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

2011

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 **2011** or tax year beginning , **2011**, and ending , **20**

Name of foundation SPINNAKER FOUNDATION, INC.		A Employer identification number 20-8132975
Number and street (or P.O. box number if mail is not delivered to street address) 6 WINSTON FARM LANE	Room/suite	B Telephone number (see instructions) 908-234-2843
City or town, state, and ZIP code FAR HILLS, NJ 07931		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		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) \$ 1,057,629	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) (see instructions).)	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)	
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)					
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
	3 Interest on savings and temporary cash investments	2,837	2,837	2,837		
	4 Dividends and interest from securities	8,916	8,916	8,916		
	5a Gross rents					
	b Net rental income or (loss)					
	6a Net gain or (loss) from sale of assets not on line 10	59	STMT #1			
	b Gross sales price for all assets on line 6a	197,619				
	7 Capital gain net income (from Part IV, line 2)		46,979			
	8 Net short-term capital gain					
	9 Income modifications					
	10a Gross sales less returns and allowances					
b Less: Cost of goods sold						
c Gross profit or (loss) (attach schedule)						
11 Other income (attach schedule)						
12 Total. Add lines 1 through 11		11,812	58,732	11,753		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.					
	14 Other employee salaries and wages					
	15 Pension plans, employee benefits					
	16a Legal fees (attach schedule)					
	b Accounting fees (attach schedule)					
	c Other professional fees (attach schedule)	1,266	1,266	1,266		
	17 Interest					
	18 Taxes (attach schedule) (see instructions)	1,534				
	19 Depreciation (attach schedule) and depletion					
	20 Occupancy					
	21 Travel, conferences, and meetings	357			357	
	22 Printing and publications					
	23 Other expenses (attach schedule)	2,068			2,068	
	24 Total operating and administrative expenses. Add lines 13 through 23		5,225	1,266	1,266	2,425
	25 Contributions, gifts, grants paid	48,750				48,750
26 Total expenses and disbursements. Add lines 24 and 25		53,975	1,266	1,266	51,175	
27 Subtract line 26 from line 12:						
a Excess of revenue over expenses and disbursements		-42,163				
b Net investment income (if negative, enter -0-)			57,466			
c Adjusted net income (if negative, enter -0-)				10,487		

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STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
TAX DIVISION
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2012

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	720,702	725,457	725,457
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule) <i>STMT #5</i>	48,220	48,220	53,922
	b	Investments—corporate stock (attach schedule) <i>STMT #6</i>	321,151	274,231	257,050
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) <i>OTHER</i>	21,200	21,200	21,200
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)				
16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item l)	1,111,273	1,069,108	1,057,629	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
23	Total liabilities (add lines 17 through 22)	1,111,273	1,069,108		
Net Assets or Fund Balances	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 type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds	1,111,273	1,069,108	
	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 (see instructions)	1,111,273	1,069,108		
31	Total liabilities and net assets/fund balances (see instructions)	1,111,273	1,069,108		

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)	1,111,273
2	Enter amount from Part I, line 27a	-42,163
3	Other increases not included in line 2 (itemize) ▶	
4	Add lines 1, 2, and 3	1,068,110
5	Decreases not included in line 2 (itemize) ▶ ROUNDING	2
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	1,069,108

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	600 SHS XOM	D	04/18/2007	02/01/2011
b	PACE PORTFOLIO - SEE STATEMENT DETAILS <i>SJMT # 7</i>	P	VARIOUS	10/28/2011
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	50,186	0	50,186	
b	147,433	150,640	-3,207	
c				
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 M V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col. (j), if any		
a				
b				
c				
d				
e				
2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2 46,979
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8			3

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))	
2010	51,643	1,047,681	0.049292676	
2009	60,038	1,064,199	0.056416140	
2008	29,364	1,235,552	0.023765895	
2007	10,080	982,703	0.010257423	
2006				
2	Total of line 1, column (d)			2 0.139732134
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.0349330335
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 1,078,312
5	Multiply line 4 by line 3			5 37,669
6	Enter 1% of net investment income (1% of Part I, line 27b)			6 575
7	Add lines 5 and 6			7 38,244
8	Enter qualifying distributions from Part XII, line 4 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.			8 50,600

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)			
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	1	575	
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		
3	Add lines 1 and 2	3		
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4		
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		
6	Credits/Payments:			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a		
b	Exempt foreign organizations—tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d	7		
8	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	575	
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 2012 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?		✓
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?		✓
<i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		
1c Did the foundation file Form 1120-POL for this year?		✓
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		✓
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>		✓
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
4b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?	✓	
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>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MARYLAND		
8b 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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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		✓
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		✓
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>WWW.SPINNAKERFOUNDATION.COM</u>	13	✓	
14	The books are in care of ▶ <u>JENNIFER L. MALMBERG</u> Telephone no. ▶ <u>908-234-2843</u> Located at ▶ <u>6 WINSTON FARM LANE, FAR HILLS, NJ</u> ZIP+4 ▶ <u>07931-2201</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			
16	At any time during calendar year 2011, 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 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 ✓

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	✓
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
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.)	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. ▶ 20____, 20____, 20____, 20____		
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 2011 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.</i>)	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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 2011?	4b	✓

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

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

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

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

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

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

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

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

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** Yes No

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

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** Yes No

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JENNIFER L. MALMBERG SAME AS CORPORATION	PRESIDENT & TREASURER - 8 HR	0		
ALLISON C. TYLER SAME AS CORPORATION	SECRETARY 2 HR	0		

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

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

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

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NONE	
2	
3	
4	

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

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

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	419,884
b	Average of monthly cash balances	1b	653,649
c	Fair market value of all other assets (see instructions)	1c	21,200
d	Total (add lines 1a, b, and c)	1d	1,094,733
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	1,094,733
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	16,421
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,078,312
6	Minimum investment return. Enter 5% of line 5	6	53,916

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	53,916
2a	Tax on investment income for 2011 from Part VI, line 5	2a	575
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	575
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	53,341
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	53,341
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	53,341

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	51,175
b	Program-related investments—total from Part IX-B	1b	
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	51,175
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	575
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	50,600

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				53,341
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			50,674	
b Total for prior years: 20__ ,20__ ,20__				
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e				
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ <u>51,175</u>				
a Applied to 2010, but not more than line 2a			50,674	
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				501
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2011 (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				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount—see instructions				
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				52,840
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

- 1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶
- b** Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities . .					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . .					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

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

N/A

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

N/A

- 2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**
- Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:
JENNIFER L. MALMBERG, 6 WINSTON FARM LANE, FAR HILLS, NJ 07931

b The form in which applications should be submitted and information and materials they should include:
WRITTEN REQUEST STATING NAME, ORGANIZATION SUMMARY, ACTIVITIES, PURPOSE OF GRANT

c Any submission deadlines:
NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
PRIMARILY MEDICAL, RELIGIOUS, ART AND EDUCATIONAL ORGANIZATIONS

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)				
<p>a <i>Paid during the year</i> SEE ATTACHED STATEMENT #8</p>				
<p>Total</p>				<p>3a 48,750</p>
<p>b <i>Approved for future payment</i></p>				
<p>Total</p>				<p>3b</p>

STATEMENT # 1**PART I, LINE 6a, NET GAIN OR (LOSS) FROM SALE OF ASSETS**

Description	Proceeds	FMV booked at date of donation	Book Gain/(Loss)
600 shs XOM	50,186	46,920	3,266
PACE Portfolio (See STMT #7)	147,433	150,640	(3,207)
	<u>197,619</u>	<u>197,560</u>	<u>59</u>

STATEMENT # 2**PART I, LINE 16c**

Other professional fees Description	Revenue & Expenses Per Book	Disbursements for Charitable Purposes
UBS Investment Management fees	1,534	-
	<u>1,534</u>	<u>-</u>

STATEMENT # 3**PART I, LINE 18**

TAXES Description	Revenue & Expenses Per Book	Disbursements for Charitable Purposes
U.S. Excise Tax 2010 Tax Due	1,534	-
	<u>1,534</u>	<u>-</u>

STATEMENT # 4**PART I, LINE 23**

MISCELLANEOUS Description	Revenue & Expenses Per Book	Disbursements for Charitable Purposes
Administrative fees (UBS)	30	30
Website Maintenance costs	288	288
Event sponsorship costs	1,520	1,520
Office supplies	137	137
Postage and fees	93	93
	<u>2,068</u>	<u>2,068</u>

STATEMENT # 5**PART II, LINE 10 a**

		Beginning of Year	End of Year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
50,000	U.S. Treasury Bond	48,220	48,220	53,922

STATEMENT # 6**PART II, LINE 10 b**

		Beginning of Year	End of Year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
1656 shares	AT&T	64,534	64,534	50,077
700 shares	DuPont	34,503	34,503	32,046
2300 shares	Exxon Mobil	148,580	101,660	110,188
700 shares	Johnson & Johnson	43,836	43,836	45,906
300 shares	McGraw Hill	20,812	20,812	13,491
100 shares	Zimmer Holding	8,885	8,885	5,342
		321,151	274,231	257,050

STATEMENT # 7**PART IV, LINE 1b, NET GAIN OR (LOSS) FROM SALE OF ASSETS****PACE PORTFOLIO**

		e) Gross Sales	g) Cost or other	h) Gain or (Loss)
		price	basis	
PACE	(International Emerging Markets)	6,401	6,995	(594)
PACE	(High Yield Investments)	5,636	5,947	(311)
PACE	(International Equity Investments)	19,244	20,030	(786)
PACE	(Alternate Strategies Investments)	36,892	37,943	(1,051)
PACE	(Large Co Growth Equity)	21,243	20,974	269
PACE	(Large Co Value Equity)	20,437	21,008	(571)
PACE	(Global Real Estate Securities)	6,735	6,787	(52)
PACE	(Small/Med Co Growth Equity)	8,721	8,757	(36)
PACE	(Strategic Fixed Income)	13,800	13,254	546
PACE	(Small/Med Co Value Equity)	8,324	8,945	(621)
		147,433	150,640	(3,207)

STATEMENT # 8**PART XV, LINE 3a - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR**

	Recipient Name and address	Foundation Status of Recipient	Purpose of grant or contribution	Amount
1	Healthnetwork Foundation Chagrin Falls, OH 44022	501(c)3 Public Charity	General Fund	10,000
2	James A. Michener Art Museum Doylestown, PA 18901	501(c)3 Public Charity	General Fund	250
3	Mendham Township Recreation Brookside, NJ 07926	501(c)3 Public Charity	Fun Run Fund	500
4	Mendham Township Education Foundation Mendham, New Jersey 07945	501(c)3 Public Charity	General Fund	200
5	Brookside Community Club Brookside, NJ 07926	501(c)3 Public Charity	General Fund	100
6	Westmont Montessori School Mendham, NJ 07945	501(c)3 Public Charity	Ray of Light Fund	600
7	University of Richmond Richmond, Virginia 23173	501(c)3 Public Charity	Scholarship Fund	500
8	Providence College Providence, Rhode Island 02918	501(c)3 Public Charity	Scholarship Fund	250
9	The Hill School Pottstown, Pennsylvania 19464	501(c)3 Public Charity	General Fund	500

10	Brookside Engine Company Brookside, NJ 07926	501(c)3 Public Charity	General Fund	100
11	American Heart Association Dallas, TX 75231	501(c)3 Public Charity	General Fund	50
12	Mendham Township First Aid Squad Brookside, New Jersey 07926	501(c)3 Public Charity	General Fund	150
13	Mendham Township PBA Brookside, New Jersey 07926	501(c)3 Public Charity	General Fund	250
14	Ralston Engine Company No. 1 Mendham, New Jersey 07945	501(c)3 Public Charity	General Fund	175
15	American Diabetes Association Alexandria, VA 22311	501(c)3 Public Charity	General Fund	250
16	Rally for the Cure Wilton, CT 06897	501(c)3 Public Charity	General Fund	300
17	Zoological Society of NJ West Orange, NJ 07052	501(c)3 Public Charity	General Fund	150
18	Mendham Township Home School Assoc. Brookside, New Jersey 07926	501(c)3 Public Charity	Program funds	875
19	American Natural History Museum New York, NY 10024	501(c)3 Public Charity	General Fund	125
20	Mayo Performing Arts Center Morristown, NJ 07960	501(c)3 Public Charity	General Fund	1,500
21	Foundation for Morristown Medical Center Morristown, NJ 07960	501(c)3 Public Charity	General Fund	25,500

22	Historical Society of Berks County Reading, PA 19601	501(c)3 Public Charity	Palmer Gallery	5,000
23	Carista, Kulsar & Wade Foundation Chester, NJ 07930	501(c)3 Public Charity	Daniel James Miller Foundation	1,000
24	Junior Achievement of NJ Princeton, NJ 08540	501(c)3 Public Charity	General Fund	200
25	The Barnes Foundation Philadelphia, PA 19130	501(c)3 Public Charity	General Fund	<u>225</u>
			Total	<u><u>48,750</u></u>