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

ENVELOPE
POSTMARK DATE MAY 10 2012

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation
NERENBERG FOUNDATION #1 J & E 02-51246

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

Room/suite

City or town, state, and ZIP code
PO BOX 803878 CHICAGO, IL 60680

A Employer identification number
26-6307600

B Telephone number (see instructions)
(312) 636-000

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 ▶ ☐

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

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)* ▶ $ 14,376,905.

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 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)	710,156.			
2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	486,915.	470,767.		STMT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	117,287.			
b	Gross sales price for all assets on line 6a 1,873,887.				
7	Capital gain net income (from Part IV, line 2)		117,287.		
8	Net short-term capital gain				
9	Income modifications				
10 a	Gross sales less returns and allowances				
b	Less. Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)	10,543.			STMT 2
12	**Total.** Add lines 1 through 11	1,324,901.	588,054.		
Operating and Administrative Expenses					
13	Compensation of officers, directors, trustees, etc	69,337.	62,404.		6,933.
14	Other employee salaries and wages		NONE	NONE	
15	Pension plans, employee benefits		NONE	NONE	
16a	Legal fees (attach schedule) STMT 3	3,113.	NONE	NONE	3,113.
b	Accounting fees (attach schedule) STMT 4	1,000.	500.	NONE	500.
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) STMT 5	6,613.	2,357.		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings		NONE	NONE	
22	Printing and publications		NONE	NONE	
23	Other expenses (attach schedule) STMT 6	15.			15.
24	**Total operating and administrative expenses.** Add lines 13 through 23	80,078.	65,261.	NONE	10,561.
25	Contributions, gifts, grants paid	1,724,206.			1,724,206.
26	**Total expenses and disbursements** Add lines 24 and 25	1,804,284.	65,261.	NONE	1,734,767.
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	-479,383.			
b	**Net investment income** (if negative, enter -0-)		522,793.		
c	**Adjusted net income** (if negative, enter -0-)				

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		Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing			
	2	Savings and temporary cash investments	1,751,474.	1,894,432.	
	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 ▶ NONE			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)	552,892.	781,206.	1,006,528.
	b	Investments - corporate stock (attach schedule)	7,793,224.	7,778,542.	9,726,437.
	c	Investments - corporate bonds (attach schedule)	3,337,758.	3,263,642.	3,643,940.
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)	761,857.		
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers - see the instructions. Also, see page 1, item I)	14,197,205.	13,717,822.	14,376,905.
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)			
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	27	Capital stock, trust principal, or current funds	14,197,205.	13,717,822.	
	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)	14,197,205.	13,717,822.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	14,197,205.	13,717,822.	

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	14,197,205.
2	Enter amount from Part I, line 27a	2	-479,383.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	13,717,822.
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	13,717,822.

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	PUBLICLY TRADED SECURITIES			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	1,856,247.		1,756,600.	99,647.
b				
c				
d				
e				

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

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col (h) gain minus col. (k), but not less than -0-) or Losses (from col (h))
a				99,647.
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 } 2 117,287.

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	1,646,723.	15,091,336.	0.10911711196
2009	1,401,610.	14,077,662.	0.09956269727
2008	1,069,680.	13,914,993.	0.07687247848
2007			
2006			

2	Total of line 1, column (d)	2	0.28555228771
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	0.09518409590
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	16,187,992.
5	Multiply line 4 by line 3	5	1,540,839.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	5,228.
7	Add lines 5 and 6	7	1,546,067.
8	Enter qualifying distributions from Part XII, line 4	8	1,734,767.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ 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	5,228.
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	5,228.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) . . .			4	NONE
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	5,228.
6	Credits/Payments·				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	3,500.		
b	Exempt foreign organizations - tax withheld at source	6b	NONE		
c	Tax paid with application for extension of time to file (Form 8868)	6c	NONE		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	3,500.
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	1,728.
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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶$ _______________ (2) On foundation managers ▶$ _______________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ _______________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? . . . . *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? . . . . *If "Yes," attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ IL			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

			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 instructions)	11		X
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		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ NORTHERN TRUST Telephone no ▶

Located at ▶ PO BOX 803878, CHICAGO, IL ZIP + 4 ▶ 60680

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		X
	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

			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 instructions)?	1b		X
	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		X

2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 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 ▶ , , ,

			Yes	No
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	2b		X

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here.

▶ , , ,

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No

			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		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

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

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

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

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

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

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

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: X

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**

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
SEE STATEMENT 7		69,337.	-0-	-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
NONE		NONE	NONE	NONE

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
NONE		NONE
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 NONE	
Total. Add lines 1 through 3 ▶	

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	16,434,510.
b	Average of monthly cash balances			1b	NONE
c	Fair market value of all other assets (see instructions)			1c	NONE
d	**Total** (add lines 1a, b, and c)			1d	16,434,510.
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	NONE
3	Subtract line 2 from line 1d			3	16,434,510.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	246,518.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	16,187,992.
6	**Minimum investment return.** Enter 5% of line 5			6	809,400.

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	809,400.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	5,228.		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	5,228.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	804,172.
4	Recoveries of amounts treated as qualifying distributions			4	NONE
5	Add lines 3 and 4			5	804,172.
6	Deduction from distributable amount (see instructions)			6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	804,172.

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	1,734,767.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,734,767.
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	5,228.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,729,539.

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

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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					804,172.
2	Undistributed income, if any, as of the end of 2011:					
a	Enter amount for 2010 only				NONE	
b	Total for prior years: 20 09 ,20_____,20_____			NONE		
3	Excess distributions carryover, if any, to 2011:					
a	From 2006	NONE				
b	From 2007	NONE				
c	From 2008	897,509.				
d	From 2009	703,017.				
e	From 2010	898,978.				
f	**Total** of lines 3a through e		2,499,504.			
4	Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 1,734,767.					
a	Applied to 2010, but not more than line 2a				NONE	
b	Applied to undistributed income of prior years (Election required - see instructions)			NONE		
c	Treated as distributions out of corpus (Election required - see instructions)		NONE			
d	Applied to 2011 distributable amount					804,172.
e	Remaining amount distributed out of corpus		930,595.			
5	Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		NONE			NONE
6	**Enter the net total of each column as indicated below:**					
a	Corpus. Add lines 3f, 4c, and 4e. Subtract line 5		3,430,099.			
b	Prior years' undistributed income. Subtract line 4b from line 2b			NONE		
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			NONE		
d	Subtract line 6c from line 6b. Taxable amount - see instructions			NONE		
e	Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instructions				NONE	
f	Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012					NONE
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		NONE			
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)		NONE			
9	**Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		3,430,099.			
10	Analysis of line 9:					
a	Excess from 2007	NONE				
b	Excess from 2008	897,509.				
c	Excess from 2009	703,017.				
d	Excess from 2010	898,978.				
e	Excess from 2011	930,595.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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	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 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:

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 STATEMENT 10				
Total . . . . ▶ **3a**				1,724,206.
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 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					
4 Dividends and interest from securities			14	486,915.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property .					
7 Other investment income			14	10,543.	
8 Gain or (loss) from sales of assets other than inventory			18	117,287.	
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)				614,745.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . . 13 614,745.

(See worksheet in line 13 instructions to verify calculations.)

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

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

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

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

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

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

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) is based on all information of which preparer has any knowledge

Signature of officer or trustee | Date 04/20/2012 | Title VP

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

THE NORTHERN TRUST COMPAN

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶

Firm's EIN ▶

Firm's address ▶

Phone no

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

Schedule of Contributors

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

OMB No. 1545-0047

2011

Name of the organization	**Employer identification number**
NERENBERG FOUNDATION #1 J & E 02-51246	26-6307600

Organization type (check one):

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization	Employer identification number
NERENBERG FOUNDATION #1 J & E 02-51246	26-6307600

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	ELAINE NERENBERG TRUST C/O NORTHERN TRUST CHICAGO, IL 60680	$ 710,156.	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

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

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
DIVIDENDS ETC.		486,915.	470,767.
	TOTAL	486,915.	470,767.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS
DEFERRED INCOM ETC.		10,543.
	TOTALS	10,543.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
GENERAL		3,113.			3,113.
	TOTALS	3,113.	NONE	NONE	3,113.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION		1,000.	500.		500.
	TOTALS	1,000.	500.	NONE	500.

FORM 990PF, PART I - TAXES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
EXCISE		4,256.	
FOREIGN		2,357.	2,357.
	TOTALS	6,613.	2,357.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
ATTORNEY GENERAL	15.	15.
TOTALS	15.	15.

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

OFFICER NAME:
NORTHERN TRUST
ADDRESS:
PO BOX 803878
CHICAGO, IL 60680
TITLE:
TRUSTEE
AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION	69,337.
TOTAL COMPENSATION:	69,337.

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID

RECIPIENT NAME:
ARTHRITIS FOUNDATION
ADDRESS:
NEWTON, MA

RELATIONSHIP:
NONE - APPLIES TO ALL
PURPOSE OF GRANT:
GENERAL - APPLIES TO ALL
FOUNDATION STATUS OF RECIPIENT:
P - APPLIES TO ALL
AMOUNT OF GRANT PAID .... 124,427.

RECIPIENT NAME:
AMERICARES
ADDRESS:
STAMFORD, CT

AMOUNT OF GRANT PAID .... 177,753.

RECIPIENT NAME:
GATEWAY FOUNDATION
ADDRESS:
CHICAGO, IL

AMOUNT OF GRANT PAID .... 106,652.

RECIPIENT NAME:
HEBREW UNION COLLEGE
ADDRESS:
CINCINNATI, OH

AMOUNT OF GRANT PAID .... 106,652.

STATEMENT 8

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID
==

RECIPIENT NAME:
LYMPHOMA RESEARCH FOUNDATION
ADDRESS:
NEW YORK, NY

AMOUNT OF GRANT PAID .... 177,753.

RECIPIENT NAME:
MEMORIAL SLOAN-KETTERING
CANCER CENTER
ADDRESS:
NEW YORK, NY

RELATIONSHIP:
NONE - APPLIES TO ALL
PURPOSE OF GRANT:
GENERAL - APPLIES TO ALL
FOUNDATION STATUS OF RECIPIENT:
P - APPLIES TO ALL
AMOUNT OF GRANT PAID .... 88,877.

RECIPIENT NAME:
LYRIC OPERA OF CHICAGO
ADDRESS:
CHICAGO, IL

AMOUNT OF GRANT PAID .... 142,202.

RECIPIENT NAME:
MUSICIANS CLUB OF WOMEN
ADDRESS:
CHICAGO, IL

AMOUNT OF GRANT PAID .... 53,326.

STATEMENT 9

FORM 990PF, PART XV, LINE 3 - CONTRIBUTIONS, GIFTS, GRANTS PAID
==

RECIPIENT NAME:
SALVATION ARMY
ADDRESS:
CHICAGO, IL

AMOUNT OF GRANT PAID .... 177,753.

RECIPIENT NAME:
UNIVERSITY OF TEXAS FOUNDATION
ADDRESS:
AUSTIN, TX

AMOUNT OF GRANT PAID .... 266,630.

RECIPIENT NAME:
B'NAI ABRAHAM-ZION
CONGREGATION
ADDRESS:
OAK PARK, IL

AMOUNT OF GRANT PAID .... 88,877.

RECIPIENT NAME:
NEWBERRY LIBRARY
ADDRESS:
CHICAGO, IL

AMOUNT OF GRANT PAID .... 88,877.

RECIPIENT NAME:
JEWISH THEOLOGICAL
SEMINARY
ADDRESS:
NEW YORK, NY

AMOUNT OF GRANT PAID .... 124,427.

TOTAL GRANTS PAID: 1,724,206.
===============

STATEMENT 10

Foundation

31 DEC 11

Account number 0251246

◆

Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	 Translation	 Total
Equity Securities							
Equity funds							
Emerging Markets Region - USD							
MFB NORTHN FUNDS EMERGING MKTS EQTY EQTY INDEX FD CUSIP 665162582							
42,022 010	10 22	0 00	429,464 94	343,274 08	86,190 86	0 00	86,190 86
Total USD		0 00	429,464 94	343,274 08	86,190.86	0 00	86,190 86
Total Emerging Markets Region		0 00	429,464 94	343,274 08	86,190 86	0 00	86,190 86
International Region - USD							
MFC VANGUARD INTL EQUITY INDEX FDS VANGUARD FTSE ALL WORLD EX US ETF CUSIP 922042775							
12,000 000	39 65	0 00	475,800 00	516,519 60	-40,719 60	0 00	-40,719 60
Total USD		0 00	475,800 00	516,519 60	-40,719 60	0 00	-40,719 60
Total International Region		0 00	475,800 00	516,519 60	-40,719 60	0 00	-40,719 60
United States - USD							
MFB NORTHERN FUNDS INCOME EQUITY FD CUSIP 665162202							
51,387 460	12 15	0 00	624,357 63	500,000 00	124,357 63	0 00	124,357 63
MFB NORTHERN FUNDS STK INDEX FD CUSIP 665162772							
446,256 050	15 58	0 00	6,952,669 25	5,378,339 18	1,574,330 07	0 00	1,574,330 07
MFB NORTHN MID CAP INDEX FD CUSIP 665130100							
52,543 030	11 61	0 00	610,024 57	436,113 53	173,911 04	0 00	173,911 04
MFC ALPS ETF TR ALERIAN MLP ETF CUSIP 00162Q866							
10,000 000	16 62	0 00	166,200 00	150,231 00	15,969 00	0 00	15,969 00

◆ Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	Unrealized gain/loss Translation	Total
Equity Securities							
Equity funds							
United States - USD							
MFO DFA US SMALL CAP PORTFOLIO CUSIP 233203843 DFA_C							
15,673 980	20 52	0 00	321,630 07	300,000 00	21,630 07	0 00	21,630 07
MFO NUVEEN PREFERRED SECURIT-I CUSIP 670700400							
9,759 180	14 99	0 00	146,290 10	154,064 51	-7,774 41	0 00	-7,774 41
Total USD		0 00	8,821,171 62	6,918,748 22	1,902,423 40	0 00	1,902,423 40
Total United States		0 00	8,821,171 62	6,918,748 22	1,902,423 40	0 00	1,902,423 40
Total Equity Funds **639,641.710**		**0.00**	**9,726,436.56**	**7,778,541.90**	**1,947,894.66**	**0.00**	**1,947,894.66**
Total Equity Securities **639,641 710**		**0.00**	**9,726,436.56**	**7,778,541.90**	**1,947,894.66**	**0.00**	**1,947,894 66**
Fixed Income Securities							
Corporate/government							
United Kingdom - USD							
ASTRAZENECA PLC 5 4% DUE 09-15-2012 CUSIP 046353AC2							
250,000 000	103 4542	3,975 00	258,635 50	247,925 00	10,710 50	0 00	10,710 50
Issue Date 12 Sep 07 Rate 5 40% Yield to Maturity 0 524% Maturity Date 15 Sep 12							
ROYAL BK SCOTLAND 3 95% DUE 09-21-2015 CUSIP 78010XAG6							
175,000 000	93 7704	1,939 33	164,098 20	175,313 25	-11,215 05	0 00	-11,215 05
Issue Date 20 Sep 10 Rate 3 95% Yield to Maturity 3 786% Maturity Date 21 Sep 15							

◆ Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	 Translation	 Total
Fixed Income Securities							
Corporate/government							
United Kingdom - USD							
VODAFONE GROUP PLC 5% DUE 12-16-2013 CUSIP 92857WAF7							
25,000 000	107 2997	52 08	26,824 92	25,206 25	1,618 67	0 00	1,618 67
Issue Date 22 Sep 03 Rate 5 00% Yield to Maturity 0 903% Maturity Date 16 Dec 13							
Total USD		5,966 41	449,558 62	448,444 50	1,114 12	0 00	1,114 12
Total United Kingdom		5,966 41	449,558 62	448,444 50	1,114 12	0 00	1,114 12
United States - USD							
AMERN EXPRESS CR CORP MEDIUM TERM NTS TRANCHE # TR 00069 5 875 DUE 05-02-2013 CUSIP 0258M0CW7							
250,000 000	105 1155	2,407 11	262,788 75	252,595 00	10,193 75	0 00	10,193 75
Issue Date 02 Jun 08 Rate 5 875% Yield to Maturity 1 095% Maturity Date 02 May 13							
BAKER HUGHES INC 7 5% DUE 11-15-2018 CUSIP 057224AY3							
250,000 000	131 9225	2,395 83	329,806 25	247,537 50	82,268 75	0 00	82,268 75
Issue Date 28 Oct 08 Rate 7 50% Yield to Maturity 2 279% Maturity Date 15 Nov 18							
BOTTLING GROUP LLC 6 95% DUE 03-15-2014 CUSIP 10138MAH8							
250,000 000	112 4017	5,115 97	281,004 25	256,537 50	24,466 75	0 00	24,466 75
Issue Date 24 Oct 08 Rate 6 95% Yield to Maturity 0 711% Maturity Date 15 Mar 14							
BP CAP MKTS P L C 3 875% DUE 03-10-2015 CUSIP 05565QBH0							
100,000 000	106 7807	1,194 79	106,780 70	99,534 00	7,246 70	0 00	7,246 70
Issue Date 10 Mar 09 Rate 3 875% Yield to Maturity 1 22% Maturity Date 10 Mar 15							
DEERE JOHN CAP CORP MEDIUM TERM NTS-BOOKTRANCHE 00355 4 9 DUE 09-09-2013 CUSIP 24422EQU6							
100,000 000	106 6886	1,538 05	106,688 60	100,281 00	6,407 60	0 00	6,407 60
Issue Date 08 Sep 08 Rate 4 90% Yield to Maturity 0 61% Maturity Date 09 Sep 13							

◆

Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	Unrealized gain/loss Translation	Total
Fixed Income Securities							
Corporate/government							
United States - USD							
JOHNSON & JOHNSON 5 55% DUE 08-15-2017 CUSIP 478160AQ7							
250,000 000	120 7195	5,241 66	301,798 75	251,375 00	50,423 75	0 00	50,423 75
Issue Date 16 Aug 07 Rate 5 55% Call Date 14 Aug 17 Call Price 100 00 Yield to Maturity 1 33% Maturity Date 15 Aug 17							
KIMBERLY CLARK 5 625% DUE 02-15-2012 CUSIP 494368AR4							
50,000 000	100 5407	1,062 50	50,270 35	50,281 50	-11 15	0 00	-11 15
Rate 5 625% Maturity Date 15 Feb 12							
MFB NORTHN HI YIELD FXD INC FD CUSIP 665162699							
73,253 380	7 04	0 00	515,703 79	450,508 91	65,194 88	0 00	65,194 88
Issue Date 25 Aug 08							
MFO PIMCO FDS PAC INVT MGMT SER TOTAL RETURN FD INSTL CL CUSIP 693390700							
18,934 720	10 87	0 00	205,820 40	209,724 80	-3,904 40	0 00	-3,904 40
NUCOR CORP 5 85% DUE 06-01-2018 CUSIP 670346AK1							
250,000 000	119 3089	1,218 75	298,272 25	253,792 50	44,479 75	0 00	44,479 75
Issue Date 02 Jun 08 Rate 5 85% Yield to Maturity 2 377% Maturity Date 01 Jun 18							
PROCTER & GAMBLE CO NT 3 5 DUE 02-15-2015 BEO CUSIP 742718DM8							
50,000 000	107 6836	661 11	53,841 80	50,817 00	3,024 80	0 00	3,024 80
Issue Date 06 Feb 09 Rate 3 50% Yield to Maturity 0 916% Maturity Date 15 Feb 15							
WAL-MART STORES 3% DUE 02-03-2014 CUSIP 931142CN1							
100,000 000	105 3109	1,250 00	105,310 90	100,194 00	5,116 90	0 00	5,116 90
Issue Date 23 Jan 09 Rate 3 00% Yield to Maturity 0 53% Maturity Date 03 Feb 14							
Total USD		22,085 77	2,618,086 79	2,323,178 71	294,908.08	0 00	294,908 08

◆ Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	Unrealized gain/loss Translation	Unrealized gain/loss Total
Fixed Income Securities							
Corporate/government							
Total United States		22,085 77	2,618,086 79	2,323,178 71	294,908 08	0 00	294,908 08
Total Corporate/Government **2,192,188.100**		**28,052.18**	**3,067,645 41**	**2,771,623.21**	**296,022.20**	**0.00**	**296,022.20**
Municipal issues							
Canada - USD							
ONTARIO PROV CDA BD 5 125% DUE 07-17-2012 BEO CUSIP 683234RV2							
50,000 000	102 38	1,167 36	51,190 00	50,485 50	704 50	0 00	704 50
Issue Date 17 Jul 02 Rate 5 125%	Yield to Maturity 0 612%	Maturity Date 17 Jul 12					
Total USD		1,167 36	51,190 00	50,485 50	704 50	0 00	704 50
Total Canada		1,167 36	51,190 00	50,485 50	704 50	0 00	704 50
Total Municipal Issues **50,000.000**		**1,167.36**	**51,190 00**	**50,485.50**	**704.50**	**0.00**	**704.50**
Other bonds							
United States - USD							
MFC ISHARES TR BARCLAYS TIPS BD FD CUSIP 464287176							
4,500 000	116 69	0 00	525,105 00	441,532 96	83,572 04	0 00	83,572 04
Issue Date 07 Nov 08							
Total USD		0 00	525,105 00	441,532 96	83,572 04	0 00	83,572 04
Total United States		0 00	525,105 00	441,532 96	83,572 04	0 00	83,572 04
Total Other Bonds **4,500.000**		**0.00**	**525,105.00**	**441,532.96**	**83,572.04**	**0.00**	**83,572.04**

◆ Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	Unrealized gain/loss Translation	Total
Total Fixed Income Securities							
2,246,688 100		**29,219.54**	**3,643,940.41**	**3,263,641.67**	**380,298.74**	**0.00**	**380,298.74**

Real Estate

Real estate funds

Global Region - USD

MFB NORTHN FDS MULTI-MANAGER GLOBAL REALESTATE FD CUSIP 665162475							
12,284 270	15 35	0 00	188,563 54	165,576 60	22,986 94	0 00	22,986 94
Total USD		0 00	188,563 54	165,576 60	22,986 94	0 00	22,986 94
Total Global Region		0 00	188,563 54	165,576 60	22,986 94	0 00	22,986 94

United States - USD

MFB NORTHERN FDS GLOBAL REAL ESTATE INDEX FD CUSIP 665162541							
6,955 170	7 41	0 00	51,537 81	69,760 36	-18,222 55	0 00	-18,222 55
Total USD		0 00	51,537 81	69,760 36	-18,222 55	0 00	-18,222 55
Total United States		0 00	51,537 81	69,760 36	-18,222 55	0 00	-18,222 55
Total Real Estate Funds							
19,239.440		**0.00**	**240,101.35**	**235,336.96**	**4,764.39**	**0.00**	**4,764.39**
Total Real Estate							
19,239.440		**0.00**	**240,101.35**	**235,336.96**	**4,764.39**	**0.00**	**4,764.39**

Commodities

Commodities

Global Region - USD

◆

Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss Market	Unrealized gain/loss Translation	Unrealized gain/loss Total
Commodities							
Commodities							
Global Region - USD							
MFC SPDR GOLD TR GOLD SHS CUSIP 78463V107							
2,500 000	151 99	0 00	379,975 00	228,000 00	151,975 00	0 00	151,975 00
Total USD		0 00	379,975 00	228,000 00	151,975 00	0 00	151,975 00
Total Global Region		0 00	379,975 00	228,000 00	151,975 00	0 00	151,975 00
United States - USD							
MFO PIMCO FDS PAC INVT MGMT SER COMMODITY REALRETURN STRATEGY FD INSTL CUSIP 722005667							
47,347 160	6 54	0 00	309,650 42	317,868 83	-8,218 41	0 00	-8,218 41
Total USD		0 00	309,650 42	317,868 83	-8,218 41	0 00	-8,218 41
Total United States		0 00	309,650 42	317,868 83	-8,218 41	0 00	-8,218 41
Total Commodities **49,847.160**		**0.00**	**689,625 42**	**545,868.83**	**143,756.59**	**0.00**	**143,756.59**
Total Commodities **49,847.160**		**0.00**	**689,625.42**	**545,868.83**	**143,756.59**	**0.00**	**143,756.59**
Other Assets							
Other assets							
United States - USD							
PLYMOUTH COURT ASSOCIATES, LP FB CUSIP 000640458							
1 000	1 00	0 00	1 00*	0 00	1 00	0 00	1 00

* *Market value based on prices received from an external manager or other client-directed pricing source*

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Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total

Other Assets

Other assets

United States - USD

SHERIDAN EDGEWATER PROPERTIES FB CUSIP 000682294

Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Market	Translation	Total
1 000	76,800 00	0 00	76,800 00	0 00	76,800 00	0 00	76,800 00
Total USD		0 00	76,801 00	0 00	76,801 00	0 00	76,801 00
Total United States		0 00	76,801 00	0 00	76,801 00	0 00	76,801 00
Total Other Assets **2.000**		**0.00**	**76,801.00**	**0.00**	**76,801.00**	**0.00**	**76,801.00**
Total Other Assets **2.000**		**0.00**	**76,801.00**	**0.00**	**76,801.00**	**0.00**	**76,801.00**

Cash and Short Term Investments

Short term

USD - United States dollar

Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Market	Translation	Total
	1 00	15 38	1,894,431 53	1,894,431 53	0 00	0 00	0 00
Total short term - all currencies		15 38	1,894,431 53	1,894,431 53	0 00	0 00	0 00
Total short term - all countries		15 38	1,894,431 53	1,894,431 53	0 00	0 00	0 00
Total Short Term **1,894,431.530**		**15.38**	**1,894,431.53**	**1,894,431.53**	**0.00**	**0.00**	**0.00**
Total Cash and Short Term Investments **1,894,431.530**		**15.38**	**1,894,431.53**	**1,894,431.53**	**0.00**	**0.00**	**0.00**

◆ Asset Detail - Base Currency

Description / Asset ID Investment Mgr ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total
Total **4,849,849.940**		**29,234.92**	**16,271,336.27**	**13,717,820.89**	**2,553,515.38**	**0.00**	**2,553,515.38**