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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011, or tax year beginning 01-01-2011 , and ending 12-31-2011

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
THE CLENNAN FAMILY FOUNDATION

A Employer identification number
26-3838840

Number and street (or P O box number if mail is not delivered to street address) 5455 N UNION BLVD SUITE 205 | Room/suite

B Telephone number (see page 10 of the instructions)
(719) 339-6363

City or town, state, and ZIP code
COLORADO SPRINGS, CO 80918

C If exemption application is pending, check here ▶ ☐
D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐
E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

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)* ▶$ 0

J Accounting method ☑ Cash ☐ Accrual ☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

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

			(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 ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	169	169	169	
	4	Dividends and interest from securities	30,738	30,738	30,738	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-13,856			
	b	Gross sales price for all assets on line 6a 1,785,458				
	7	Capital gain net income (from Part IV, line 2)				
	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)	60,000			
	12	**Total.** Add lines 1 through 11	77,051	30,907	30,907	
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)	3,959	3,959		
	c	Other professional fees (attach schedule)	300			
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions)	412			
	19	Depreciation (attach schedule) and depletion	61,215			
	20	Occupancy				
	21	Travel, conferences, and meetings	3,187			
	22	Printing and publications				
	23	Other expenses (attach schedule)	52,892	11,719		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	121,965	15,678		0
	25	Contributions, gifts, grants paid	84,100			84,100
	26	**Total expenses and disbursements.** Add lines 24 and 25	206,065	15,678		84,100
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-129,014			
	b	**Net investment income** (if negative, enter -0-)		15,229		
	c	**Adjusted net income** (if negative, enter -0-)			30,907	

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	94,625	18,050	
	2	Savings and temporary cash investments	1,008,617	1,018,256	
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶ 310,000 Less accumulated depreciation (attach schedule) ▶	310,000	310,000	
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 350,000 Less accumulated depreciation (attach schedule) ▶ 196,945	214,270	153,055	
	15	Other assets (describe ▶)		1	
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	1,627,512	1,499,362	0
Liabilities	17	Accounts payable and accrued expenses		573	
	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 ▶)	4,181	4,472	
	23	**Total liabilities** (add lines 17 through 22)	4,181	5,045	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☑ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted	1,623,331	1,494,317	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see page 17 of the instructions)	1,623,331	1,494,317	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	1,627,512	1,499,362	

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	1,623,331
2	Enter amount from Part I, line 27a	2	-129,014
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,494,317
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,494,317

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				

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

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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	-13,856
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8	3	-11,828

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010			
2009			
2008			
2007			
2006			

2	**Total** of line 1, column (d)	2	
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	
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1			
	Date of ruling or determination letter ____________ **(attach copy of letter if necessary–see instructions)**			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	305
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	305
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	305
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 ☐ 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	305
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** ▶	**Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6		No
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ FL, DE, CO			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
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 on page 27)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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

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

Website address ▶N/A

14 The books are in care of ▶THE CLENNAN FAMILY FOUNDATION Telephone no ▶(719) 339-6363

Located at ▶5455 N UNION BLVD SUITE 205 COLORADO SPRINGS CO ZIP+4 ▶80918

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 |

			Yes	No
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?	16		No

See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes", enter the name of the foreign country ▶

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? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		No
	Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		No
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? ☐ Yes ☑ 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 page 20 of the instructions).	2b		No
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? ☐ Yes ☑ 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? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)*	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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		No

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 page 22 of the instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?	**5b**		**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**		**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**		**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 page 22 of the instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
PETER PRESTON 5455 N UNION BLVD SUITE 205 COLORADO SPRINGS, CO 80918	Secretary 3 00	0		
DIANE CLENNAN 3023 CLUB DRIVE MIRAMAR BEACH, FL 32550	Director 3 00	0		
ROY J CLENNAN 3023 CLUB DRIVE MIRAMAR BEACH, FL 32550	President 3 00	0		

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

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

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

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".

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

Total number of others receiving over $50,000 for professional services . . . . ▶

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	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See page 24 of the instructions 3	
Total. Add lines 1 through 3. . . . . ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	1,019,772
b	Average of monthly cash balances		1b	69,652
c	Fair market value of all other assets (see page 24 of the instructions)		1c	0
d	**Total** (add lines 1a, b, and c)		1d	1,089,424
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	
3	Subtract line 2 from line 1d		3	1,089,424
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)		4	16,341
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	1,073,083
6	**Minimum investment return.** Enter 5% of line 5		6	53,654

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

1	Minimum investment return from Part X, line 6		1	53,654
2a	Tax on investment income for 2011 from Part VI, line 5	2a 305		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	305
3	Distributable amount before adjustments Subtract line 2c from line 1		3	53,349
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	53,349
6	Deduction from distributable amount (see page 25 of the instructions)		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	53,349

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	84,100
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	84,100
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	84,100

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

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

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				53,349
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only.				
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. 51,500				
e From 2010. 21,286				
f **Total** of lines 3a through e.	72,786			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 84,100				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .	0			
d Applied to 2011 distributable amount.				53,349
e Remaining amount distributed out of corpus	30,751			
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	103,537			
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 page 27 of the instructions . . .				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	103,537			
10 Analysis of line 9				
a Excess from 2007. . . .				
b Excess from 2008. . . .				
c Excess from 2009. . . . 51,500				
d Excess from 2010. . . . 21,286				
e Excess from 2011. . . . 30,751				

Part XIV Private Operating Foundations (see page 27 of the 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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(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 organization had $5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

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

See Additional Data Table

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

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

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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Additional Data Table				
Total . . . . ▶ **3a**				84,100
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion 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					169
4 Dividends and interest from securities					30,738
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					-29,949
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					-13,856
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)					-12,898

13 Total. Add line 12, columns (b), (d), and (e) . . . . 13 -12,898

(See worksheet in line 13 instructions on page 28 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 organization's exempt purposes (other than by providing funds for such purposes) (See page 28 of the instructions)

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)		No
(2) Other assets.	1a(2)		No
b Other transactions			
(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
(3) Rental of facilities, equipment, or other assets.	1b(3)		No
(4) Reimbursement arrangements.	1b(4)		No
(5) Loans or loan guarantees.	1b(5)		No
(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

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

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

b If "Yes," complete the following schedule

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

Sign Here

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

****** | 2012-05-11 | ******

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's Signature: David Auer CPA	Date	Check if self-employed ☐ / PTIN
Firm's name: AUER WOODLEY CPAs LLC		Firm's EIN
Firm's address: 455 E PIKES PEAK AVE STE 305 COLORADO SPRINGS, CO 809033674		Phone no (719) 634-2815

May the IRS discuss this return with the preparer shown above? See instructions ☑ Yes ☐ No

Form 990PF Part XV Line 1a - 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).

DIANE CLENNAN
ROY J CLENNAN

Form 990PF Part XV Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
CHURCH FOR ALL NATIONS6540 TEMPLETON GAP ROAD COLORADO SPRINGS,CO 80923	none	CHURCH	PROVIDE CHURCH WITH TRANSPORTATION FOR THEIR EXEMPT PURPOSE	60,000
Front Range Bible Institute3435 Maizeland Road Colorado Springs,CO 80909	none	NONPROFIT	CHARITY	500
The Empty Stocking Fund1975 Century Boulevard Suite 16 Atlanta,GA 30345	none	NONPROFIT	CHARITY	1,500
CSCS Lionheart4855 Mallow Road Colorado Springs,CO 80907	none	NONPROFIT	CHARITY	2,100
PIKES PEAK UNITED WAY518 N NEVADA AVENUE COLORADO SPRINGS,CO 80903	none	501C3	GENERAL FUND	5,000
ST PAULS CATHOLIC CHURCH9 El Pomar Rd Colorado Springs,CO 80906	none	CHURCH	CHARITY	10,000
AMERICAN RED CROSS1040 S 8th Street Colorado Springs,CO 80905	none	NONPROFIT	CHARITY	5,000
Total . . . . ▶ **3a**				84,100

TY 2011 Accounting Fees Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
	3,959	3,959	0	0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2011 Depreciation Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
AIRPLANE	2009-06-01	350,000	135,730	57	17 49 %	61,215			

TY 2011 Investments - Land Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Category/ Item	Cost/Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
Land	310,000		310,000	

TY 2011 Land, Etc. Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
Machinery and Equipment	350,000	196,945	153,055	

TY 2011 Other Assets Schedule

Name: THE CLENNAN FAMILY FOUNDATION
EIN: 26-3838840
Software ID: 11000144
Software Version: 2011v1.2

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
Rounding		1	

TY 2011 Other Expenses Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
SUPPLIES	495			
Rental Expenses	28,734			
REGISTRATION	25			
LICENSES AND FEES	1,523			
INVESTMENT FEES	11,714	11,714		
INSURANCE	9,612			
DUES & SUBSCRIPTION	5	5		
AUTO EXPENSE	784			

TY 2011 Other Income Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
Rental Income - Noninvestment Property	60,000		

TY 2011 Other Liabilities Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Description	Beginning of Year - Book Value	End of Year - Book Value
UNREALIZED GAIN		
DUE TO MORTGAGE SOLUTIONS	4,181	4,472

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TY 2011 Other Professional Fees Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
	300	0	0	0

TY 2011 Taxes Schedule

Name: THE CLENNAN FAMILY FOUNDATION

EIN: 26-3838840

Software ID: 11000144

Software Version: 2011v1.2

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
	412			

UBS

UBS Financial Services Inc.
90 South Cascade Ave, Ste 900
Colorado Springs CO 80903-1622

CPZ3001641929 1211 X24 LZ 0

2011 Year End Summary

Account name: THE CLENNAN FAMILY FOUNDATION
Account number: LZ 77988 H1

Your Financial Advisor:
HANK COLVERT/BRAD HARVEY/BRIAN
Phone. 719-633-8782/800-624-3773

THE CLENNAN FAMILY FOUNDATION
5455 N UNION BLVD, SUITE 205
COLORADO SPRINGS CO 80918-2060

Summary of gains and losses

	Amount ($)
Short term	-11,827.90
Long term	-2,028 82
Total	**$-13,856.72**

UBS

Account name: THE CLENNAN FAMILY FOUNDATION
Account number: LZ 77988 H1

Realized gains and losses

Estimated 2011 gains and losses for transactions with trade dates through 12/30/11 have been incorporated into this statement. Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss Please check with your tax advisor To calculate gains and losses, we liquidate the oldest security lot first. This is known as the first-in, first-out or FIFO accounting method. We use this method unless you specified which tax lot to close when you placed your order This is known as a versus purchases or VSP order

See Important information about your statement on the last page of this statement for more information We may not adjust gains and losses for all capital changes. Cost basis for coupon tax-exempt municipal securities, include securities subject to AMT, has been adjusted for mandatory amortization of bond premium Estimates in the Unclassified section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided

Short-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
BARCLAYS BANK PLC IPATH DOW JONES-UBS COMM INDX TOTAL RETURN	VSP	1,028 000	Mar 17, 11	May 12, 11	49,034.65	50,731 80		-1,697 15	
FIRST TR EXCHANGE TRADED FD AMEX BIOTECHNOLOY INDEX FUNE	VSP	335 000	Jun 15, 11	Jul 20, 11	14,367 87	14,337.67			30.20
	VSP	1,171 000	Oct 21, 11	Nov 08, 11	38,128 74	40,371.42		-2,242.68	
FIRST TR EXCHANGE TRADED FD DOW JONES INTERNET INDEX FUND	VSP	30.000	Jan 10, 11	May 12, 11	1,111 25	1,063.50			47 75
	VSP	253 000	Jan 10, 11	Jul 20, 11	9,330.46	8,968.85			361 61
	VSP	138 000	Jan 19, 11	Jul 20, 11	5,089.34	4,940 40			148 94
	VSP	26 000	Mar 17, 11	Jul 20, 11	958 86	884 16			74 70
FIRST TR ISE GLOBAL COPPER INDEX FD ETF	VSP	365.000	Mar 28, 11	Jun 15, 11	14,063 68	15,669 45		-1,605.77	
	VSP	9 000	May 12, 11	Jun 15, 11	346.78	367.56		-20 78	
FIRST TRUST EXCHANGE TRADED FUND II	FIFO	10.000	Jan 10, 11	Mar 17, 11	201 00	197.70			3 30
	VSP	58 000	Jan 10, 11	May 12, 11	1,281 95	1,146 66			135.29
	VSP	440.000	Jan 10, 11	Jul 20, 11	9,732 61	8,698 80			1,033.81
	VSP	257.000	Jan 19, 11	Jul 20, 11	5,684.73	5,068 04			616.69
FIRST TRUST EXCHANGE TRADED FUND II FINANCIAL ALPHADEX FUND	FIFO	682 000	Jan 10, 11	Mar 28, 11	10,345.74	10,059 26			286.48
	FIFO	329.000	Jan 19, 11	Mar 28, 11	4,990 83	4,914 98			75.85
	FIFO	23 000	Mar 17, 11	Mar 28, 11	348 90	338 33			10.57

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
FIRST TRUST EXCHANGE TRADED FUND II MATERIALS ALPHADEX FUND	VSP	33 000	Jan 10, 11	May 12, 11	840 66	784 93			55.73
	VSP	390 000	Jan 10, 11	Jul 20, 11	9,742 01	9,276 46			465.55
	VSP	202 000	Jan 19, 11	Jul 20, 11	5,045 87	4,875 69			170.18
	VSP	11.000	Mar 17, 11	Jul 20, 11	274 77	262 78			11 99
FIRST TRUST NASDAQ 100 TECHNOLOGY INDEX FUND ETF	VSP	35.000	Jan 10, 11	May 12, 11	965.63	931.70			33.93
	VSP	342.000	Jan 10, 11	Jul 20, 11	8,710 57	9,104.04		-393 47	
	VSP	177.000	Jan 19, 11	Jul 20, 11	4,508.10	4,816.17		-308.07	
	VSP	41 000	Mar 17, 11	Jul 20, 11	1,044.25	1,048 42		-4 17	
ISHARES BARCLAY 3-7 YEAR TREAS BD FD	FIFO	519.000	Aug 17, 10	Jan 10, 11	59,786 80	60,847 45		-1,060 65	
	FIFO	174.000	Aug 17, 10	Jan 19, 11	20,037 95	20,399.72		-361.77	
	VSP	12.000	Aug 17, 10	Aug 03, 11	1,438 06	1,406 88			31 18
	VSP	17.000	Dec 09, 10	Oct 21, 11	2,050 43	1,956 11			94 32
	VSP	4.000	May 12, 11	Oct 21, 11	482 45	465 27			17.18
	VSP	6.000	Jul 20, 11	Oct 21, 11	723 68	710.83			12.85
ISHARES BARCLAYS AGGREGATE BOND FUND	VSP	15.000	Jul 20, 11	Aug 03, 11	1,631.74	1,612.89			18 85
	VSP	385 000	Jul 20, 11	Oct 21, 11	42,112.95	41,397.43			715 52
ISHARES BARCLAYS INTER CR BD FD	VSP	5 000	Jul 21, 11	Aug 03, 11	541 53	536.75			4 78
	VSP	189 000	Jul 21, 11	Oct 21, 11	20,237 73	20,289.00		-51 27	
ISHARES BARCLAYS SHORT TREAS BD FD	FIFO	178 000	Aug 03, 10	Mar 17, 11	19,620 56	19,615.46			5 10
	VSP	341.000	Aug 03, 10	Jul 20, 11	37,590 27	37,577.93			12 34
	VSP	77 000	Aug 17, 10	Jul 20, 11	8,488 12	8,487 59			0.53
	VSP	123 000	Aug 17, 10	Jul 21, 11	13,558 03	13,558 11		-0 08	
	VSP	102 000	Jan 10, 11	Jul 21, 11	11,243.24	11,241 10			2 14

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	VSP	10 000	May 12, 11	Jul 21, 11	1,102 28	1,102.50		-0 22	
ISHARES BARCLAYS 1-3 YR TREAS BOND FD	FIFO	234 000	Dec 09, 10	Mar 17, 11	19,669 74	19,644.20			25 54
	VSP	711 000	Dec 09, 10	Jul 20, 11	60,015.78	59,688.15			327 63
	VSP	132 000	Jan 10, 11	Jul 20, 11	11,142.17	11,092.62			49.55
	VSP	12 000	May 12, 11	Jul 20, 11	1,012 92	1,010.12			2 80
ISHARES BARCLAYS 1-3 YR CD BD FD	VSP	1.000	Jul 20, 11	Aug 03, 11	105 11	104.80			0 31
	VSP	1.000	Jul 20, 11	Oct 21, 11	104.45	104.80		-0 35	
ISHARES BARCLAYS 7-10 YEAR TREAS BOND FD	FIFO	738 000	Aug 17, 10	Jan 10, 11	69,439 55	72,509.41		-3,069.86	
	FIFO	106.000	Aug 17, 10	Jan 19, 11	9,943 66	10,414 63		-470.97	
	FIFO	1 000	Aug 17, 10	Mar 17, 11	94.64	98 25		-3 61	
	VSP	373.000	Aug 17, 10	Jul 20, 11	36,389.19	36,647 71		-258.52	
	VSP	10 000	Sep 21, 10	Jul 20, 11	975.58	978 37		-2 79	
	VSP	44.000	Dec 09, 10	Jul 20, 11	4,292 56	4,150.48			142 08
	VSP	4.000	May 12, 11	Jul 20, 11	390 23	380 95			9.28
ISHARES IBOXX $ INVT GRA DE CORPORATE BOND FUND	VSP	22 000	Jul 20, 11	Aug 03, 11	2,497.46	2,447 73			49.73
	VSP	362 000	Jul 20, 11	Oct 21, 11	40,852.07	40,276 34			575.73
ISHARES JP MORGAN USD EMERGING MARKETS BOND FUND	VSP	10.000	Jul 20, 11	Aug 03, 11	1,118.80	1,091 64			27.16
	VSP	15 000	Jul 20, 11	Oct 21, 11	1,622.93	1,637 46		-14.53	
	VSP	443.000	Jul 25, 11	Oct 21, 11	47,930.64	48,587 80		-657 16	
ISHARES TRUST RUSSELL 2000 GROWTH INDEX FD	VSP	318.000	Jul 22, 11	Aug 03, 11	27,774.03	30,814.20		-3,040.17	
ISHARES TRUST S&P MIDCAP 400 GROWTH INDEX FD	FIFO	340.000	Sep 21, 10	Jan 10, 11	34,559.64	29,515.47			5,044 17
	FIFO	2 000	Sep 21, 10	Jan 19, 11	205.53	173 62			31.91
	FIFO	6 000	Sep 21, 10	Mar 17, 11	625 92	520.86			105 06
	VSP	8 000	Sep 21, 10	May 12, 11	899 53	694.48			205.05

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	VSP	8.000	Sep 21, 10	Jul 22, 11	905.50	694.48			211 02
	VSP	129 000	Sep 21, 10	Aug 03, 11	13,334.88	11,198.52			2,136 36
	VSP	325 000	Jul 20, 11	Aug 03, 11	33,595.64	36,152 64		-2,557 00	
ISHARES TRUST S&P U S PFD STOCK INDEX FUND	FIFO	2.000	Aug 17, 10	Jan 19, 11	77.95	79.89		-1.94	
	VSP	4.000	Aug 17, 10	May 12, 11	159.95	159 77			0 18
	VSP	244 000	Aug 17, 10	Jul 20, 11	9,549.44	9,746 21		-196 77	
	VSP	6 000	Nov 05, 10	Jul 20, 11	234.82	238 30		-3 48	
	VSP	769 000	Dec 09, 10	Jul 20, 11	30,096 39	30,014 06			82 33
	VSP	8 000	Jan 10, 11	Jul 20, 11	313.09	311 52			1 57
	VSP	1 000	Mar 17, 11	Jul 20, 11	39 14	39 21		-0.07	
JANUS OVERSEAS FUND A	FIFO	287.464	Jan 19, 11	Mar 17, 11	13,988.00	15,086.12		-1,098.12	
JP MORGAN STRATEGIC INCOME OPPORTUNITIES FUND CLASS A	FIFO	16.145	Dec 16, 10	Jan 19, 11	191 80	190.03			1 77
	FIFO	1,707 740	Dec 16, 10	Mar 17, 11	20,373.34	20,100 10			273.24
	FIFO	4,171 954	Dec 16, 10	Oct 21, 11	47,977.47	49,103.90		-1,126 43	
	FIFO	15.975	Jan 03, 11	Oct 21, 11	183.71	188.66		-4 95	
	FIFO	975.332	Jan 10, 11	Oct 21, 11	11,216 32	11,557.68		-341 36	
JPM HIGHBRIDGE DYNAMIC COMMODITIES STRATEGY FUND A	FIFO	1,069.556	Mar 17, 11	May 12, 11	21,851 02	21,091.64			759.38
	FIFO	976 416	Mar 17, 11	Jun 27, 11	18,883.88	19,254 92		-371 04	
	FIFO	523 450	Mar 17, 11	Jul 20, 11	10,610.33	10,322 43			287.90
LORD ABBETT SHORT DURATION INCOME FUND CLASS A	FIFO	2,180 030	Aug 03, 10	Jan 19, 11	10,049.94	10,115 34		-65 40	
	FIFO	6,041 667	Aug 03, 10	Jul 20, 11	27,791 67	28,033.33		-241 66	
	FIFO	73 532	Aug 31, 10	Jul 20, 11	338.25	341 19		-2.94	
	FIFO	84 886	Sep 30, 10	Jul 20, 11	390 48	395.57		-5.09	
	FIFO	85 745	Oct 29, 10	Jul 20, 11	394 43	400.43		-6.00	

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	FIFO	85.211	Nov 30, 10	Jul 20, 11	391 97	395 38		-3.41	
	FIFO	78.593	Dec 17, 10	Jul 20, 11	361 53	361.53			
	FIFO	0 615	Dec 17, 10	Jul 20, 11	2 83	2.83			
	FIFO	59 770	Dec 31, 10	Jul 20, 11	274.94	274.94			
	FIFO	35 564	Jan 10, 11	Jul 20, 11	163 59	163.95		-0.36	
	FIFO	28 835	Jan 31, 11	Jul 20, 11	132 64	132.93		-0.29	
	FIFO	23 883	Feb 28, 11	Jul 20, 11	109.86	110.10		-0 24	
	FIFO	128.471	Mar 17, 11	Jul 20, 11	590 97	590.97			
	FIFO	2,057 086	Mar 17, 11	Oct 21, 11	9,298 03	9,462.60		-164 57	
	FIFO	26 070	Mar 31, 11	Oct 21, 11	117 84	119 92		-2 08	
	FIFO	31 364	Apr 29, 11	Oct 21, 11	141.77	144 90		-3 13	
	FIFO	43 646	May 12, 11	Oct 21, 11	197.28	202.08		-4 80	
	FIFO	31 471	May 31, 11	Oct 21, 11	142.25	145 71		-3.46	
	FIFO	33 324	Jun 30, 11	Oct 21, 11	150 62	153 29		-2.67	
	FIFO	6,706.791	Jul 22, 11	Oct 21, 11	30,314 70	30,851 24		-536.54	
	FIFO	31.508	Jul 29, 11	Oct 21, 11	142.42	145.25		-2.83	
	FIFO	2,143.709	Aug 03, 11	Oct 21, 11	9,689 56	9,882.50		-192.94	
MILLER CONVERTIBLE FUND CLASS A	FIFO	24 296	Mar 17, 11	May 12, 11	292.77	279.40			13 37
	FIFO	856.904	Mar 17, 11	Jul 20, 11	9,862 96	9,854.40			8 56
	FIFO	2 984	Jun 15, 11	Jul 20, 11	34.35	34 02			0.33
PIMCO FOREIGN BOND FUND CLASS A (UNHEDGED)	FIFO	98 980	Jul 22, 11	Aug 03, 11	1,134.31	1,109 57			24.74
	FIFO	4,485.437	Jul 22, 11	Oct 21, 11	50,775.15	50,281.75			493.40
PIMCO UNCONSTRAINED BOND FUND CLASS A	FIFO	1,824.152	Aug 03, 10	Jul 20, 11	20,211 60	20,248 09		-36 49	
	FIFO	53.124	Aug 03, 10	Aug 03, 11	589.14	589 68		-0 54	
	FIFO	10.783	Oct 29, 10	Oct 21, 11	117.10	122 06		-4.96	
	FIFO	8 075	Nov 05, 10	Oct 21, 11	87.69	91.49		-3.80	
	FIFO	11 192	Nov 30, 10	Oct 21, 11	121 55	125.46		-3.91	
	FIFO	1 802	Dec 08, 10	Oct 21, 11	19.57	19 98		-0 41	

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
	FIFO	11 758	Dec 08, 10	Oct 21, 11	127.69	130.40		-2 71	
	FIFO	926.973	Dec 09, 10	Oct 21, 11	10,066.93	10,280 13		-213.20	
	FIFO	10 876	Dec 31, 10	Oct 21, 11	118 11	120.72		-2.61	
	FIFO	1,846.780	Jan 10, 11	Oct 21, 11	20,056.03	20,554 66		-498 63	
	FIFO	7.337	Jan 19, 11	Oct 21, 11	79 68	81 59		-1 91	
	FIFO	11.987	Jan 31, 11	Oct 21, 11	130 18	133 30		-3.12	
	FIFO	10.635	Feb 28, 11	Oct 21, 11	115 50	118 69		-3.19	
	FIFO	70.121	Mar 17, 11	Oct 21, 11	761 51	779 04		-17 53	
	FIFO	13.607	Mar 31, 11	Oct 21, 11	147 77	151.99		-4 22	
	FIFO	13 106	Apr 30, 11	Oct 21, 11	142.33	146.39		-4 06	
	FIFO	67.876	May 12, 11	Oct 21, 11	737 13	757 50		-20.37	
	FIFO	29.890	Jul 22, 11	Oct 21, 11	324 61	330 58		-5.97	
POWERSHARES EMERGING MARKETS SOVEREIGN DEBT	FIFO	356 000	Aug 17, 10	Mar 17, 11	9,344.81	9,888 91		-544 10	
	FIFO	12 000	Dec 09, 10	Mar 17, 11	314.99	325 64		-10.65	
	FIFO	7.000	Dec 16, 10	Mar 17, 11	183 75	184 86		-1 11	
	FIFO	2.000	Jan 10, 11	Mar 17, 11	52 50	53 34		-0.84	
	FIFO	2.000	Jan 19, 11	Mar 17, 11	52 50	53.06		-0.56	
	VSP	44.000	Jul 25, 11	Aug 03, 11	1,228 93	1,195.59			33 34
	VSP	1,466.000	Jul 25, 11	Oct 21, 11	39,481 94	39,834 89		-352.95	
POWERSHARES GLOBAL EXCHANGE TRADED FD TR PREFERRED PORTFOLIO	FIFO	3.000	Aug 03, 10	Mar 17, 11	42.38	42 18			0 20
	VSP	27 000	Aug 03, 10	May 12, 11	391.76	379.62			12.14
	VSP	2,013 000	Aug 03, 10	Jul 20, 11	28,660 75	28,302 78			357 97
	VSP	710.000	Aug 17, 10	Jul 20, 11	10,108 85	10,145.90		-37 05	
	VSP	53 000	Nov 05, 10	Jul 20, 11	754.61	763.15		-8 54	
	VSP	27 000	Dec 16, 10	Jul 20, 11	384.42	378 51			5.91
	VSP	16 000	Jan 10, 11	Jul 20, 11	227 80	225 89			1.91
	VSP	15 000	Jan 19, 11	Jul 20, 11	213 57	210.90			2.67

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
PUTNAM ABSOLUTE RETURN 300 CLASS A	FIFO	4,712.788	May 12, 11	Jul 20, 11	50,568.22	51,463.64		-895.42	
PUTNAM MASTER INTERMED INCOME TRUST	FIFO	1.000	Aug 03, 10	Jan 10, 11	5.80	6.36		-0 56	
	FIFO	19.000	Aug 03, 10	Jan 19, 11	111.52	120.84		-9.32	
	FIFO	26.000	Aug 03, 10	May 12, 11	157.03	165.36		-8.33	
	FIFO	1,423.000	Aug 03, 10	Jul 20, 11	8,150.40	9,050 28		-899.88	
	FIFO	95.000	Sep 21, 10	Jul 20, 11	544 13	599 44		-55 31	
	FIFO	164.000	Dec 09, 10	Jul 20, 11	939.33	931.52			7.81
	FIFO	11 000	Mar 17, 11	Jul 20, 11	63 00	64 68		-1 68	
RS FLOATING RATE FUND CLASS A	FIFO	17.129	Dec 16, 10	Jan 19, 11	177.63	176 09			1.54
	FIFO	5 211	Dec 16, 10	May 12, 11	54.14	53 57			0 57
	FIFO	3,835.027	Dec 16, 10	Jul 20, 11	39,424.08	39,424.08			
	FIFO	7 680	Dec 31, 10	Jul 20, 11	78.95	79.10		-0.15	
	FIFO	3,911 653	Jan 10, 11	Jul 20, 11	40,211.79	40,485.61		-273.82	
	FIFO	26 882	Jan 31, 11	Jul 20, 11	276 35	278 77		-2.42	
	FIFO	30 039	Feb 28, 11	Jul 20, 11	308 80	311.80		-3.00	
	FIFO	49 993	Mar 17, 11	Jul 20, 11	513.93	514.93		-1.00	
	FIFO	33 271	Mar 31, 11	Jul 20, 11	342.03	344.69		-2.66	
	FIFO	32.561	Apr 29, 11	Jul 20, 11	334 73	338 31		-3 58	
	FIFO	32 662	May 31, 11	Jul 20, 11	335.77	338.38		-2.61	
	FIFO	9.232	Jun 23, 11	Jul 20, 11	94.90	94.72			0.18
	FIFO	0 078	Jun 23, 11	Jul 20, 11	0 80	0.80			
	FIFO	32 572	Jun 30, 11	Jul 20, 11	334 84	334 51			0 33
RS LOW DURATION BOND FUND A	FIFO	57.754	Sep 21, 10	Jul 20, 11	594.29	598 91		-4.62	
RS LOW DURATION BOND FUND A	FIFO	1,933.362	Sep 21, 10	Mar 17, 11	19,894.29	20,048.96		-154.67	
RYDEX ETF TRUST RYDEX S&P 500 PURE GROWTH ETF	FIFO	686.000	Nov 05, 10	Jan 10, 11	30,121.75	28,776 12			1,345.63

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Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
SPDR DB INTL GOVT INFLAT ION PROTECTED BOND	VSP	3 000	Mar 17, 11	May 12, 11	184.88	179 22			5 66
	VSP	166 000	Mar 17, 11	Jul 20, 11	10,197.23	9,916 98			280 25
SPDR INDEX SHARES FUNDS S&P INTERNATIONAL DIVIDEND ETF	FIFO	179.000	Dec 09, 10	Jan 10, 11	9,681 98	9,846 14		-164 16	
SPDR INDEX SHARES FUNDS S&P INTL CONSUMER ETF	FIFO	8,000	Jan 10, 11	Jan 19, 11	240.71	236 95			3 76
	FIFO	384 000	Jan 10, 11	Mar 17, 11	10,613 55	11,373.67		-760 12	
SPDR INDEX SHARES FUNDS S&P INTL INDL SECTOR ETF	FIFO	14.000	Jan 10, 11	Jan 19, 11	406.69	394 54			12 15
	FIFO	397 000	Jan 10, 11	Mar 17, 11	10,933 17	11,188 10		-254 93	
SPDR INDEX SHARES FUNDS S&P INTL MATERIALS SECTOR ETF	FIFO	9 000	Jan 10, 11	Jan 19, 11	274 40	268 53			5 87
	FIFO	379 000	Jan 10, 11	Mar 17, 11	10,918 78	11,308 18		-389 40	
TEMPLETON GLOBAL INCOME FUND (DELA)	FIFO	154.000	Aug 03, 10	Jan 10, 11	1,617.25	1,578.78			38.47
	FIFO	19.000	Aug 03, 10	Mar 17, 11	195.69	194 78			0.91
	FIFO	183 000	Aug 03, 10	May 12, 11	2,007.51	1,876 08			131.43
	FIFO	63.000	Aug 03, 10	Jul 22, 11	702.44	645 86			56.58
VANGUARD BD INDEX FD INC INTER TERM BOND ETF	VSP	9 000	Aug 03, 10	Jul 20, 11	765 40	761 04			4 36
	VSP	11 000	Aug 03, 10	Aug 03, 11	953 60	930 17			23 43
VANGUARD INDEX FUNDS VANGUARD SMALL CAP GRWTH ETF VIPERS	VSP	149.000	Jul 20, 11	Aug 03, 11	11,843.08	12,846 75		-1,003.67	
	VSP	85.000	Jul 25, 11	Aug 03, 11	6,756.12	7,406.70		-650.58	
VANGUARD SHORT TERM CORPORATE BD ETF	VSP	2 000	Jul 27, 11	Aug 03, 11	157.81	157 36			0 45
Total					**$1,612,813.45**	**$1,624,641.35**		**-$29,528.93**	**$17,701.03**
Net short-term capital gains and losses								**-$11,827.90**	

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Realized gains and losses (continued)

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
ISHARES BARCLAY 3-7 YEAR TREAS BD FD	VSP	315 000	Aug 17, 10	Oct 21, 11	37,993.15	36,930 53			1,062 62
	VSP	5 000	Sep 21, 10	Oct 21, 11	603.06	587.14			15.92
PIMCO UNCONSTRAINED BOND FUND CLASS A	FIFO	4,302 512	Aug 03, 10	Oct 21, 11	46,725.28	47,757 88		-1,032 60	
	FIFO	10 654	Aug 31, 10	Oct 21, 11	115.70	119 96		-4 26	
	FIFO	10.405	Sep 30, 10	Oct 21, 11	113.00	117.68		-4 68	
RS LOW DURATION BOND FUND A	FIFO	5,966 422	Sep 21, 10	Oct 21, 11	60,797 84	61,871 80		-1,073.96	
TEMPLETON GLOBAL INCOME FUND (DELA)	FIFO	418 000	Aug 03, 10	Oct 21, 11	4,044 48	4,285 26		-240 78	
	FIFO	1,206 000	Aug 17, 10	Oct 21, 11	11,669 02	12,687 12		-1,018 10	
VANGUARD BD INDEX FD INC INTER TERM BOND ETF	VSP	122 000	Aug 03, 10	Oct 21, 11	10,583 39	10,316 37			267.02
Total					**$172,644.92**	**$174,673.74**		**-$3,374.38**	**$1,345.56**
Net long-term capital gains or losses								**-$2,028.82**	
Net capital gains/losses:								**-$13,856.72**	

Important information about your statement

UBS Financial Services Inc (the "Firm" or "UBS Financial Services"), member of all principal security, commodity and options exchanges. Executive offices 1200 Harbor Blvd , Weehawken, NJ 07086 UBS Financial Services Inc is an indirect subsidiary of UBS AG and an affiliate of UBS Securities LLC The Firm's financial statement is available for your personal inspection at its offices, or a copy of it will be mailed upon your written request

This statement represents the only official record of your UBS Financial Services account Other records, except official tax documents, containing conflicting data should not be relied upon If you believe there is an error or omission, please report it immediately in writing to the Branch Manager of the office servicing your account **Any oral communications should be re-confirmed in writing to further protect your rights, including your rights under the Securities Investor Protection Act (SIPA). If the financial institution on the top left of the front of this statement is not UBS Financial Services , UBS Financial Services is carrying your account as clearing broker by arrangement with the indicated institution, which you were informed of when you opened this account, and your funds and securities are located at UBS Financial Services and not the introducing broker. In these cases, a report of any error or omission must be made to both firms.** All account statements shall be deemed complete and accurate if not objected to in writing within 60 days of the statement postmark

Customer complaints or inquiries may be directed to the Firm's Client Relations Department at (201) 352-1699 or toll-free at 800-354-9103, 8:00 A.M to 6.00 P.M. ET Monday through Friday, or written to UBS Financial Services Inc., Client Relations Department, P.O. Box 766 Union City, NJ 07087 In case of errors or questions about an electronic funds transfer (EFT), bill payment, UBS Visa debit card transaction, MasterCard transaction or a UBS American Express Card transaction, call 800-762-1000, or write to UBS Financial Services Inc 1000 Harbor Blvd. 5th floor Weehawken, NJ 07086 Attn RMA/BSA Services Call or write as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt The Firm or Card Issuer (as applicable) must hear from you no later than 60 days after the Firm sent you the FIRST statement on which the error or problem appeared (1) Provide your name and account number (if any). (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information (3) Provide the dollar amount of the suspected error The Firm or Card Issuer will investigate your complaint and will correct any error promptly. If it takes more than 10 business days to do this, the Firm will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes to complete the investigation

All checks should be made payable to the Firm, or the financial institution indicated on the front of this statement In addition to regular account fees, accounts may be subject to maintenance fees, charges for late payment for securities purchases, and charges for unpaid amounts in cash accounts Accounts transferring to other institutions may be subject to a transfer fee

UBS Bank Deposits

Cash on deposit at UBS Bank USA (the "Bank") through the UBS Deposit Account Sweep Program (the "Program") is deposited by the Firm, acting as your agent, at the Bank The Firm, as your agent, maintains control over the deposit accounts established on your behalf with the Bank. Cash on deposit at the Bank is protected by the FDIC up to $250,000 per depositor in accordance with FDIC rules FDIC insurance coverage changes will apply to funds sweeping into the Bank under the Program offered through the Resource Management Account® (RMA®), Business Services Account BSA® and Basic Investment Accounts Further information regarding current yields on the Bank deposits, rates payable on money market mutual funds, and important disclosures regarding the Program and alternatives , are available at www.ubs.com/sweepyields, or from your Financial Advisor or by calling 1-800-762-1000. More information regarding FDIC insurance is available upon request, or by visiting the FDIC website at www FDIC gov Deposits at the Bank are not guaranteed by the Firm or any affiliate of the Firm, and are not protected by SIPC (see "UBS Financial Services Account Protection" below)

UBS Financial Services Account protection

The Firm is a member of the Securities Investor Protection Corporation (SIPC) SIPC provides protection for your account(s) at the Firm for up to $500,000, per customer, including a maximum of $250,000 for claims of cash in the unlikely event that the Firm fails financially The SIPC asset protection limits apply to all accounts that you hold in a particular capacity. For example, if you have two accounts at the Firm where you are the sole account holder and a third account where you are a joint account holder, the two accounts are protected under SIPC up to a combined $500,000 (not $500,000 each), and the joint account is protected under SIPC separately for $500,000 The Firm, together with certain affiliates, has also purchased supplemental protection The maximum amount payable to all clients, collectively under the supplemental policy is $500 million as of December 10, 2010 Subject to the policy conditions and limitations, cash at the Firm is further protected for up to $1 9 million in the aggregate for all your accounts held in a particular capacity at UBS Financial Services A full copy of the policy wording is available upon request The SIPC protection and the supplemental protection both do not apply to (a) certain financial assets controlled by (and included in your account value) but held away from UBS Financial Services (e g , certain (i) cash at UBS Bank USA (see "UBS Bank Deposits", above), (ii) insurance products, including variable annuities, and (iii) shares of mutual funds where such shares are registered directly in the name of the account holder on the books and records of the applicable issuer or transfer agent), (b) certain investment contracts or investment interests (e g limited partnerships and private placements) that are not registered under the Securities Act of 1933, and (c) commodities contracts (e g , foreign exchange and precious metal contracts), including futures contracts and commodity option contracts The SIPC protection and the supplemental protection do not apply to these assets even if they otherwise appear on your statements The SIPC protection and the supplemental protection do not protect against changes in the market value of your investments (whether as a result of market movement, issuer bankruptcy or otherwise) More information is available upon request You may obtain more information about SIPC, including the SIPC Brochure, by contacting SIPC at (202) 371-8300 or by visiting the SIPC website at *www sipc org*

UBS Financial Services is not a bank Unless otherwise disclosed, securities and other investments held through UBS Financial Services ARE NOT FDIC-INSURED, ARE NOT BANK GUARANTEED, AND MAY LOSE VALUE

International Deposit Account (IDA)

IDA is an interest-bearing account maintained by UBS AG at its Cayman Island Branch where the uninvested cash in the client's International Resource Management Account is automatically "swept" or invested on a daily basis The swept cash is temporarily exposed to the sovereign risk of the Cayman Islands, and there is no guarantee or other obligation of UBS Financial Services or any other branch of UBS AG to repay the balance while it is on the Cayman Island Branch's books These automatic deposits made into the IDA are not insured by FDIC or protected by SIPC.

Dividend Reinvestment Program (DRIP)

The price reflected is an average price and the actual price may be obtained from your Financial Advisor Only whole shares are purchased under DRIP, partial shares will be sold and the cash credited to your account There may be a small difference, positive or negative, between the dividend reinvestment price supplied by the issuer and the market price at which the partial shares are sold.

Cash-in-lieu

Only whole units may be held in your account. If you are entitled to a partial unit as a result of a dividend payment or otherwise, the Firm will either sell whole units at market price or accept an amount determined by a registered clearing agency, and credit your account in cash

Investment objectives

The investment objectives you select reflect the overall goals you have for this account and apply to the whole account, not to specific investments within the account Please advise the Firm promptly in writing of any significant change in your financial situation or investment objectives For each account held, you choose one return objective and primary and, if applicable, secondary risk profile The following lists the alternatives

Return objectives

Produce Current Income Investments seeking the generation of income only

Achieve Capital Appreciation Investments seeking growth of principal rather than the generation of income.

Produce a Combination of Income and Capital Appreciation Investments seeking both the generation of income and growth of principal

Risk profiles

Conservative Seeks to maintain initial principal, with low risk and volatility to the account overall, even if that means the account does not generate significant income or returns and may not keep pace with inflation.

Moderate. Willing to accept some risk to principal and tolerate some volatility to seek higher returns

Aggressive Willing to accept high risk to principal and high volatility to seek high returns over time

Statement "Householding"

As a convenience to you, in some instances we may consolidate all related account statements with the same address in the same envelope. Accounts may be related for this purpose because they have owners who also maintain joint account relationships with other clients at the same address This practice is known as "householding " If you do not wish to have all of your statements bundled together - that is, you prefer to receive individual statements mailed in separate envelopes - you may decline householding by calling your Financial Advisor at the toll-free number listed on your account statements

Friendly account name

The Friendly account name reflects information that you provided to us on the Firm's online services website It is a customizable "nickname" chosen by you to assist you with your recordkeeping processes It has no legal effect on your account If you would like to change any of your Friendly account names, please contact your Financial Advisor or access your account information online

Account overview

- **Value of your account/portfolio** Net of assets and liabilities
- **Assets** Includes uninvested cash, money balances, values for restricted security (est), and Global Time Deposits, unrealized marks to market, and certain assets not held by the Firm Does not include unpriced securities/assets at the end of the prior and current statement periods, nor private investments, unvested stock options and exercisable stock options
- **Liabilities** Includes debit balances, outstanding margin loans, credit line, short account balances
- **Cash/Money balances** Total of uninvested cash credit balance plus money fund money market fund sweep option and UBS Bank deposit balances at the close of the statement period Non-commodity free credit balances in your account are not segregated from other cash balances and the Firm may use any such funds in the ordinary course of its business These funds are payable upon your demand This total is included in the current period closing value

Lending information

For detailed information on the Firm's truth in lending practices, refer to the Firm's Statement of Credit Practices The Firm reserves the right to limit margin purchases and short sales and to alter its margin requirements and due dates for house or other margin calls in accordance with the Firm's guidelines, market conditions and regulatory margin requirements.

If you have a margin account with us, as permitted by law, we may use certain securities in your account for, among other things, settling short sales and lending securities for short sales, and may receive and retain compensation in connection with such transactions

Your assets
Itemizes securities/assets (grouped by category) held in the account at the end of the statement period. You may ask for delivery of fully paid securities at any time You may receive securities used as loan collateral after paying any balance due on them Any securities transferred to the Firm during the statement period are listed at market value as of the end of the statement period. In determining the cost basis of the securities included in this statement, where indicated with the number "1," UBS Financial Services has relied on information obtained from sources other than UBS Financial Services, including information from another firm or that you may have provided to your Financial Advisor The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services In addition, although UBS Financial Services generally updates this information as it is received, the Firm does not provide any assurances that the information under "Cost basis" and "Unrealized gain/loss" is accurate as of the date of this statement As such, you should not rely on this information in making purchase or sale decisions, for tax purposes or otherwise. Accounts transferred to the Firm will reflect gain/loss information only for the period of time they are held at the Firm More historical information can be added by your Financial Advisor

- **Callable securities** Bonds and preferred stock that the issuer calls for early redemption will be selected impartially by lot from among all securities of that issue held in our name or in nominee name for our clients Call feature information is obtained from third parties and its accuracy is not guaranteed Other call features may exist which could affect yield, complete information will be provided upon request
- **Certificates of Deposit (CDs)** CDs are FDIC insured up to $250,000 in principal and accrued interest per depositor and per depository institution, in accordance with FDIC rules
- **Price/Value.** In general, the prices of securities and other products displayed on your statement are provided by various third party sources and may be higher or lower than the price that you would actually receive in the market These pricing sources are not guaranteed We generally use the closing price or mean of the bid and ask prices for listed securities, options and OTC NASDAQ securities when available Less actively traded securities may be priced using a computerized valuation model and may not reflect an actual market price or value Certain positions may appear without a price and will show as "price was not available" if we are unable to obtain a price for a security Deposits or securities denominated in currencies other than U S. dollars are reflected at the exchange rate as of the statement date To obtain current quotations, when available, contact your Financial Advisor For certain securities trading in non-conforming denominations, pricing and/or quantity (face value) may have been adjusted to facilitate proper valuation
- **Private Investments and Structured Products** Private investment securities (including direct participation program and real estate investment trust securities) and structured products are generally highly illiquid Certain structured products have not been registered with the Securities and Exchange Commission or under any state securities laws We are providing estimated values for private investment securities and structured products for informational purposes only Accuracy is not guaranteed These values may differ substantially from prices, if any, at which a private investment security or structured product may be bought or sold and do not necessarily represent the value you may receive upon liquidation. Third party estimates of value are as of a certain date and are supplied to UBS Financial Services on a regular basis by an independent valuation firm Issuer, general partner or sponsor estimated values, if any, are supplied to the Firm by the issuer, general partner or sponsor and may be calculated based on different information from that used by third parties to derive their estimated values. You can obtain additional information regarding the methodology used to determine the estimate of value and the date of the information which is the basis for the estimate by calling (800) 320-9951 from within the U S , for calls from outside the U.S please call collect at (201) 272-7383. Third party estimated values may be reflected as "Not priced" in several situations when an independent valuation firm has not supplied or is unable to assign any such value, when we become aware that a material event has occurred which may call a previously reported value into question, or when a value would be highly speculative due to the nature of the security In any instance where neither an issuer, general partner or sponsor estimated value nor a third-party estimated value is provided, the value of the security will be different from its purchase price "Distributions to date" may include return of capital, income or both "Original unit size" represents the initial offering price per unit and may not reflect your cost basis
- **Restricted securities** Restricted securities generally are not currently eligible for public sale UBS Financial Services uses the market price of the unrestricted stock of the same issuer as an imputed value for the restricted stock *for purposes of this statement only* To the extent that restricted securities are eligible for sale, the value received may be substantially less than the imputed value shown
- **Est. (estimated) income, Current yields and Rates.** Estimate of annual income based on current dividend and interest rates, assuming the securities will be held for one year from statement date or until maturity. This estimate is only a guideline, accuracy and continued income are not guaranteed. Est annual income and current yield for certain types of securities could include a return of principal or capital gains in which case the est. income (and current yield) would be overstated Est. annual income and current yield and the actual income and yield might be lower or higher than the estimated amounts. An estimate of annualized income (dividend and/or interest) divided by the current market value/average balance This estimate is based on the last dividend or interest payment made by the issuer and assumes the securities/deposits will be held for one year from the statement date or until maturity, accuracy and continued yield are not guaranteed.
- **Assets not held by UBS Financial Services** Certain assets are not held by the Firm and not within the Firm's possession or control As indicated on the front of your statement, these assets are displayed on your statement for informational purposes only Positions and values presented are provided by the issuing firm, and the Firm is not responsible for this information, nor guarantees its accuracy These assets are not protected by SIPC or the Firm's SIPC coverage.
- **Revenue Sharing and Additional Compensation.** In addition to commissions on sales and 12b-1 fees received in connection with the distribution of mutual funds to our clients, we and/or our affiliate receive revenue sharing payments from distributors and/or advisors of the mutual funds that we sell These amounts are based on two different components (i) the amount of new sales of the mutual funds of a particular fund family, and (ii) the amount of mutual fund assets of that particular fund family held by our clients We and our affiliate also receive networking and omnibus processing fees in consideration for transfer agent services that we provide to the mutual funds These fees generally are paid from investor assets in the mutual fund and are a fixed dollar amount based on the number of accounts at the broker-dealer holding mutual funds of that fund family. In addition to commissions received in connection with the sale or distribution of annuity contracts and unit investment trust units to our clients, we and/or our affiliate receive revenue sharing compensation from many of the insurance companies underwriting the annuity contracts, affiliates of the insurance companies or sponsors of the unit investment trusts we distribute Our affiliates also receive trading commissions and other compensation from mutual funds and insurance companies whose products we distribute We receive an annual fee from UBS Bank USA of up to $25 per account sweeping to the Bank under Program
- **Unrealized gains/losses** When data is available, estimated unrealized gains/losses are calculated for individual security lots The transaction data for individual lots may or may not reflect commissions, charges, and/or security reorganization events Dividend and other reinvestment lots and systematic purchase lots are each combined to display one averaged lot The "Trade date" column presents the original transaction trade date.

Activity
Information with respect to commissions and other charges incurred in connection with the execution of trades, including option transactions has been included on confirmations previously furnished to you, and will be provided to you promptly on request

Short Selling
If you are engaged in short selling a security, you may incur a charge due to certain borrowing costs for that particular security

Open orders
Open or "good until cancelled" orders that were not executed by the statement date Open buy and sell stop orders are reduced by the amount of dividends or rights on ex-dividends or ex-rights date unless instructed otherwise by you You are responsible for orders that are executed due to your failure to cancel existing open orders

Although all figures shown are intended to be accurate, statement data should not be used for tax purposes Rely only on year-end tax forms, (i e form 1099, 5498, 1042S, etc) when preparing your tax return. The Firm is required by law to report to the IRS all taxable dividends, reportable non-taxable dividends and taxable interest earned on securities held in your account, and net proceeds on sale transactions.

Foreign Transactions on the UBS Visa debit card and UBS American Express Card
For information on foreign currency conversion procedures, foreign currency conversion rates and fees associated with foreign purchase transactions on your UBS debit card, refer to the Agreements and Disclosures booklet and other documents that you received when you opened your account, these materials are also available at *ubs com/accountdisclosures*

Tax Withholding on Distributions from UBS Financial Services IRAs
Federal tax law requires UBS Financial Services to withhold income tax from your taxable IRA distribution(s), but you may elect NOT to have income tax withheld or instead you may elect to have tax withheld at a rate or in a fixed amount as you choose. Your election will remain in effect until revoked by you You may revoke your election at any time by making a new election If you do not have enough income tax withheld from your distributions, you may be responsible for the payment of estimated tax You may incur penalties if the amounts withheld and your estimated tax payments are not equal to your tax obligation

To obtain a copy of our current Client Privacy Notice, please contact your Financial Advisor or visit our website at
http //financialservicesinc ubs com/wealth/ClientPrivacyNotice html

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Additional Data

Software ID: 11000144
Software Version: 2011v1.2
EIN: 26-3838840
Name: THE CLENNAN FAMILY FOUNDATION

Form 990PF - Special Condition Description:

Special Condition Description