



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Return of Private Foundation

OMB No 1545-0052

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

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning JUN 1, 2010, and ending MAY 31, 2011

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 MUSHETT FAMILY FOUNDATION, INC. C/O PGB INVESTMENTS		A Employer identification number 22-3614593
Number and street (or P.O. box number if mail is not delivered to street address) PO BOX 178	Room/suite	B Telephone number (908) 879-4699
City or town, state, and ZIP code GLADSTONE, NJ 07934		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 10,989,921.	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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					
3 Interest on savings and temporary cash investments		27,468.	27,468.		Statement 1
4 Dividends and interest from securities		299,215.	299,215.		Statement 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		162,725.			
b Gross sales price for all assets on line 6a 1,283,836.					
7 Capital gain net income (from Part IV, line 2)			162,725.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
11 Gross profit or (loss)		1,279.	1,279.		Statement 3
12 Total. Add lines 1 through 11		490,687.	490,687.		
13 Compensation of officers, directors, trustees, etc		86,250.	43,125.		43,125.
14 Other employee salaries and wages		20,180.	10,090.		10,090.
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees Stmt 4		46,047.	44,476.		1,571.
17 Interest Stmt 5		8,790.	4,583.		4,207.
18 Taxes		582.	582.		
19 Depreciation and depletion		26,826.	13,413.		13,413.
20 Occupancy		2,369.	1,184.		1,185.
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses Stmt 6		17,768.	8,160.		9,608.
24 Total operating and administrative expenses. Add lines 13 through 23		208,812.	125,613.		83,199.
25 Contributions, gifts, grants paid		415,300.			415,300.
26 Total expenses and disbursements. Add lines 24 and 25		624,112.	125,613.		498,499.
27 Subtract line 26 from line 12		<133,425.>			
a Excess of revenue over expenses and disbursements			365,074.		
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)				N/A	

023501
12-07-10

LHA For Paperwork Reduction Act Notice, see the instructions.

MUSHETT FAMILY FOUNDATION, INC.
C/O PGB INVESTMENTS

Form 990-PF (2010)

22-3614593

Page 2

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
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	2,058,483.	1,897,217.	1,897,217.
	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 7	503,450.	503,450.	517,325.
	b	Investments - corporate stock Stmt 8	5,921,917.	6,575,500.	7,530,201.
	c	Investments - corporate bonds Stmt 9	1,575,450.	947,459.	983,637.
Liabilities	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other Stmt 10	50,000.	50,000.	51,749.
	14	Land, buildings, and equipment basis ▶ 2,913.			
		Less accumulated depreciation Stmt 11 ▶ 2,227.	1,268.	686.	686.
	15	Other assets (describe ▶ Statement 12)	6,560.	9,106.	9,106.
	16	Total assets (to be completed by all filers)	10,117,128.	9,983,418.	10,989,921.
	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 ▶ Statement 13)	1,636.	1,351.	
	23	Total liabilities (add lines 17 through 22)	1,636.	1,351.	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	10,115,492.	9,982,067.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances.	10,115,492.	9,982,067.	
	31	Total liabilities and net assets/fund balances	10,117,128.	9,983,418.	

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	10,115,492.
2	Enter amount from Part I, line 27a	2	<133,425.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	9,982,067.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	9,982,067.

Form 990-PF (2010)

023511
12-07-10

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			
b See Attached Statement			
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 1,283,836.		1,121,111.	162,725.

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

(i) FMV 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			162,725.

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	162,725.
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	531,862.	10,051,646.	.052913
2008	668,617.	10,704,806.	.062460
2007	660,804.	13,551,919.	.048761
2006	561,470.	13,618,118.	.041230
2005	670,437.	13,527,562.	.049561

2 Total of line 1, column (d)	2	.254925
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	.050985
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	10,300,723.
5 Multiply line 4 by line 3	5	525,182.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	3,651.
7 Add lines 5 and 6	7	528,833.
8 Enter qualifying distributions from Part XII, line 4	8	498,499.

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. Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		1	7,301.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	7,301.
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	7,301.
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010		6a	3,148.
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	3,148.
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	4,153.
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 <input type="checkbox"/> Refunded <input type="checkbox"/>		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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		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? If "Yes," complete Part II, col (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NJ		
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	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>PEAPACK-GLADSTONE BANK</u> Telephone no ► <u>(908) 719-3304</u> Located at ► <u>190 MAIN STREET, GLADSTONE, NJ</u> ZIP+4 ► <u>07934</u>			
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 ►	16	Yes	No X

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input 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(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? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	N/A	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<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?	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

Form 990-PF (2010)

Form 990-PF (2010)

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

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

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

☐ Yes ☒ No**6b**

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?

N/A

7b**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 14		86,250.	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	8,699,697.
b	Average of monthly cash balances	1b	1,750,271.
c	Fair market value of all other assets	1c	7,619.
d	Total (add lines 1a, b, and c)	1d	10,457,587.
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	10,457,587.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	156,864.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,300,723.
6	Minimum investment return. Enter 5% of line 5	6	515,036.

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

1	Minimum investment return from Part X, line 6	1	515,036.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	7,301.
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	7,301.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	507,735.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	507,735.
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	507,735.

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	498,499.
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	498,499.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	498,499.

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.

Form 990-PF (2010)

MUSHETT FAMILY FOUNDATION, INC.
C/O PGB INVESTMENTS

Form 990-PF (2010)

22-3614593 Page 9

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				507,735.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			414,519.	
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 ▶ \$ 498,499.				
a Applied to 2009, but not more than line 2a			414,519.	
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	0.			83,980.
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))	0.			0.
6 Enter the net total of each column as indicated below:	0.			
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				423,755.
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				

N/A

2010.04000 MUSHETT FAMILY FOUNDATION, 21760011

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
Name and address (home or business)				
a Paid during the year				
See Statement 15				
Total			▶ 3a	415,300.
b Approved for future payment				
None				
Total			▶ 3b	0.

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	(c) Exclu- sion code	(d) Amount		
1 Program service revenue						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments			14	27,468.		
4 Dividends and interest from securities			14	299,215.		
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			14	1,279.		
8 Gain or (loss) from sales of assets other than inventory			18	162,725.		
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.		490,687.		0.
13 Total. Add line 12, columns (b), (d), and (e)						
(See worksheet in line 13 instructions to verify calculations.)						

[illegible]

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. | | |

[illegible]

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

- b If "Yes," complete the following schedule**

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

**Sign
Here**

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

Signature of officer or trustee

Date _____

Title

Print/Type preparer's name

Preparer's signature

Date

Check ☐ self-employed

PTIN	
------	--

Brian Doherty

Dean Kelly

7-1-11

PO0022611

**Paid
Preparer
Use Only**

Firm's name ▶ Olsen & Thompson, P.A.

Firm's EIN ▶

Firm's address ► 970 Mount Kemble Ave.
Morristown, NJ 07960

Phone no (973) 425-3212

Form **990-PF** (2010)

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	4500 SH TEXAS INSTRUMENTS	P		12/31/10
b	1500 SH FORTUNE BRANDS	P		12/31/10
c	125000 CONSTELLATION ENERGY 7.0%	P		01/14/11
d	500000 TARGET CORP 6.35%	P		01/18/11
e	2200 SH CATERPILLAR INC	P		02/17/11
f	2000 SH BHP BILLITON PTD	P		05/26/11
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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 145,082.		172,604.	<27,522.>
b 91,309.		75,034.	16,275.
c 134,610.		130,831.	3,779.
d 500,000.		497,160.	2,840.
e 226,779.		126,319.	100,460.
f 186,056.		119,163.	66,893.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Losses (from col (h)) Gains (excess of col (h) gain over col (k), but not less than "-0-")
a			<27,522.>
b			16,275.
c			3,779.
d			2,840.
e			100,460.
f			66,893.
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	162,725.
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

2010 DEPRECIATION AND AMORTIZATION REPORT

Form 990-PF Page 1

990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	COMPUTER	030207SL		5.00	16	1,481.			1,481.	962.		296.
2	PRINTER	042607SL		5.00	16	231.			231.	142.		46.
3	OFFICE EQUIPMENT	022208SL		5.00	16	1,201.			1,201.	540.		240.
	* Total 990-PF Pg 1 Depr					2,913.		0.	2,913.	1,644.	0.	582.

028102
05-01-10

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

Source	Amount
INTEREST INCOME - HUDSON CITY SAVINGS	27,468.
Total to Form 990-PF, Part I, line 3, Column A	27,468.

Form 990-PF Dividends and Interest from Securities Statement 2

Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
DIVIDEND INCOME - PEAPACK GLADSTONE	183,806.	0.	183,806.
INTEREST INCOME - PEAPACK GLADSTONE	115,409.	0.	115,409.
Total to Fm 990-PF, Part I, ln 4	299,215.	0.	299,215.

Form 990-PF Other Income Statement 3

Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
CLASS ACTION PROCEEDS	1,279.	1,279.	
Total to Form 990-PF, Part I, line 11	1,279.	1,279.	

Form 990-PF Other Professional Fees Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT MANAGEMENT FEES	42,905.	42,905.		0.
OTHER PROFESSIONAL FEES	3,142.	1,571.		1,571.
To Form 990-PF, Pg 1, ln 16c	46,047.	44,476.		1,571.

Form 990-PF	Taxes	Statement	5
-------------	-------	-----------	---

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PAYROLL TAXES	8,414.	4,207.		4,207.
FOREIGN TAX WITHHELD	376.	376.		0.
To Form 990-PF, Pg 1, ln 18	8,790.	4,583.		4,207.

Form 990-PF	Other Expenses	Statement	6
-------------	----------------	-----------	---

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INSURANCE	637.	318.		319.
MISCELLANEOUS	10,486.	5,243.		5,243.
TELEPHONE	2,234.	1,117.		1,117.
OFFICE EXPENSES	2,871.	1,435.		1,436.
DUES AND MEMBERSHIPS	1,445.	0.		1,445.
POSTAGE	70.	35.		35.
SUBSCRIPTIONS	25.	12.		13.
To Form 990-PF, Pg 1, ln 23	17,768.	8,160.		9,608.

Form 990-PF	U.S. and State/City Government Obligations	Statement	7
-------------	--	-----------	---

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
GOVERNMENT BONDS	X		503,450.	517,325.
Total U.S. Government Obligations			503,450.	517,325.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			503,450.	517,325.

Form 990-PF	Corporate Stock	Statement	8
-------------	-----------------	-----------	---

Description	Book Value	Fair Market Value
COMMON AND PREFERRED STOCKS	6,124,183.	7,066,383.
PREFERRED STOCKS	451,317.	463,818.
Total to Form 990-PF, Part II, line 10b	6,575,500.	7,530,201.

Form 990-PF	Corporate Bonds	Statement	9
-------------	-----------------	-----------	---

Description	Book Value	Fair Market Value
CORPORATE BONDS	947,459.	983,637.
Total to Form 990-PF, Part II, line 10c	947,459.	983,637.

Form 990-PF	Other Investments	Statement	10
-------------	-------------------	-----------	----

Description	Valuation Method	Book Value	Fair Market Value
MUTUAL FUNDS	COST	50,000.	51,749.
Total to Form 990-PF, Part II, line 13		50,000.	51,749.

Form 990-PF	Depreciation of Assets Not Held for Investment	Statement	11
-------------	--	-----------	----

Description	Cost or Other Basis	Accumulated Depreciation	Book Value
COMPUTER	1,481.	1,258.	223.
PRINTER	231.	188.	43.
OFFICE EQUIPMENT	1,201.	780.	421.
Total To Fm 990-PF, Part II, ln 14	2,913.	2,226.	687.

Form 990-PF	Other Assets	Statement	12
-------------	--------------	-----------	----

Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
SECURITY DEPOSIT	6,560.	6,560.	6,560.
DUE FROM BROKER	0.	2,546.	2,546.
To Form 990-PF, Part II, line 15	6,560.	9,106.	9,106.

Form 990-PF	Other Liabilities	Statement	13
-------------	-------------------	-----------	----

Description	BOY Amount	EOY Amount
PAYROLL TAXES PAYABLE	1,636.	1,351.
Total to Form 990-PF, Part II, line 22	1,636.	1,351.

Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement	14
-------------	---	-----------	----

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan	Expense Contrib	Account
HENRY J DAALEMAN 1 YOUNG COURT CHESTER, NJ 07930	PRESIDENT & TREASURER 20.00	60,000.	0.	0.	
DR. TIMOTHY DAALEMAN 110 GREEN WILLOW COURT CHAPEL HILL, NC 27514	FORMER TRUSTEE 4.00	9,000.	0.	0.	
REV. JACK MARTIN ST. MARY'S RC CHURCH RECTORY, 115 WASHINGTON AVE ELIZABETH, NJ 07202	FORMER TRUSTEE 2.00	1,500.	0.	0.	
MARK DAALEMAN 836 KIMBALL AVE WESTFIELD, NJ 07090	SECRETARY AND TRUSTEE 5.00	12,750.	0.	0.	

DR. JAMES MORGAN	TRUSTEE			
653 UPPER MOUNTAIN AVE	2.00	1,500.	0.	0.
UPPER MONTCLAIR, NJ 07043				

SISTER MARY ELEANOR THORNTON	TRUSTEE			
1645 US HWY 22 WEST	2.00	1,500.	0.	0.
WATCHUNG, NJ 07069				

Totals included on 990-PF, Page 6, Part VIII

86,250.	0.	0.
---------	----	----

Form 990-PF

Grants and Contributions
Paid During the Year

Statement 15

Recipient Name and Address	Recipient Relationship and Purpose of Grant	Recipient Status	Amount
CATHOLIC MEDICAL MISSION BOARD 10 WEST 17TH ST NEW YORK, NY 100115765	N/A GENERAL OPERATING	PUBLIC	10,000.
COMMUNITY FOODBANK OF NEW JERSEY 31 EVANS TERMINAL ROAD HILLSIDE, NJ 07205	N/A GENERAL OPERATING	PUBLIC	20,000.
DOCTORS WITHOUT BORDERS 333 SEVENTH AVE, 2ND FLOOR NEW YORK, NY 10001	N/A GENERAL OPERATING	PUBLIC	13,500.
EDISON WETLANDS ASSOCIATION 206 TYLER ROAD EDISON, NJ 08820	N/A GENERAL OPERATING	PUBLIC	50,000.
ELIZABETH COALITION FOR THE HOMELESS 118 DIVISION ST ELIZABETH, NJ 07201	N/A GENERAL OPERATING	PUBLIC	25,000.
MEMORIAL SLOAN KETTERING CANCER CENTER 633 3RD AVENUE, 28TH FLOOR NEW YORK, NY 10017	N/A GENERAL OPERATING	PUBLIC	150,000.

MUSHETT FAMILY FOUNDATION, INC. C/O PGB			22-3614593
NEW JERSEY AUDUBON SOCIETY 9 HARDSCRABBLE ROAD BERNARDSVILLE, NJ 07924	N/A GENERAL OPERATING	PUBLIC	10,000.
NEW JERSEY REGIONAL COALITION 900 HADDON AVE., SUITE 410 COLLINGSWOOD, NJ 08108	N/A GENERAL OPERATING	PUBLIC	3,000.
NY/NJ BAYKEEPER 52 WEST FRONT STREET KEYPORT, NJ 07735	N/A GENERAL OPERATING	PUBLIC	5,000.
PARTNERS IN HEALTH 888 COMMONWEALTH AVE., 3RD FL BOSTON, MA 02215	N/A GENERAL OPERATING	PUBLIC	13,500.
RUTGERS UNIVERSITY, SCHOOL OF ENVIRONMENTAL & BIOLOGICAL SCIENCES - 71 DUDLEY ROAD NEW BRUNSWICK, NJ 08901	N/A GENERAL OPERATING	PUBLIC	50,000.
ST JOSEPH SOCIAL SERVICE CENTER 118 DIVISION ST ELIZABETH, NJ 07201	N/A GENERAL OPERATING	PUBLIC	24,000.
STREETLIGHT MISSION PO BOX 843 ELIZABETH, NJ 07207	N/A GENERAL OPERATING	PUBLIC	5,000.
THE LAMP FOUNDATION INC PO BOX 39703 PHILADELPHIA, PA 19106	N/A GENERAL OPERATING	PUBLIC	10,000.
US FISH & WILDLIFE SERVICE 241 PLEASANT PLAINS ROAD BASKING RIDGE, NJ 07920	N/A GENERAL OPERATING	PUBLIC	2,800.
NJN FOUNDATION PO BOX 777 TRENTON, NJ 08625	N/A GENERAL OPERATING	PUBLIC	10,000.

MUSHETT FAMILY FOUNDATION, INC. C/O PGB

22-3614593

SAINT PAUL'S BENEVOLENT AND N/A
MISSIONARY INST. GENERAL OPERATING
526 MONASTERY PLACE UNION CITY,
NJ 07087

PUBLIC 13,500.

Total to Form 990-PF, Part XV, line 3a

415,300.

Mushett Family Foundation
Investments
FYE 5/31/11

EIN 22-3614593

Shares/Par	Security	Cost	Value
<u>Government Securities</u>			
500000	Federal Home Loan Mortgage Corp 5.75% Due 1/15/2012	503,450.00	517,325.00

Mushett Family Foundation
Investments
FYE 5/31/11

EIN 22-3614593

Shares/Par	Security	Cost	Value
<u>Common stocks</u>			
4600	Abbott Labs	211,498.80	240,350.00
4000	Adobe Sys Inc	84,931.40	138,520.00
2100	Air Products & Chemicals Inc	159,317.34	199,689.00
9000	Applied Materials Inc	178,944.00	124,020.00
3250	Automatic Data Processing Inc	126,001.20	179,107.50
2140	Chevron Corporation	105,943.84	224,507.40
2500	Chubb Corp	101,937.75	163,975.00
3300	Corning Inc	208,880.00	66,495.00
1500	Costco Wholesale Corp	50,160.00	123,720.00
4000	Danaher Corp	145,034.40	218,120.00
3000	Du Pont E I Nemours & Co	153,808.10	159,900.00
3470	Ecolab Inc	183,510.60	190,433.60
8200	El Paso Corp	92,904.36	172,610.00
1750	Emerson Elec Co	108,321.68	95,462.50
2360	Exxonmobil Corp	81,767.77	196,989.20
7500	General Electric Corp	236,739.29	147,300.00
4000	Home Depot Inc	164,655.60	145,120.00
5125	Intel Corp	107,326.15	115,363.75
1300	Intl Business Machines Corp	165,011.50	219,609.00
7458	Ishares MSCI Emerging Mkt	324,455.48	361,936.74
3000	Johnson Controls Inc	118,146.50	118,800.00
2500	Johnson & Johnson	107,565.82	168,225.00
3750	JP Morgan Chase & Co	153,931.30	162,150.00
3800	Lilly Eli & Co	125,235.46	146,224.00
3500	McDonalds Corp	191,124.60	285,390.00
4000	Merck & Co	250,644.08	147,000.00
2750	Metlife Inc	108,804.33	121,275.00
5000	Microsoft Corp	148,400.00	125,050.00
2000	Monsanto Co	138,372.00	142,080.00
1500	Nextera Energy Inc	82,059.85	86,925.00
1500	Northern TR Corp	73,075.00	73,185.00
1000	Pepsico Inc.	67,732.30	71,120.00
1775	Petroleo Brasileiro SA Spons ADR	78,365.72	61,468.25
6000	Proctor & Gamble Co	272,421.00	402,000.00
1200	Research In Motion Limited	83,877.84	51,420.00
500	S.A Spons ADR	26,889.15	28,795.00
2000	Schlumberger Ltd	126,649.20	171,440.00
5000	Sysco Corp.	124,199.00	161,050.00
2000	Target Corp	106,224.60	99,060.00
2000	Teva Pharmaceuticals	89,559.80	101,800.00
1800	Union Pacific Corp	132,447.96	188,946.00
2500	United Technologies Corp	169,925.00	219,425.00
3000	Vectron Corp	73,695.40	84,660.00
1000	V.F. Corp	76,589.90	99,670.00
2000	Walt Disney Co	69,431.33	83,260.00
4700	Waste Management Inc	137,666.36	182,736.00
Total Common Stocks		6,124,182.76	7,066,382.94

Mushett Family Foundation
Investments
FYE 5/31/11

EIN 22-3614593

Shares/Par	Security	Cost	Value
<u>Preferred Stocks</u>			
3000	Allianz SE 8.375%	75,536.10	79,593.00
3000	AT&T Inc 6 375%	75,000 00	79,560.00
2110	JP Morgan Chase Cap 7.0%	50,781 37	53,615.10
4000	Prologis Trust 6.75%	100,000 00	98,320.00
3000	PS Business Parks Inc 6.7%	75,000 00	75,090.00
3000	Public Storage Inc 6.625%	75,000 00	77,640 00
Total Preferred Stocks		451,317.47	463,818 10

Mushett Family Foundation
Investments
FYE 5/31/11

EIN 22-3614593

Shares/Par	Security	Cost	Value
<u>Corporate Bonds</u>			
125000	General Electric Cap Corp 2.8% Due 1/08/2013	125,843.75	128,268 75
200000	General Mills Inc 5.65% Due 9/10/2012	210,400 00	212,388 00
150000	Goldman Sachs Group Inc 5 5% Due 11/15/2014	151,141 80	164,086 50
125000	Merrill Lynch & Co. 6 05% Due 5/16/2016	127,156.25	135,298 75
125000	Morgan Stanley Med Term Note 6.0% Due 5/13/2014	127,387.50	137,195 00
200000	Pfizer Inc 4 45% Due 3/15/2012	205,530.00	206,400 00
	Total Corporate Bonds	947,459 30	983,637.00

Mushett Family Foundation
Investments
FYE 5/31/11

EIN 22-3614593

Shares/Par	Security	Cost	Value
<u>Mutual Funds</u>			
4725.9	Vanguard GNMA Fund	50,000.00	51,748.58