3	Dividends and interest from securities	176,751.	176,751.	176,751.	STATEMENT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	261,512.			
b	Gross sales price for all assets on line 6a	3,247,081.			
7	Capital gain net income (from Part IV, line 2)		261,512.		
8	Net short-term capital gains				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income	438,263.	438,263.	438,263.	
12	Total. Add lines 1 through 11	0.	0.	0.	
13	Compensation of officers, directors, trustees, etc				
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees	3,905.	1,953.	1,953.	1,952.
c	Other professional fees	86,024.	45,424.	45,424.	40,600.
17	Interest				
18	Taxes	2,187.	0.	2,187.	60.
19	Depreciation and depletion				
20	Occupancy	392.	0.	392.	
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses	2,128.	220.	2,128.	1,908.
24	Total operating and administrative expenses. Add lines 13 through 23	94,636.	47,597.	94,636.	44,912.
25	Contributions, gifts, grants paid	198,000.		198,000.	
26	Total expenses and disbursements. Add lines 24 and 25	292,636.	47,597.	292,636.	242,912.
27	Subtract line 26 from line 12	145,627.		145,627.	
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)		390,666.	390,666.	
c	Adjusted net income (if negative, enter -0-)			N/A	

Part II	Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
	1 Cash - non-interest-bearing				
	2 Savings and temporary cash investments		349,572.	622,503.	622,503.
	3 Accounts receivable ►				
	Less allowance for doubtful accounts ►				
	4 Pledges receivable ►				
	Less allowance for doubtful accounts ►				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	7 Other notes and loans receivable ►				
	Less allowance for doubtful accounts ►				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10a Investments - U S and state government obligations	STMT 9	875,757.	427,849.	427,849.
	b Investments - corporate stock				
	c Investments - corporate bonds	STMT 10	1,999,600.	1,264,361.	1,264,361.
	11 Investments - land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	12 Investments - mortgage loans				
	13 Investments - other	STMT 11	1,933,755.	3,164,658.	3,164,658.
	14 Land, buildings, and equipment basis ►				
	Less accumulated depreciation ►				
	15 Other assets (describe ► PURCHASED INTEREST)		0.	239.	239.
	16 Total assets (to be completed by all filers)		5,158,684.	5,479,610.	5,479,610.
	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)		0.	0.	
	Foundations that follow SFAS 117, check here ► <input type="checkbox"/>				
	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 ► <input checked="" type="checkbox"/>				
	and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds		5,158,684.	5,479,610.	
	28 Paid-in or capital surplus, or land, bldg , and equipment fund		0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds		0.	0.	
	30 Total net assets or fund balances		5,158,684.	5,479,610.	
	31 Total liabilities and net assets/fund balances		5,158,684.	5,479,610.	

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	5,158,684.
2 Enter amount from Part I, line 27a	2	145,627.
3 Other increases not included in line 2 (itemize) ►	3	418,309.
4 Add lines 1, 2, and 3	4	5,722,620.
5 Decreases not included in line 2 (itemize) ►	5	243,010.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,479,610.

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 UNION BANK OF CALIFORNIA - SEE EXHIBIT 1				VARIOUS	VARIOUS
b UNION BANK OF CALIFORNIA - CLASS ACTION					
c SETTLEMENTS				VARIOUS	VARIOUS
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 3,243,134.		2,985,569.	257,565.		
b					
c 3,947.			3,947.		
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) F MV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a			257,565.		
b					
c			3,947.		
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	261,512.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8			3	N/A	

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

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

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

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

 Yes No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2009	218,677.	4,893,108.	.044691
2008	260,712.	4,945,460.	.052717
2007	244,634.	5,338,191.	.045827
2006	213,734.	5,211,834.	.041009
2005	218,000.	5,185,079.	.042044

2 Total of line 1, column (d)	2	.226288
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	.045258
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	5,109,315.
5 Multiply line 4 by line 3	5	231,237.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,907.
7 Add lines 5 and 6	7	235,144.
8 Enter qualifying distributions from Part XII, line 4	8	242,912.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ► <input type="checkbox"/> and enter 'N/A' on line 1	(attach copy of letter if necessary-see instructions)	1	3,907.
Date of ruling or determination letter _____			2	0.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		3	3,907.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)		4	0.
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		5	3,907.
3	Add lines 1 and 2			
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5	Tax based on Investment Income. Subtract line 4 from line 3. If zero or less, enter -0-			
6	Credits/Payments			
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	2,000.	
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	2,000.	
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	1,907.	
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 ►	11		
			Refunded ►	

Part VII-A | Statements Regarding Activities

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?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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	
1c	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 ► \$ 0. (2) On foundation managers ► \$ 0.		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ 0.		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? <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	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	N/A	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
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, col. (c), and Part XV.</i>	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► CA		
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	

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
14	PACIFIC FOUNDATION SERVICES LLC Located at ► 1660 BUSH STREET #300, SAN FRANCISCO, CA	Telephone no ► 415-561-6540 ZIP+4 ► 94109
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	► 15 N/A
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? 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 ►	Yes No X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

	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 checked="" type="checkbox"/> Yes	<input 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here	►	
1b		X
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(i)(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 ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)		N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
2b		
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.)		N/A
3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?		
4b		X

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

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

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

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No

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

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

N/A

►

5b

Organizations relying on a current notice regarding disaster assistance check here

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

N/A

5b

X

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?

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

N/A

►

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.

(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
SEE STATEMENT 12		0.	0.	0.

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

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

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

►

0

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	1a	4,352,694.
b Average of monthly cash balances	1b	834,428.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	5,187,122.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	5,187,122.
4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	77,807.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	5,109,315.
6 Minimum investment return. Enter 5% of line 5	6	255,466.

Part XI Distributable Amount (see instructions) (Section 4942(l)(3) and (l)(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	255,466.
2a Tax on investment income for 2010 from Part VI, line 5	2a	3,907.
b Income tax for 2010 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	3,907.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	251,559.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	251,559.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	251,559.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	242,912.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	242,912.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	3,907.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	239,005.

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				251,559.
2 Undistributed income, if any, as of the end of 2010			18,287.	
a Enter amount for 2009 only				
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4 ► \$ 242,912.			18,287.	
a Applied to 2009, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				224,625.
e Remaining amount distributed out of corpus	0.			0.
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	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2010 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				26,934.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

Part XV **Supplementary Information** (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
<i>a Paid during the year</i> SEE EXHIBIT 3		501(C)(3)		198,000.
Total			► 3a	198,000.
<i>b Approved for future payment</i> SEE EXHIBIT 3				40,000.
Total			► 3b	40,000.

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
	(a) Business code	(b) 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				
4 Dividends and interest from securities			14	176,751.
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	261,512.
9 Net income or (loss) from special events				
10 Gross profit or (loss) from sales of inventory				
11 Other revenue				
a				
b				
c				
d				
e				
12 Subtotal Add columns (b), (d), and (e)		0.	438,263.	0.
13 Total. Add line 12, columns (b), (d), and (e)			13	438,263.
(See worksheet in line 13 instructions to verify calculations)				

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

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

FORM 990-PF

DIVIDENDS AND INTEREST FROM SECURITIES

STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
LESS ACCRUED INTEREST PAID (CY)	-1,767.	0.	-1,767.
UNION BANK OF CALIFORNIA - DIVIDENDS	1,111.	0.	1,111.
UNION BANK OF CALIFORNIA - FUND DIVIDENDS	45,069.	0.	45,069.
UNION BANK OF CALIFORNIA - INTEREST	132,338.	0.	132,338.
TOTAL TO FM 990-PF, PART I, LN 4	176,751.	0.	176,751.

FORM 990-PF

ACCOUNTING FEES

STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	3,905.	1,953.		1,952.
TO FORM 990-PF, PG 1, LN 16B	3,905.	1,953.		1,952.

FORM 990-PF

OTHER PROFESSIONAL FEES

STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
UNION BANK INVESTMENT FEES	2,935.	2,935.		0.
INVESTMENT ADVISORY FEES	42,489.	42,489.		0.
KRAMER, BLUM & ASSOCIATES	27,933.	0.		27,933.
PACIFIC FOUNDATION SERVICES	12,667.	0.		12,667.
TO FORM 990-PF, PG 1, LN 16C	86,024.	45,424.		40,600.

FORM 990-PF

TAXES

STATEMENT

4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
CA FILING FEES	60.	0.		60.
FEDERAL EXCISE TAX	2,127.	0.		0.
TO FORM 990-PF, PG 1, LN 18	2,187.	0.		60.

FORM 990-PF

OTHER EXPENSES

STATEMENT

5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE	1,688.	0.		1,688.
OFFICE EXPENSE	440.	220.		220.
TO FORM 990-PF, PG 1, LN 23	2,128.	220.		1,908.

FOOTNOTES

STATEMENT

6

PART VII-B, 1(A)(4):

REIMBURSEMENT OF EXPENSES FOR TRUSTEES WAS REASONABLE AND
 THUS AN EXCEPTED ACT AS DESCRIBED IN REGULATIONS
 SECTION 53.4941(D)-3(C)

MARGOES FOUNDATION

94-2955164

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	7
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DESCRIPTION	AMOUNT
UNREALIZED APPRECIATION - SECURITIES (TOTAL)	418,309.
TOTAL TO FORM 990-PF, PART III, LINE 3	418,309.

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	8
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DESCRIPTION	AMOUNT
UNREALIZED APPRECIATION - SECURITIES (PRIOR YEAR)	243,010.
TOTAL TO FORM 990-PF, PART III, LINE 5	243,010.

FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	9
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
U.S. GOV'T OBLIGATIONS-EXHIBIT 4	X		427,849.	427,849.
TOTAL U.S. GOVERNMENT OBLIGATIONS			427,849.	427,849.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			427,849.	427,849.

FORM 990-PF	CORPORATE BONDS	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS-EXHIBIT 4	1,264,361.	1,264,361.
NON US CORPORATE BONDS-EXHIBIT 4	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,264,361.	1,264,361.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MUTUAL FUNDS-EXHIBIT 4	FMV	3,164,658.	3,164,658.
TOTAL TO FORM 990-PF, PART II, LINE 13		3,164,658.	3,164,658.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DOUGLAS W. JOHNSON 1660 BUSH STREET, SUITE 300 SAN FRANCISCO, CA 94109	CFO/DIRECTOR 1.00	0.	0.	0.
NEAL L. PETERSEN 1660 BUSH STREET, SUITE 300 SAN FRANCISCO, CA 94109	SECRETARY/DIRECTOR 1.00	0.	0.	0.
CAL C. HARLING 1660 BUSH STREET, SUITE 300 SAN FRANCISCO, CA 94109	CHAIRMAN/DIRECTOR 1.00	0.	0.	0.
BARBARA A. MCCLUNG 1660 BUSH STREET, SUITE 300 SAN FRANCISCO, CA 94109	DIRECTOR 1.00	0.	0.	0.
MARY ANNE SCHUETT 1660 BUSH STREET, SUITE 300 SAN FRANCISCO, CA 94109	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

Margoes Foundation
 Union Bank of California
 From 03-01-10 Through 02-28-11

FEIN 94-2955164

Open Date	Close Date	Quantity Security	Cost Basis	Gain Or Loss		
				Proceeds	Short Term	Long Term
US GOVERNMENT OBLIGATIONS						
5/12/2009	3/10/2010	50000 FEDERAL FARM CREDIT BANK 4 000% Due 05-26-17	50,000	50,000	-	
1/29/1999	3/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	4	4		(0)
10/30/2001	3/15/2010	58 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	60	59		(1)
10/30/2001	3/15/2010	38 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	39	38		(0)
10/30/2001	3/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	3/15/2010	75 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	77	76		(1)
10/30/2001	3/15/2010	43 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	44	43		(0)
12/10/2002	3/25/2010	1029 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,047	1,029		(17)
9/30/2003	3/25/2010	1390 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	1,403	1,390		(13)
1/29/1999	4/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	4	4		(0)
10/30/2001	4/15/2010	61 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	62	61		(1)
10/30/2001	4/15/2010	40 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	41	41		(0)
10/30/2001	4/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	4/15/2010	22 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	23	22		(0)
10/30/2001	4/15/2010	43 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	44	43		(0)
12/10/2002	4/25/2010	1246 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,268	1,247		(21)
9/30/2003	4/25/2010	1635 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	1,651	1,636		(15)
12/12/2008	5/4/2010	150000 FEDERAL FARM CR BKS GLOBAL 4 650% Due 11-04-13	156,042	152,252		(3,791)
1/29/1999	5/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	4	4		(0)
10/30/2001	5/15/2010	63 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	64	63		(1)
10/30/2001	5/15/2010	45 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	46	45		(1)
10/30/2001	5/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	5/15/2010	23 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	23	23		(0)
10/30/2001	5/15/2010	43 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	44	43		(1)
10/15/2007	5/24/2010	250000 FEDERAL FARM CR BKSTD 05/24/07 5 60% 05/24/2017 CALL 5 599% Due 05-24-17	249,623	250,000		378
12/10/2002	5/25/2010	1139 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,159	1,139		(19)
9/30/2003	5/25/2010	732 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	739	732		(7)
1/29/1999	6/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	4	4		(0)
10/30/2001	6/15/2010	64 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	65	65		(1)
10/30/2001	6/15/2010	41 GNMA PASS-THRU X SINGLE FAMILY	42	42		(0)

Margoes Foundation
 Union Bank of California
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Open Date	Close Date	Quantity Security	Cost Basis	Gain Or Loss		
				Proceeds	Short Term	Long Term
		6 000% Due 10-15-31				
10/30/2001	6/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	6/15/2010	197 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	199	197		(2)
10/30/2001	6/15/2010	43 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	44	44		(1)
12/10/2002	6/25/2010	1168 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,188	1,168		(20)
9/30/2003	6/25/2010	927 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	936	927		(9)
1/29/1999	7/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	4		(0)
10/30/2001	7/15/2010	63 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	64	64		(1)
10/30/2001	7/15/2010	49 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	50	50		(1)
10/30/2001	7/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	7/15/2010	26 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	26	26		(0)
10/30/2001	7/15/2010	29 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	30	29		(0)
12/10/2002	7/25/2010	1186 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,207	1,187		(20)
9/30/2003	7/25/2010	979 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	989	980		(9)
1/29/1999	8/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	4		(0)
10/30/2001	8/15/2010	64 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	65	64		(1)
10/30/2001	8/15/2010	47 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	48	47		(1)
10/30/2001	8/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	8/15/2010	17 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	17	17		(0)
10/30/2001	8/15/2010	63 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	64	63		(1)
12/10/2002	8/25/2010	902 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	918	903		(15)
9/30/2003	8/25/2010	1258 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	1,270	1,259		(12)
1/29/1999	9/15/2010	4 GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	4		(0)
10/30/2001	9/15/2010	64 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	65	64		(1)
10/30/2001	9/15/2010	46 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	47	46		(1)
10/30/2001	9/15/2010	12 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	9/15/2010	26 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	27	26		(0)
10/30/2001	9/15/2010	45 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	46	46		(1)
12/4/2009	9/22/2010	100000 FEDERAL NATL MTG ASSN STEP CPN NOTES SER 2 2 250% Due 12-22-14	99,900	100,000	100	
12/10/2002	9/25/2010	1217 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,238	1,218		(21)
9/30/2003	9/25/2010	1516 FNMA PASS-THRU INT 15 YEAR	1,531	1,517		(14)

Margoes Foundation
 Union Bank of California
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FEIN 94-2955164

Open Date	Close Date	Quantity	Security	Cost Basis	Gain Or Loss		
					Proceeds	Short Term	Long Term
			4 500% Due 10-01-18				
1/29/1999	10/15/2010	4	GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	5		(0)
10/30/2001	10/15/2010	64	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	66	65		(1)
10/30/2001	10/15/2010	46	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	47	47		(1)
10/30/2001	10/15/2010	13	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	10/15/2010	13	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	13	13		(0)
10/30/2001	10/15/2010	46	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	47	46		(1)
12/10/2002	10/25/2010	1273	FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,295	1,273		(21)
9/30/2003	10/25/2010	3037	FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	3,066	3,037		(28)
1/29/1999	11/15/2010	4	GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	5		(0)
10/30/2001	11/15/2010	66	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	67	67		(1)
10/30/2001	11/15/2010	55	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	56	55		(1)
10/30/2001	11/15/2010	13	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	11/15/2010	328	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	332	328		(4)
10/30/2001	11/15/2010	47	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	49	48		(1)
12/10/2002	11/25/2010	1177	FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,197	1,177		(20)
9/30/2003	11/25/2010	2195	FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	2,216	2,196		(21)
1/29/1999	12/15/2010	4	GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	5		(0)
10/30/2001	12/15/2010	66	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	68	67		(1)
10/30/2001	12/15/2010	39	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	40	39		(0)
10/30/2001	12/15/2010	13	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	12/15/2010	20	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	21	21		(0)
10/30/2001	12/15/2010	48	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	49	48		(1)
12/10/2002	12/25/2010	1396	FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,420	1,397		(24)
9/30/2003	12/25/2010	2258	FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	2,280	2,259		(21)
12/18/2007	1/4/2011	100000	FEDERAL HOME LN BKS 5 250% Due 01-04-18	99,945	100,000		55
1/29/1999	1/15/2011	4	GOVTNATL MTG ASSN POOL #478032 7 000%05/15/2028 7 000% Due 05-15-28	5	5		(0)
10/30/2001	1/15/2011	67	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	68	67		(1)
10/30/2001	1/15/2011	47	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	48	48		(1)
10/30/2001	1/15/2011	13	GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	1/15/2011	236	GNMA PASS-THRU X SINGLE FAMILY	239	237		(3)

Margoes Foundation
 Union Bank of California
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Open Date	Close Date	Quantity Security	Cost Basis	Gain Or Loss		
				Proceeds	Short Term	Long Term
		6 000% Due 06-15-31				
10/30/2001	1/15/2011	48 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	49	49		(1)
12/10/2002	1/25/2011	1315 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,338	1,316		(22)
9/30/2003	1/25/2011	2577 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	2,602	2,577		(24)
1/29/1999	2/15/2011	4 GOVTNATL MTG ASSN POOL #478032 7 000% 05/15/2028 7 000% Due 05-15-28	5	5		(0)
10/30/2001	2/15/2011	67 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 03-15-31	68	68		(1)
10/30/2001	2/15/2011	45 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 10-15-31	46	46		(1)
10/30/2001	2/15/2011	13 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 07-15-31	13	13		(0)
10/30/2001	2/15/2011	22 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 06-15-31	22	22		(0)
10/30/2001	2/15/2011	48 GNMA PASS-THRU X SINGLE FAMILY 6 000% Due 05-15-31	49	49		(1)
12/10/2002	2/25/2011	1110 FNMA PASS-THRU INT 15 YEAR 5 000% Due 01-01-18	1,129	1,110		(19)
9/30/2003	2/25/2011	1604 FNMA PASS-THRU INT 15 YEAR 4 500% Due 10-01-18	1,620	1,605		(15)
			693,336	689,615	100	(3,821)

CORPORATE OBLIGATIONS

12/12/2008	3/1/2010	50000 HONEYWELL INTL INC 7 500% Due 03-01-10	52,489	50,000		(2,489)
9/21/2006	3/9/2010	125000 TRIBUNE COMPANY MEDIUM TERM NTS IN DEFAULT 0 000% Due 12-08-10	124,893	38,438		(86,455)
4/14/2008	4/26/2010	91000 VIACOM INC SRNT 6 625% 05/15/2011 MAKEWHOLE 6 625% Due 05-15-11	94,325	96,143		1,818
12/12/2008	5/3/2010	50000 DIAGEO CAP PLC 4 375% Due 05-03-10	50,575	50,000		(575)
9/19/2008	5/4/2010	100000 GENERAL ELEC CAP CORP MTN BE 4 800% Due 05-01-13	96,199	106,700		10,501
4/17/2008	5/4/2010	100000 HOME DEPOT INC 5 250% Due 12-16-13	97,140	108,550		11,410
3/1/1999	5/15/2010	100000 NATIONSBANK CORP 6 600% Due 05-15-10	100,821	100,000		(821)
12/13/2006	10/1/2010	100000 ING USA GLOBAL FUNDINGDTD 09/22/05 4 50% 10/01/2010 4 500% Due 10-01-10	98,287	100,000		1,713
4/14/2008	12/29/2010	9000 VIACOM INC SRNT 6 625% 05/15/2011 MAKEWHOLE 6 625% Due 05-15-11	9,329	9,211		(118)
8/18/2009	11/15/2010	25000 AUTOZONE INC SRNT 4 750% 11/15/2010 MAKEWHOLE 4 750% Due 11-15-10	25,400	25,000		(400)
5/17/2002	2/1/2011	100000 WELLS FARGO BK N A SAN FRANCISCO CALIF NT 6 450% Due 02-01-11	102,066	100,000		(2,066)
3/13/2008	10/25/2010	100000 AMERICAN EXPRESS CO 7 000% Due 03-19-18	101,073	119,560		18,487
			952,596	903,602		(48,994)

FUNDS

4/14/2009	6/8/2010	273 SPDR SER TR S&PBIOTECH ETF	12,525	14,174		1,649
6/2/2009	6/8/2010	207 SPDR SER TR S&PBIOTECH ETF	9,988	10,747		759
4/14/2009	6/8/2010	700 VANGUARD INDEX FDS MCAP GR IDXVIP	24,773	33,172		8,399
4/14/2009	6/8/2010	150 VANGUARD INDEX FDS MCAP GR IDXVIP	5,307	7,108		1,802
6/2/2009	6/8/2010	732 VANGUARD INDEX FDS MCAP GR IDXVIP	29,287	34,689		5,402
4/14/2009	6/8/2010	300 VANGUARD EMERGING MKTSVIPERS	8,090	11,196		3,106

Margoes Foundation
 Union Bank of California
 From 03-01-10 Through 02-28-11

FEIN 94-2955164

Open Date	Close Date	Quantity	Security	Gain Or Loss			
				Cost Basis	Proceeds	Short Term	Long Term
4/14/2009	6/8/2010	198	VANGUARD EMERGING MKTSVIPERS	5,340	7,389		2,050
4/14/2009	6/8/2010	102	VANGUARD EMERGING MKTSVIPERS	2,751	3,807		1,056
4/14/2009	6/8/2010	71	VANGUARD EMERGING MKTSVIPERS	1,915	2,650		735
4/14/2009	6/8/2010	362	VANGUARD INTL EQTY IDX EUROPEAN ETF	12,531	14,289		1,758
6/2/2009	6/8/2010	72	VANGUARD INTL EQTY IDX EUROPEAN ETF	3,078	2,842	(236)	
6/2/2009	6/8/2010	121	VANGUARD INTL EQTY IDX EUROPEAN ETF	5,173	4,776	(397)	
6/2/2009	6/8/2010	79	VANGUARD INTL EQTY IDX EUROPEAN ETF	3,376	3,118	(258)	
4/14/2009	6/8/2010	540	VANGUARD INDEX FDS MCAP VL IDXVIP	16,945	23,927		6,982
4/14/2009	6/8/2010	100	VANGUARD INDEX FDS MCAP VL IDXVIP	3,137	4,431		1,294
6/2/2009	6/8/2010	262	VANGUARD INDEX FDS MCAP VL IDXVIP	9,327	11,609		2,282
6/2/2009	6/8/2010	27	VANGUARD INDEX FDS MCAP VL IDXVIP	961	1,196		235
6/2/2009	6/8/2010	173	VANGUARD INDEX FDS MCAP VL IDXVIP	6,158	7,667		1,509
6/2/2009	6/8/2010	27	VANGUARD INDEX FDS MCAP VL IDXVIP	961	1,197		236
4/14/2009	6/8/2010	513	VANGUARD INDEX FDS SM CP VAL ETF	20,038	27,862		7,824
6/2/2009	6/8/2010	107	VANGUARD INDEX FDS SM CP VAL ETF	4,841	5,811		971
6/2/2009	6/8/2010	235	VANGUARD INDEX FDS SM CP VAL ETF	10,631	12,763		2,131
6/2/2009	6/8/2010	65	VANGUARD INDEX FDS SM CP VAL ETF	2,939	3,530		591
4/14/2009	6/8/2010	400	VANGUARD INDEX FDS SML CP GRW ETF	16,816	23,703		6,887
4/14/2009	6/8/2010	314	VANGUARD INDEX FDS SML CP GRW ETF	13,204	18,607		5,403
6/2/2009	6/8/2010	311	VANGUARD INDEX FDS SML CP GRW ETF	15,248	18,429		3,181
6/2/2009	6/8/2010	242	VANGUARD INDEX FDS SML CP GRW ETF	11,868	14,340		2,473
4/14/2009	6/8/2010	676	VANGUARD INDEX FDS VALUE ETF	25,069	30,881		5,812
6/2/2009	6/8/2010	500	VANGUARD INDEX FDS VALUE ETF	20,564	22,841		2,277
6/2/2009	6/8/2010	100	VANGUARD INDEX FDS VALUE ETF	4,113	4,568		455
6/2/2009	6/8/2010	7	VANGUARD INDEX FDS VALUE ETF	288	320		32
7/27/2009	6/8/2010	86	VANGUARD INDEX FDS VALUE ETF	3,635	3,929	294	
4/14/2009	6/8/2010	945	VANGUARD INDEX FDS GROWTH ETF	37,549	47,267		9,718
6/2/2009	6/8/2010	805	VANGUARD INDEX FDS GROWTH ETF	35,619	40,264		4,645
4/14/2009	6/8/2010	200	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	5,018	5,755		737
4/14/2009	6/8/2010	50	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	1,255	1,439		184
6/2/2009	6/8/2010	209	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	6,269	6,013		(256)
7/27/2009	6/8/2010	200	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	6,164	5,755	(410)	
7/27/2009	6/8/2010	44	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	1,357	1,266	(91)	
8/25/2009	6/8/2010	166	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	5,514	4,776	(738)	
6/2/2009	7/2/2010	53	SPDR SER TR S&PBIOTECH ETF	2,557	2,694		136
7/27/2009	7/2/2010	137	SPDR SER TR S&PBIOTECH ETF	7,513	6,962	(551)	
8/25/2009	7/2/2010	110	SPDR SER TR S&PBIOTECH ETF	5,975	5,590	(384)	
8/25/2009	7/2/2010	28	SPDR SER TR S&PBIOTECH ETF	1,521	1,423	(98)	
10/16/2009	7/2/2010	163	SPDR SER TR S&PBIOTECH ETF	8,441	8,282	(159)	
6/2/2009	7/2/2010	17	VANGUARD INDEX FDS MCAP GR IDXVIP	680	786		106
7/27/2009	7/2/2010	548	VANGUARD INDEX FDS MCAP GR IDXVIP	22,517	25,346	2,829	
8/25/2009	7/2/2010	523	VANGUARD INDEX FDS MCAP GR IDXVIP	22,497	24,190	1,693	
10/16/2009	7/2/2010	533	VANGUARD INDEX FDS MCAP GR IDXVIP	24,939	24,653	(287)	
4/14/2009	7/2/2010	27	VANGUARD EMERGING MKTSVIPERS	728	1,032		304
6/2/2009	7/2/2010	327	VANGUARD EMERGING MKTSVIPERS	10,927	12,501		1,574
6/2/2009	7/2/2010	232	VANGUARD EMERGING MKTSVIPERS	7,753	8,869		1,117
7/27/2009	7/2/2010	68	VANGUARD EMERGING MKTSVIPERS	2,376	2,600	223	
6/2/2009	7/2/2010	21	VANGUARD INTL EQTY IDX EUROPEAN ETF	898	855	(43)	
7/27/2009	7/2/2010	171	VANGUARD INTL EQTY IDX EUROPEAN ETF	7,495	6,960	(534)	
8/25/2009	7/2/2010	158	VANGUARD INTL EQTY IDX EUROPEAN ETF	7,507	6,431	(1,075)	
10/16/2009	7/2/2010	265	VANGUARD INTL EQTY IDX EUROPEAN ETF	13,558	10,786	(2,772)	
6/2/2009	7/2/2010	73	VANGUARD INDEX FDS MCAP VL IDXVIP	2,598	3,142		544
7/27/2009	7/2/2010	403	VANGUARD INDEX FDS MCAP VL IDXVIP	15,038	17,347	2,310	
8/25/2009	7/2/2010	370	VANGUARD INDEX FDS MCAP VL IDXVIP	14,989	15,927	937	
10/16/2009	7/2/2010	215	VANGUARD INDEX FDS MCAP VL IDXVIP	9,400	9,255	(145)	
10/16/2009	7/2/2010	100	VANGUARD INDEX FDS MCAP VL IDXVIP	4,372	4,304	(68)	
6/2/2009	7/2/2010	35	VANGUARD INDEX FDS SM CP VAL ETF	1,583	1,849		267
7/27/2009	7/2/2010	320	VANGUARD INDEX FDS SM CP VAL ETF	15,020	16,909	1,889	
8/25/2009	7/2/2010	292	VANGUARD INDEX FDS SM CP VAL ETF	14,990	15,430	440	
10/16/2009	7/2/2010	298	VANGUARD INDEX FDS SM CP VAL ETF	16,223	15,747	(476)	

EXHIBIT 1

Margoes Foundation
 Union Bank of California
 From 03-01-10 Through 02-28-11

FEIN 94-2955164

Open Date	Close Date	Quantity	Security	Gain Or Loss			
				Cost Basis	Proceeds	Short Term	Long Term
6/2/2009	7/2/2010	58	VANGUARD INDEX FDS SML CP GRW ETF	2,844	3,351		506
7/27/2009	7/2/2010	436	VANGUARD INDEX FDS SML CP GRW ETF	22,475	25,188	2,714	
8/25/2009	7/2/2010	412	VANGUARD INDEX FDS SML CP GRW ETF	22,466	23,802	1,335	
10/16/2009	7/2/2010	194	VANGUARD INDEX FDS SML CP GRW ETF	11,356	11,208	(148)	
10/16/2009	7/2/2010	198	VANGUARD INDEX FDS SML CP GRW ETF	11,590	11,436	(154)	
7/27/2009	7/2/2010	358	VANGUARD INDEX FDS VALUE ETF	15,130	15,765	635	
8/25/2009	7/2/2010	413	VANGUARD INDEX FDS VALUE ETF	18,728	18,187	(542)	
10/16/2009	7/2/2010	648	VANGUARD INDEX FDS VALUE ETF	30,773	28,535	(2,238)	
6/2/2009	7/2/2010	41	VANGUARD INDEX FDS GROWTH ETF	1,814	1,978		164
7/27/2009	7/2/2010	570	VANGUARD INDEX FDS GROWTH ETF	26,266	27,499	1,233	
8/25/2009	7/2/2010	550	VANGUARD INDEX FDS GROWTH ETF	26,274	26,534	260	
10/16/2009	7/2/2010	652	VANGUARD INDEX FDS GROWTH ETF	33,093	31,455	(1,638)	
8/25/2009	7/2/2010	60	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	1,993	1,762	(231)	
10/16/2009	7/2/2010	320	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	11,257	9,398	(1,858)	
10/16/2009	7/2/2010	100	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	3,518	2,937	(581)	
3/31/2010	7/2/2010	362	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	12,506	10,632	(1,874)	
5/12/2010	7/2/2010	7	VANGUARD TAX MANAGED FDEUROPE PACIFIC ETF	226	206	(20)	
7/9/2009	9/1/2010	4223	VANGUARD INFLATION PROTECTED	100,000	109,122		9,122
9/29/2009	9/1/2010	4075	VANGUARD INFLATION PROTECTED	100,000	105,297		5,297
4/14/2009	11/5/2010	500	VANGUARD INDEX FDS FORMERLYVANGUARD REIT	14,420	28,662		14,242
4/14/2009	11/5/2010	154	VANGUARD INDEX FDS FORMERLYVANGUARD REIT	4,441	8,828		4,387
6/2/2009	11/5/2010	557	VANGUARD INDEX FDS FORMERLYVANGUARD REIT	18,747	31,929		13,182
7/8/2009	11/5/2010	1750	VANGUARD INDEX FDS FORMERLYVANGUARD REIT	50,242	100,316		50,074
7/13/2009	11/5/2010	1300	VANGUARD INDEX FDS FORMERLYVANGUARD REIT	38,077	74,520		36,443
7/13/2009	11/5/2010	450	VANGUARD INDEX FDS FORMERLYVANGUARD REIT	13,179	25,796		12,616
6/19/2009	2/23/2011	1000	ISHARES TR GOLDMAN SACHS NAT RES INDEX FD	28,678	45,671		16,993
6/19/2009	2/23/2011	500	ISHARES TR GOLDMAN SACHS NAT RES INDEX FD	14,338	22,836		8,497
7/8/2009	2/23/2011	2000	ISHARES TR GOLDMAN SACHS NAT RES INDEX FD	50,233	91,343		41,110
7/13/2009	2/23/2011	26	ISHARES TR GOLDMAN SACHS NAT RES INDEX FD	672	1,187		515
7/13/2009	2/23/2011	100	ISHARES TR GOLDMAN SACHS NAT RES INDEX FD	2,585	4,567		1,982
				1,339,637	1,649,917	5,017	305,263
TOTALS				2,985,569	3,243,134	5,117	252,447

MARGOES FOUNDATION

ANNUAL REPORT FOR THE YEAR ENDED FEBRUARY 28, 2011

GENERAL INFORMATION

CURRENT PROGRAM PRIORITIES

GRANT AWARDS AND PAYMENTS

GRANT PROPOSAL & REPORTING GUIDELINES

OFFICERS AND DIRECTORS

Cal C. Harling
Chairman & Director

Neal L. Petersen
Secretary & Director

Douglas W. Johnson
Chief Financial Officer & Director

Barbara A. McClung
Director

Mary Anne Schuett
Director

Patrick L. McClung
Director-Emeritus

ADVISORS

Pacific Foundation Services, LLC

1660 BUSH STREET, SUITE 300 SAN FRANCISCO, CA 94109

**(415) 561-6540 FAX: (415) 561-6477
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GENERAL INFORMATION

The Margoës Foundation was established in 1984 by the Will of John A. Margoës and operates as a private foundation incorporated under California law.

GRANT PROGRAM OBJECTIVES

John Margoës envisioned the Foundation would be a resource and catalyst for supporting imaginative and creative program opportunities that enabled:

- Minority and other disadvantaged youth to obtain a college education.
- Students from Asia and Africa to study in the United States.
- People with mental disabilities to live in non-institutional environments and lead productive lives.
- Promising biomedical scientists to engage in cardiovascular research.

ELIGIBLE APPLICANTS

The Foundation accepts grant requests only from tax-exempt, charitable organizations that are not defined as private foundations under Section 501(c)(3) of the Internal Revenue Code.

GEOGRAPHICAL FOCUS

The Foundation prefers to fund eligible non-profit organizations located in the San Francisco Bay Area to facilitate interactions with grantees and oversight of the grant.

SEED MONEY AND MATCHING GRANTS

The Foundation prefers to:

- Award grants as seed money to jump start new program initiatives that effect strategic change.
- Provide matching grants and leverage its support with contributions from other donors.

TERM OF GRANT

Grants are awarded for a one-year period and may be extended based on grantee performance and program effectiveness.

PROGRAM LIMITATIONS

The Foundation does not:

- Accept requests from individuals or award loans, scholarships and grants to individuals.
- Award grants for annual fund campaigns, fundraising events, operating deficits, endowments, sectarian religious activities or sectarian religious facilities.
- Assume any obligation to provide continuing support to grantees.

CURRENT PROGRAM PRIORITIES

FOR MINORITY AND DISADVANTAGED STUDENTS

The Foundation places a high priority on funding collegiate and pre-collegiate programs that prepare low income, minority and other disadvantaged students to qualify for post-secondary education, matriculate in a college or university and graduate with a degree.

COLLEGE PROGRAMS.

- To support institutional scholarship and financial aid programs for promising minority and disadvantaged students with high academic potential.

COLLEGE PREPARATORY PROGRAMS.

- To support after-school and summer academically focused programs to help minority and disadvantaged high school students improve their competence in secondary school subjects and better qualify for admission to college.

Appropriate programs include supplemental math and science activities, tutoring and mentoring in academic disciplines, computer literacy, the arts and music. The program sponsor must provide information about the number of high school students enrolled in the program who graduate and enroll in college.

NEW AND INNOVATIVE PUBLIC EDUCATION PROGRAMS.

- To support programs to increase the number of minority and disadvantaged high school graduates who enroll in college and obtain a degree.

PROFESSIONAL TEACHING TRAINING PROGRAMS.

- To support programs to prepare teachers for teaching minority and disadvantaged high school students in hard to staff urban schools.

FOR FOREIGN STUDENTS FROM AFRICA AND ASIA

- To support supplementary scholarship programs African and Asian nationals to study at a college or university in the United States. Students are expected to make a direct application of their training, to the extent possible, when they return to their home communities.

Qualifying students must have received:

- Written notification of their admission to an academically focused or short-term technology program at a college or university in the United States.
- A full academic scholarship and partial living allowance but fall short of the INS financial requirements for studying in the United States.

FOR PEOPLE WITH MENTAL DISABILITIES

- To support community-based programs that empower people with mental disabilities to live independently and lead productive lives.
- To support community-based programs that improve the delivery of mental health services to young people who turn 18 years old and are making the transition from residential therapeutic care to independence.

FOR POST-DOCTORAL BIOMEDICAL SCIENTISTS

- To support institutions and associations engaged in cardiovascular research

GRANT PROPOSAL & REPORTING GUIDELINES

The Margoes Foundation accepts and reviews grant proposals on a continuing basis. Applicants should contact the Foundation if they have questions about the current grantmaking priorities and application procedures.

Grant proposals should be submitted before April 15 for consideration at the spring board meeting and before October 15 for consideration at the fall board meeting. Applicants should provide one copy of the following documents:

The Cover Letter

The cover letter should not exceed two pages and include:

- A summary of the proposed project or program and the dollar amount requested.
- A statement describing how the proposed project or program furthers the Margoes Foundation grantmaking objectives and priorities.
- A brief description of the organization's mission and accomplishments.
- A statement indicating the governing board authorizes the application.
- The name, address and telephone number of the responsible contact person.

The Proposal Narrative

The proposal narrative should not exceed six pages and describe:

- The purpose of the project or program and the problem(s) it will address.
- The specific goal(s) and objectives of the project or program.
- The target population and the number of participants.
- The proposed activities and timeline of the project or program during the grant period.
- The names and qualifications of the responsible personnel.
- The project or program budget of estimated revenue and expenses.
- The dollar amount requested from the Margoes Foundation and the use of the funds.
- A list of the current donors and the level of their support to the project or program.
- The names of other funding partners who will be solicited for support.
- The proposed funding plan to continue the project or program beyond the grant period.

The Reporting of Grant Results

A brief description of how the applicant will measure the success of the project or program and report the grant results:

- The outcomes to be achieved based on the specific goals and objectives in the proposal.
- The grant helped to advance the project or program and further the Foundation's grant objectives.
- The impact of the project or program on the participants.
- Non-programmatic events and unexpected results encountered during the grant period.
- Key lessons learned during the grant period.

Organizational and Financial Documents

- The organization's current 501(c) (3) letter and classification under Section 509(a) of the Internal Revenue Code and any updates or amendments.
- The names of the officers and directors of the governing board.
- The most recent twelve-month audited financial statement including balance sheets and statements of revenue and expenses. If the applicant does not have an audited statement, submit a copy of the most recent IRS Form 990.
- The organization's current year budget of operating revenue and expenses.

MARGOES FOUNDATION
GRANT AWARDS AND PAYMENTS FOR THE YEAR ENDED FEBRUARY 28, 2011

	<u>GRANTS AWARDED</u>	<u>GRANTS PAID</u>	<u>GRANTS PAYABLE</u>
COLLEGE PROGRAMS FOR MINORITY AND DISADVANTAGED STUDENTS			
HISPANIC SCHOLARSHIP FUND, San Francisco, CA For the collaborative scholarship program with Kipp King Collegiate High School to support the first senior class of college-bound Latinos in the 2011-12 academic year.	\$20,000	\$20,000	
ON THE MOVE, Napa, CA			
For the V.O.L.A.R (formerly ARRIVE) Program to assist 15 Latina girls overcome barriers that prevent them from attending and completing a four year university and provide each participant a \$1,000 tuition scholarship	\$25,000	\$25,000	
ST MARY'S COLLEGE OF CALIFORNIA, San Francisco, CA			
For targeted financial aid for unmet needs of first-year High Potential Program students from low-income and under-represented minority backgrounds to succeed in their academic focus, remain in college and ultimately to graduate.	\$25,000	\$25,000	
PRE-COLLEGE PROGRAMS FOR MINORITY AND DISADVANTAGED STUDENTS			
KIPP BAY AREA SCHOOLS, San Lorenzo, CA For expansion of the College Counseling Program to prepare first-generation, underserved students in grades 9-12 successfully gain admission to and enroll in college	\$25,000	\$25,000	
MISSION GRADUATES, San Francisco, CA			
For College Connect to prepare minority and disadvantaged Mission District high school students for and complete a college education	\$25,000	\$25,000	
SAN FRANCISCO EDUCATION FUND, San Francisco, CA			
For the Postsecondary Success Program to help three Mission high schools identify and implement college-readiness priorities to increase the number of students who enroll and succeed in postsecondary education	\$25,000	\$25,000	
COMMUNITY BASED PROGRAMS FOR PEOPLE WITH MENTAL DISABILITIES			
SENECA CENTER For the Youth Incentives and Enrichment pilot program for 20 adolescents diagnosed with mental health disorders and supervised by the San Francisco Juvenile Wellness Court	\$32,000	\$32,000	

MARGOES FOUNDATION
GRANT AWARDS AND PAYMENTS FOR THE YEAR ENDED FEBRUARY 28, 2011

	<u>GRANTS AWARDED</u>	<u>GRANTS PAID</u>	<u>GRANTS PAYABLE</u>
POSTDOCTORAL PROGRAMS FOR CARDIOVASCULAR RESEARCH CARDIOVASCULAR RESEARCH INSTITUTE OF UC, SAN FRANCISCO For a discretionary grant to the Director of CVRI for salary support of post-doctoral researchers (preferably Asia and Africa nationals)	\$60,000	\$20,000	\$40,000
OTHER PROGRAMS THE FOUNDATION CENTER, San Francisco, CA For the San Francisco regional center services to Bay Area nonprofit organizations.	\$1,000	\$1,000	
GRAND TOTAL	<u>\$238,000</u>	<u>\$198,000</u>	<u>\$40,000</u>



■ **Account Name**
MARGOES FNDN

Government Obligations		Shares/ Units Held	Cost Basis	Market Value	Date Priced	Price/ Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Asset Name	CUSIP								
Federal Govt Agency									
FEDERAL HOME LN MTG CORP 3.00000%	3134G1FN9	250,000.000	249,750.00	250,487.50	100/1950 07/28/2011	100.1950	4.55%	2.99%	7,500.00
US Govt Mortgage Passthroughs									
FEDERAL NATL MTGE ASSN POOL #254590 5.00000% 1/1/2018 ORIGINAL FACE VALUE \$250,000.00	31371KXT3	37,407.930	38,039.17	40,111.78	107.2280 07/28/2011	107.2280	0.73%	4.66%	1,870.40
FEDERAL NATL MTGE ASSN POOL #747781 4.50000% 10/1/2018 ORIGINAL FACE VALUE \$200,020.00	31403FXJB	58,933.440	59,485.94	62,413.46	105.9050 07/28/2011	105.9050	1.12%	4.25%	2,652.00
GOVT NATL MTGE ASSN POOL #478032 7.00000% 5/15/2028 ORIGINAL FACE VALUE \$212,844.00	362090A96	1,927.020	1,973.69	2,224.09	115.4160 07/28/2011	115.4160	0.04%	0.06%	134.89



■ **Account Name**
MARGOESFRDN

Asset Detail - Principal Portfolio (continued)

Government Obligations		Shares/ Units Held	Cost Basis	Market Value	Date Priced	Price/ Percentage of Portfolio	Current Yield	Estimated Annual Income
Asset Name	CUSIP							
US Govt Mortgage Passthroughs								
GOVT NATL MTGE ASSN POOL #529881 6.00000% 3/15/2031	36212CUE9	29,856.840	30,202.06	33,018.98	02/28/2011	110.5910	0.60%	5.43% 1,791.41
ORIGINAL FACE VALUE \$100,380.00								
GOVT NATL MTGE ASSN POOL #541888 6.00000% 5/15/2031	36212R6Z6	13,413.000	13,568.10	14,833.57	02/28/2011	110.5910	0.27%	5.43% 804.78
ORIGINAL FACE VALUE \$100,533.00								
GOVT NATL MTGE ASSN POOL #564647 6.00000% 6/15/2031	36213UHV9	4,804.490	4,860.04	5,313.33	02/28/2011	110.5910	0.10%	5.43% 288.27
ORIGINAL FACE VALUE \$101,381.00								
GOVT NATL MTGE ASSN POOL #575791 6.00000% 7/15/2031	36213LNG1	6,819.650	6,898.52	7,541.92	02/28/2011	110.5910	0.14%	5.43% 409.18
ORIGINAL FACE VALUE \$100,283.00								
GOVT NATL MTGE ASSN POOL #570414 6.00000% 10/15/2031	36201RVF6	10,764.090	10,888.57	11,904.11	02/28/2011	110.5910	0.22%	5.43% 845.85
ORIGINAL FACE VALUE \$100,000.00								
Total Government Obligations		\$415,666.09		\$427,888.74		7.77%	3.76%	\$16,086.78
Corporate Obligations								
Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Date Priced	Price/ Percentage of Portfolio	Current Yield	Estimated Annual Income
Corporate Bonds								
KOHL'S CORP 6.30000% 3/1/2011	500255EAM8	100,000.000	103,221.00	100,000.00	02/28/2011	100.0000	1.82%	6.30% 8,300.00
RYDER SYS MTN BE 5.00000% 4/1/2011	78356HJG5	50,000.000	48,748.50	50,105.00	02/28/2011	100.2100	0.91%	4.99% 2,500.00



■ **Account Name**
MARGOES FNDN

Asset Detail - Principal Portfolio (continued)

Corporate Obligations		Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Asset Name	CUSIP							
Corporate Bonds								
STAPLES INC SRNTS DTD 03/27/2009 7.750% 04/01/2011	855030AK8	75,000.000	79,283.75	75,396.75	100,5290 02/28/2011	1.37%	7.71%	5,812.50
XEROX CORP 6.8750% 8/15/2011 DTD 09/25/2006 5.50% 01/15/2012	984412BN2	50,000.000	52,044.00	51,341.00	102,6820 02/28/2011	0.93%	6.70%	3,437.50
AVALONBAY COMMUNITIES SR UNSEC BOND DTD 09/25/2006 5.50% 01/15/2012	053349EAK5	27,000.000	27,645.57	28,001.43	103,7180 02/28/2011	0.51%	5.30%	1,485.00
SBC COMMUNICATIONS INC 5.8750% 2/1/2012	783B7GAH6	100,000.000	106,847.00	104,900.00	104,8000 02/28/2011	1.90%	5.61%	5,875.00
GENERAL MLS INC 6.0000% 2/15/2012	370334ASJ	50,000.000	53,353.00	52,544.50	105,0890 02/28/2011	0.95%	5.71%	3,000.00
CSX CORP 6.3000% 3/15/2012	126408GB3	100,000.000	101,578.00	105,160.00	105,1680 02/28/2011	1.91%	5.99%	6,300.00
VERIZON NEW YORK INC 6.8750% 4/1/2012	92344XAA7	50,000.000	52,106.50	53,035.50	106,0710 02/28/2011	0.98%	6.48%	3,497.50
EASTMAN CHEM CO 7.0000% 4/15/2012	277432AE0	100,000.000	107,129.00	105,271.00	105,2710 02/28/2011	1.91%	6.65%	7,000.00
AOL TIME WARNER INC 6.8750% 5/1/2012	00184AAF2	50,000.000	54,019.00	53,226.00	106,4520 02/28/2011	0.97%	6.46%	3,437.50
FORTUNE BRANDS INC SR NT 3.000% 06/01/2012	349831AQ4	50,000.000	51,118.00	50,589.00	101,1780 02/28/2011	0.92%	2.97%	1,500.00
GOLDMAN SACHS GROUP INC 5.7000% 9/1/2012	38141GC67	100,000.000	107,108.00	106,514.00	106,5140 02/28/2011	1.95%	5.35%	5,700.00



■ **Account Name**
MARGOES FUND

Asset Detail - Principal Portfolio (continued)

■ Corporate Obligations		Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Corporate Bonds	Corporate Bonds									
GENERAL ELECTRIC CO 5.00000% 2/1/2013	369604AY9	50,000.000	54,065.00	53,559.50	107,119.0	0.97%	4.67%	2,500.00		
KELLOGG CO 4.2500% 3/6/2013	487836BA5	50,000.000	50,423.00	52,930.50	105,361.0	0.98%	4.01%	2,125.00		
JOHNSON CTLS INC 4.8750% 9/15/2013	478366AM9	50,000.000	50,759.50	54,209.50	106,419.0	0.98%	4.50%	2,437.50		
DISNEY WALT CO SR NT DTD 12/22/2008 4.5000% 12/15/2013	254687AW6	50,000.000	51,855.50	54,518.50	109,037.0	0.98%	4.13%	2,250.00		
WHIRLPOOL CORP NOTES DTD 05/04/2009 FLTG/R1 05/01/2014 CPN STEPS UP/DWN BY 25BPS FOR EACH RATING UP/DOWN/UP/UPD FOR EA NOTCH BELOW BAA/BBB, CAP @ 2%	96332HCB3	50,000.000	54,957.50	58,111.50	116,223.0	1.06%	7.40%	4,300.00		
BELLSOUTH CORP 5.20000% 9/15/2014	079860AG7	50,000.000	50,988.00	55,047.00	110,094.0	1.00%	4.72%	2,600.00		
Total Corporate Obligations									5.69%	\$71,997.50
■ Funds		Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Mutual Funds - Equity										
VANGUARD PRECIOUS METALS & MINING FUND INVESTOR CLASS SHS #53	921908208	9,748,412	261,896.36	255,700.85	26,230.0	4.64%	0.04%	107.23		

Asset Detail - Principal Portfolio (continued)

Funds		Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Asset Name	CUSIP							
UIT/RE/ETF - Fixed Inc Taxable								
SPDR INDEX SHS FDS GLB NAT RESRCE	70463JX541	4,400,000	250,776.00	275,816.00	62,6400 02/28/2011	5.00%	0.20%	558.80
WISDOMTREE TRUST DIV EX-FINL FD	97717W406	3,700,000	176,764.48	184,260.00	49,8000 02/28/2011	3.35%	3.23%	5,980.70
UIT/RE/ETF - Equity								
ISHARES TR DJ SEL DIV INX	464287168	3,550,000	176,630.27	182,416.75	51,3850 02/28/2011	3.31%	3.31%	6,045.65
ISHARES TR S&P NA NAT RES	464287374	12,000,000	381,550.36	555,600.00	46,3000 02/28/2011	10.08%	1.24%	6,912.00
SPDR SERIES TRUST S&P BIOTECH	70464AB70	774,000	43,981.80	48,429.18	62,5700 02/28/2011	0.88%	0.00%	0.00
SPDR SERIES TRUST S&P DIVID ETF	70464A763	3,350,000	175,454.12	180,666.50	53,9900 02/28/2011	3.29%	3.23%	5,835.70
VANGUARD INDEX FDS GROWTH ETF	9229098736	4,726,000	274,592.88	303,981.80	64,3000 02/28/2011	5.52%	1.09%	3,708.20
VANGUARD INDEX FDS MCAP GR IDXX/P	922908538	3,541,000	194,121.10	235,122.40	66,4000 02/28/2011	4.27%	0.48%	1,140.20
VANGUARD INDEX FDS MCAP V IDXX/P	922908512	1,901,000	91,214.94	107,007.29	58,2900 02/28/2011	1.94%	1.80%	1,925.71
VANGUARD INDEX FDS SM CP VAL ETF	922908611	1,466,000	88,699.33	103,235.72	70,4200 02/28/2011	1.88%	1.84%	1,904.33
VANGUARD INDEX FDS SML CP GRW ETF	922908595	2,868,000	198,962.18	239,479.52	83,6400 02/28/2011	4.36%	0.43%	1,035.35



■ Account Name
MARGOES FNDN

Asset Detail - Principal Portfolio (continued)

Funds	Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Price/ Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
UIT/Ad/ETF - Equity	VANGUARD INDEX FDS VALUE ETF	922908744	2,007,000	100,341.44	114,519.42	57.0800	2.08%	2.20%	2,522.80
VANGUARD INTL EQUITY INDEX F MSCI MKT	VANGUARD INTL EQUITY INDEX F MSCI MKT ETF	922042858	2,642,000	113,256.83	122,615.22	46.4100	2.23%	1.76%	2,153.23
VANGUARD INTL EQUITY INDEX F MSCI	VANGUARD INTL EQUITY INDEX F MSCI EUROPE ETF	922042874	867,000	38,869.94	45,508.83	52.4900	0.83%	4.39%	1,993.30
VANGUARD TAX-MANAGED FD MSCI EAFE	VANGUARD TAX-MANAGED FD MSCI EAFE ETF	921943858	788,000	24,893.51	30,164.64	38.2800	0.55%	2.34%	706.84
WISDOMTREE TRUST INTL DIV EX FNLD	WISDOMTREE TRUST INTL DIV EX FNLD	97171W788	3,850,000	173,538.12	179,831.50	46.7100	3.27%	3.55%	6,391.00
Total Funds			\$2,765,543.66	\$3,164,657.62			57.48%	1.53%	\$48,507.04