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

OMB No. 1545-0052

Department of the Treasury  
Internal Revenue Service

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

**2011**

For calendar year 2011 or tax year beginning

, 2011, and ending

, 20

Name of foundation <b>Carl and Irene Morath Foundation</b>		A Employer identification number <b>38-2421500</b>
Number and street (or P O box number if mail is not delivered to street address) <b>747 Ballantyne Rd</b>	Room/suite	B Telephone number (see instructions) <b>313-884-7776</b>
City or town, state, and ZIP code <b>Grosse Pointe Shores, MI 48236</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 2860705</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	73210	73210		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	37591			
	b Gross sales price for all assets on line 6a	70419			
	7 Capital gain net income (from Part IV, line 2)		37591		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	110801	110801			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	788			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
23 Other expenses (attach schedule)	81				
24 Total operating and administrative expenses. Add lines 13 through 23	869				
25 Contributions, gifts, grants paid	115000			115000	
26 Total expenses and disbursements. Add lines 24 and 25	115869			115000	
27 a Excess of revenue over expenses and disbursements	(5067)				
b Net investment income (if negative, enter -0-)		110801			
c Adjusted net income (if negative, enter -0-)			0		

G14 2

<b>Part II Balance Sheets</b> 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
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	4123	14342	14342
	<b>2</b> Savings and temporary cash investments . . . . .		18329	18329
	<b>3</b> Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	<b>4</b> Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	<b>5</b> Grants receivable . . . . .			
	<b>6</b> Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) . . . . .			
	<b>7</b> Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	<b>8</b> Inventories for sale or use . . . . .			
	<b>9</b> Prepaid expenses and deferred charges . . . . .	1002	214	214
	<b>10a</b> Investments—U.S. and state government obligations (attach schedule)			
	<b>b</b> Investments—corporate stock (attach schedule) . . . . .	2184200	2151372	2869705
	<b>c</b> Investments—corporate bonds (attach schedule) . . . . .			
	<b>11</b> Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	<b>12</b> Investments—mortgage loans . . . . .			
	<b>13</b> Investments—other (attach schedule) . . . . .			
	<b>14</b> Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
<b>15</b> Other assets (describe ▶ )				
<b>16 Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I) . . . . .	2189325	2184257	2902590	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .			
	<b>18</b> Grants payable . . . . .			
	<b>19</b> Deferred revenue . . . . .			
	<b>20</b> Loans from officers, directors, trustees, and other disqualified persons			
	<b>21</b> Mortgages and other notes payable (attach schedule) . . . . .			
	<b>22</b> Other liabilities (describe ▶ )			
	<b>23 Total liabilities</b> (add lines 17 through 22) . . . . .	0	0	
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/>			
	<b>24</b> Unrestricted . . . . .			
	<b>25</b> Temporarily restricted . . . . .			
	<b>26</b> Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input checked="" type="checkbox"/>			
	<b>27</b> Capital stock, trust principal, or current funds . . . . .	2184200	2184200	
	<b>28</b> Paid-in or capital surplus, or land, bldg., and equipment fund			
	<b>29</b> Retained earnings, accumulated income, endowment, or other funds	5125	58	
	<b>30 Total net assets or fund balances</b> (see instructions) . . . . .	2189325	2184258	
	<b>31 Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	2189325	2184258	

**Part III Analysis of Changes in Net Assets or Fund Balances**

<b>1</b> 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) . . . . .	<b>1</b>	2189325
<b>2</b> Enter amount from Part I, line 27a . . . . .	<b>2</b>	(5067)
<b>3</b> Other increases not included in line 2 (itemize) ▶	<b>3</b>	
<b>4</b> Add lines 1, 2, and 3 . . . . .	<b>4</b>	2184258
<b>5</b> Decreases not included in line 2 (itemize) ▶	<b>5</b>	
<b>6</b> Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .	<b>6</b>	2184258

**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.)
<b>1a</b>	CitiGroup Inc. 4 shares common	P	03/16/1988	05/09/2011
<b>b</b>	Pinnacle West Capital Corp 400 shares	P	11/19/1984	11/30/2011
<b>c</b>	Pinnacle West Capital Corp 1000 shares	P	05/08/1985	11/30/2011
<b>d</b>	Pinnacle West Capital Corp 100 shares	P	02/12/1986	11/30/2011
<b>e</b>				

(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)
<b>a</b> 18		73	(55)
<b>b</b> 18774		8096	10678
<b>c</b> 46934		21996	24938
<b>d</b> 4693		2663	2030
<b>e</b>			

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))
<b>a</b>			(55)
<b>b</b>			10678
<b>c</b>			24938
<b>d</b>			2030
<b>e</b>			

<b>2</b> 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 }	<b>2</b>	37591
<b>3</b> 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 . . . . .	<b>3</b>	N/A

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

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

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

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

(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	114000	2400000	.047500
2009	97000	2405972	.040316
2008	50000	1915393	.026104
2007	31672	1147354	.027604
2006	36699	1002056	.036624

<b>2</b> Total of line 1, column (d) . . . . .	<b>2</b>	0.178148
<b>3</b> 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 . . . . .	<b>3</b>	0.035630
<b>4</b> Enter the net value of noncharitable-use assets for 2011 from Part X, line 5 . . . . .	<b>4</b>	2811153
<b>5</b> Multiply line 4 by line 3 . . . . .	<b>5</b>	100161
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b) . . . . .	<b>6</b>	1108
<b>7</b> Add lines 5 and 6 . . . . .	<b>7</b>	101269
<b>8</b> Enter qualifying distributions from Part XII, line 4 . . . . . If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	<b>8</b>	115000

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

<b>1a</b> Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)			
<b>b</b> Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		<b>1</b>	1108
<b>c</b> All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		<b>2</b>	
<b>3</b> Add lines 1 and 2		<b>3</b>	1108
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		<b>4</b>	
<b>5</b> <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		<b>5</b>	1108
<b>6</b> Credits/Payments:			
<b>a</b> 2011 estimated tax payments and 2010 overpayment credited to 2011	<b>6a</b>	214	
<b>b</b> Exempt foreign organizations—tax withheld at source	<b>6b</b>		
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>		
<b>d</b> Backup withholding erroneously withheld	<b>6d</b>		
<b>7</b> Total credits and payments. Add lines 6a through 6d		<b>7</b>	214
<b>8</b> Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached		<b>8</b>	11
<b>9</b> <b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>		<b>9</b>	995
<b>10</b> <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>		<b>10</b>	
<b>11</b> Enter the amount of line 10 to be: <b>Credited to 2012 estimated tax</b> <b>Refunded</b>		<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> 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?		<input checked="" type="checkbox"/>
<b>b</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)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		<input checked="" type="checkbox"/>
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		<input checked="" type="checkbox"/>
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: <b>(1)</b> On the foundation. ► \$ _____ <b>(2)</b> On foundation managers. ► \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ _____		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		<input checked="" type="checkbox"/>
<b>3</b> Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		<input checked="" type="checkbox"/>
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		<input checked="" type="checkbox"/>
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		<input checked="" type="checkbox"/>
<b>6</b> 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?		
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	<input checked="" type="checkbox"/>	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
<b>b</b> If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>		
<b>9</b> Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		<input checked="" type="checkbox"/>

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

<b>11</b>	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)	<b>11</b>		✓
<b>12</b>	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)	<b>12</b>		✓
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ _____	<b>13</b>		
<b>14</b>	The books are in care of ▶ _____ Telephone no. ▶ _____ Located at ▶ _____ ZIP+4 ▶ _____			
<b>15</b>	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 ▶ <b>15</b> _____			
<b>16</b>	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? . . . . . See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶ _____	<b>16</b>	Yes	No
				✓

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required****File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

	Yes	No
<b>1a</b> During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? ( <b>Exception.</b> Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b> If any answer is "Yes" to 1a(1)–(6), did <b>any</b> 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)? . . . . . <b>1b</b>		
Organizations relying on a current notice regarding disaster assistance check here . . . . . ▶ <input type="checkbox"/>		
<b>c</b> 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? . . . . . <b>1c</b>		✓
<b>2</b> 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)):		
<b>a</b> At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> 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.) . . . . . <b>2b</b>		
<b>c</b> If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. ▶ 20____, 20____, 20____, 20____		
<b>3a</b> Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>b</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.) . . . . . <b>3b</b>		
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <b>4a</b>		✓
<b>b</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? <b>4b</b>		✓

**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)? ☐ Yes ☒ No
- Organizations relying on a current notice regarding disaster assistance check here ☐ **5b**
- 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? ☐ Yes ☒ No **6b**
- 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? ☐ Yes ☒ No **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
Paul E. Morath 747 Ballantyne Rd Grosse Pointe Shores, MI 48236	President, .5	0	0	0
Frederick L. Morath 26236 Graham, Rd. Redford, MI 48239	Sec/Treasurer 1.0	0	0	0
Lawrence A. Morath 1072 Canterbury Rd. Grosse Pointe Woods, MI 48236	Vice President 0	0	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				

**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 instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		
<b>Total</b> 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
<b>1</b> N/A	
<b>2</b>	
<b>3</b>	
<b>4</b>	

**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
<b>1</b>	
<b>2</b>	
All other program-related investments. See instructions.	
<b>3</b>	
<b>Total.</b> Add lines 1 through 3	▶



**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities . . . . .	<b>1a</b>	2825462
<b>b</b>	Average of monthly cash balances . . . . .	<b>1b</b>	28502
<b>c</b>	Fair market value of all other assets (see instructions) . . . . .	<b>1c</b>	0
<b>d</b>	<b>Total</b> (add lines 1a, b, and c) . . . . .	<b>1d</b>	2853962
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . . .	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets . . . . .	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d . . . . .	<b>3</b>	2853962
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions) . . . . .	<b>4</b>	42809
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	2811153
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	140558

**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.)

<b>1</b>	Minimum investment return from Part X, line 6 . . . . .	<b>1</b>	140558
<b>2a</b>	Tax on investment income for 2011 from Part VI, line 5 . . . . .	<b>2a</b>	1108
<b>b</b>	Income tax for 2011. (This does not include the tax from Part VI.) . . . . .	<b>2b</b>	0
<b>c</b>	Add lines 2a and 2b . . . . .	<b>2c</b>	1108
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	139450
<b>4</b>	Recoveries of amounts treated as qualifying distributions . . . . .	<b>4</b>	
<b>5</b>	Add lines 3 and 4 . . . . .	<b>5</b>	139450
<b>6</b>	Deduction from distributable amount (see instructions) . . . . .	<b>6</b>	
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	<b>7</b>	139450

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26 . . . . .	<b>1a</b>	115000
<b>b</b>	Program-related investments—total from Part IX-B . . . . .	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes . . . . .	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required) . . . . .	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule) . . . . .	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	115000
<b>5</b>	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) . . . . .	<b>5</b>	1108
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	113892

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

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
<b>1</b> Distributable amount for 2011 from Part XI, line 7 . . . . .				<b>139450</b>
<b>2</b> Undistributed income, if any, as of the end of 2011:				
<b>a</b> Enter amount for 2010 only . . . . .			<b>114033</b>	
<b>b</b> Total for prior years: 20____, 20____, 20____		<b>0</b>		
<b>3</b> Excess distributions carryover, if any, to 2011:				
<b>a</b> From 2006 . . . . .				
<b>b</b> From 2007 . . . . .				
<b>c</b> From 2008 . . . . .				
<b>d</b> From 2009 . . . . .				
<b>e</b> From 2010 . . . . .				
<b>f</b> Total of lines 3a through e . . . . .	<b>0</b>			
<b>4</b> Qualifying distributions for 2011 from Part XII, line 4: ► \$ <b>115000</b>			<b>114033</b>	
<b>a</b> Applied to 2010, but not more than line 2a . . . . .				
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions) . . . . .				
<b>c</b> Treated as distributions out of corpus (Election required—see instructions) . . . . .				
<b>d</b> Applied to 2011 distributable amount . . . . .				<b>967</b>
<b>e</b> Remaining amount distributed out of corpus . . . . .				<b>0</b>
<b>5</b> Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .				
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .				
<b>c</b> 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 . . . . .				
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see instructions . . . . .				
<b>e</b> Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount—see instructions . . . . .				
<b>f</b> Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012 . . . . .				<b>138583</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .				
<b>8</b> Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) . . . . .				
<b>9</b> Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a . . . . .				
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2007 . . . . .				
<b>b</b> Excess from 2008 . . . . .				
<b>c</b> Excess from 2009 . . . . .				
<b>d</b> Excess from 2010 . . . . .				
<b>e</b> Excess from 2011 . . . . .				

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

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling . . . . . ▶

**b** Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

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

None

- 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.

NoneP

**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:

Paul Morath 248-761-4226 747 Ballantyne Rd Grosse Pointe Shores, MI 48236

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

Written Letter of Request

- c** Any submission deadlines:

None

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

None

**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
<b>a</b> <i>Paid during the year</i> See Attached List..				
<b>Total</b> . . . . .			▶	<b>3a</b>
<b>b</b> <i>Approved for future payment</i>				
<b>Total</b> . . . . .			▶	<b>3b</b>

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

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	
<b>1</b>	Program service revenue:					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
<b>2</b>	Membership dues and assessments . . . . .					
<b>3</b>	Interest on savings and temporary cash investments					
<b>4</b>	Dividends and interest from securities . . . . .					
<b>5</b>	Net rental income or (loss) from real estate:					
a	Debt-financed property . . . . .					
b	Not debt-financed property . . . . .					
<b>6</b>	Net rental income or (loss) from personal property					
<b>7</b>	Other investment income . . . . .					
<b>8</b>	Gain or (loss) from sales of assets other than inventory					
<b>9</b>	Net income or (loss) from special events . . . . .					
<b>10</b>	Gross profit or (loss) from sales of inventory . . . . .					
<b>11</b>	Other revenue: a _____					
b	_____					
c	_____					
d	_____					
e	_____					
<b>12</b>	Subtotal. Add columns (b), (d), and (e) . . . . .					
<b>13</b>	Total. Add line 12, columns (b), (d), and (e) . . . . .					

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

[illegible]

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

- | 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? |                                                                                                                                                                                                                                                                                                                                                                                              | Yes   | No |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|----|
| <b>a</b>                                                                                                                                                                                                                                              | Transfers from the reporting foundation to a noncharitable exempt organization of:                                                                                                                                                                                                                                                                                                           |       |    |
|                                                                                                                                                                                                                                                       | (1) Cash . . . . .                                                                                                                                                                                                                                                                                                                                                                           | 1a(1) | ✓  |
|                                                                                                                                                                                                                                                       | (2) Other assets . . . . .                                                                                                                                                                                                                                                                                                                                                                   | 1a(2) | ✓  |
| <b>b</b>                                                                                                                                                                                                                                              | Other transactions:                                                                                                                                                                                                                                                                                                                                                                          |       |    |
|                                                                                                                                                                                                                                                       | (1) Sales of assets to a noncharitable exempt organization . . . . .                                                                                                                                                                                                                                                                                                                         | 1b(1) | ✓  |
|                                                                                                                                                                                                                                                       | (2) Purchases of assets from a noncharitable exempt organization . . . . .                                                                                                                                                                                                                                                                                                                   | 1b(2) | ✓  |
|                                                                                                                                                                                                                                                       | (3) Rental of facilities, equipment, or other assets . . . . .                                                                                                                                                                                                                                                                                                                               | 1b(3) | ✓  |
|                                                                                                                                                                                                                                                       | (4) Reimbursement arrangements . . . . .                                                                                                                                                                                                                                                                                                                                                     | 1b(4) | ✓  |
|                                                                                                                                                                                                                                                       | (5) Loans or loan guarantees . . . . .                                                                                                                                                                                                                                                                                                                                                       | 1b(5) | ✓  |
|                                                                                                                                                                                                                                                       | (6) Performance of services or membership or fundraising solicitations . . . . .                                                                                                                                                                                                                                                                                                             | 1b(6) | ✓  |
| <b>c</b>                                                                                                                                                                                                                                              | Sharing of facilities, equipment, mailing lists, other assets, or paid employees . . . . .                                                                                                                                                                                                                                                                                                   | 1c    | ✓  |
| <b>d</b>                                                                                                                                                                                                                                              | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. |       |    |

[illegible]


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

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

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

**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

4/13/12  
Date

►  
Title

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no	

## Form 990-PF Dividends and Interest from Securities Statement 1

<u>Source</u>	<u>Gross Amount</u>	<u>Capital Gain Dividends</u>	<u>Column (A) Amount</u>
Comcast Class A	230	0	230
ATT Inc	351	0	351
UBS Securities	72,629	0	72,629
Total to 990-PF, Part1 LN4	73,210	0	73,210

## Form 990-PF Other Expenses Statement 3

<u>Description</u>	<u>(A) Expenses Per Books</u>	<u>(B) Net Investment Income</u>	<u>(C) Adjusted Net Income</u>	<u>(D) Charitable Purposes</u>
Michigan Annual	20	0	0	0
Bank Service Fee	61	0	0	0
To 990-PF PG1, Ln 23	81	0	0	0

## Form 990-PF Grants and Contributions Paid During the Year Statement 4

<u>Recipient Name and Address</u>	<u>Recipient Relationship and Purpose and Grant</u>	<u>Recipient Status</u>	<u>Amount</u>
St. Joan of Arc Church 21620 Greater Mack Ave St Clair Shrs, MI 48080	N/A Provide Support for Charitable Programs of Catholic Church		2,500
Gleaners Food Bank 2131 Beaufait Detroit, MI 48207	N/A Feed and Assist Poor in Community		9,500
Karmanos Cancer Center 4100 John R Detroit, MI 48201	N/A Support Medical Research		2,500
Hope Clinic P.O. Box 980311 Ypsilanti, MI 48197	N/A Provide Medical Care for Poor in community		3,000
Doctors without Borders 333 Seventh Ave 2 <sup>nd</sup> floor New York NY 10001	N/A Provide Medical Care for people caught in crises		3,000

Carl and Irene Morath Foundation38-2421500

Smile Train 41 Madison Ave 28 <sup>th</sup> Floor New York, Ny 10010	N/A Provide Medical Care for through out the World	3,000
Okemos Community Education 4000 N. Okemos Rd. Okemos, MI 48864	N/A Provide Special Need Day Camp for children.	6,000
Michigan State University 300 Spartan Way East Lansing, MI 48824	N/A Public University Spartan Fund	2,500
Center For Women in Tran 411 Butternut Dr. Holland, MI 49424	N/A Provide Consulting and Shelter to women in abusive relationships	1,500
Volunteer Missionary 5980 W. Loomis Rd. Greendale, WI 53129	N/A Provide Spiritual, Economic and human needs of the poor in Central America	2,000
Catholic Biblical School of Michigan 26234 Graham Rd Redford, MI 48239	N/A Provide Scripture Classes in the Archdiocese of Detroit	6,000
Madonna University 36600 Schoolcraft Livonia, MI 48150	N/A Provide Scholarhips and and Support for Programs	5,000
Dominican Order Plaza Santo Domingo 06610 Mexico, Mexico	N/A Missionary Work of Catholic Church amount the poor of Mexico	5,000
Redemptorist Fathers Munoz Rivera #55 San Lorenzo, Puerto Rico 00754	N/A Missionary Work of Catholic Church among the Poor in Puerto Rico	8,000
Capuchin Soup Kitchen 1820 Mt. Elliott St Detroit, MI 48207	N/A Feed and Assist Poor in Community	9,500
Michigan Humane Society 900 N. Newburgh Westland, MI 48185	N/A To Provide for care of animals in the community	1,000



Carl and Irene Morath Foundation38-2421500

Sacred Heart Major Semi 2701 Chicago Blvd. Detroit, MI 48206	N/A To provide university training Priests, Deacons and lay ministers for Catholic Church	4,000
Leader Dogs for the Blind 1039 S. Rochester Rd Rochester, MI 48307	N/A To train Leaders dogs for the blind in Southeastern MI	1,000
Otsego County Fire Auth. 2266 W. Blanchard Rd Mount Pleasant, MI 48858	N/A To purchase safety equipment for Volunteer Fire Department	6,000
Eco-Justice Center 7133 Michna Rd. Rancine, WI 53402	N/A Provide support for programs providing education on environmental	1,000
Partners in Health 888 Commonwealth Ave 3 <sup>rd</sup> Floor Boston, MI 02215	N/A Provide Medical Services for Around the World	1,000
Salvation Army 16103 Northland Dr. Southfield, MI 48075	N/A To Provide Help for our less fortunate neighbors	4,000
Make a Wish Foundation 4742 N. 24 <sup>th</sup> St. Suite 400 Phoenix, AZ 85016	N/A To provide for service to the families of Children with Terminal illnesses	1,000
Thaw Heat and Warmth Fund 607 Shelby, Suite 400 Detroit, MI 48226	N/A Provide assistance with utility expenses for needy families.	1,500
Caring Pregnancy Center P.O. Box 513 West Branch, MI 48661	N/A Provide for the Material Needs and Spiritual guidance for women with unplanned pregnancies	1,000
De La Salle Collegiate 14600 Common Rd. Warren, MI 48088	N/A Provide for High School Education for Student at De La Salle High School	1,000
American Red Cross 100 Mack Ave Detroit, MI 48244	N/A Disaster Relief	1,000
Our Lady of the Wayside 434 W. Park St. Arlington Hgts, IL 60005	N/A Provide Support for Charitable Programs of Catholic Church	2,000

Carl and Irene Morath Foundation38-2421500

Marian High School Bloomfield Hills, MI	N/A Catholic All Girls High School	10,000
Food Gatherers P.O. Box 131037 Ann Arbor, MI 48113	N/A Provide Food for the Hungry	1,500
Just Faith Ministries P.O. Box 221348 Louisville, KY 40252	N/A Provide Program for the Poor	1,000
Self Help Closet & Pantry of Des Plaines 600 E Algonquin Rd Des Plaines, ILL 60016	N/A Help the Poor with food and clothing	1,000
Jesuit Volunteer Corps 801 Saint Paul St. Baltimore, MD 21202	N/A To Train Volunteers for the Service to the Poor	1,000
Pancreatic Cancer Action Network	N/A Searching for a Cure	1,000
Catholic Bishops of Alaska 1312 Peger Rd Fairbanks, AK 99709	N/A Charitable outreach of the Catholic Church Angels of Hope	1,000
Beyond Basics P.O. Box 1504 Birmingham, MI 48012	N/A Help Inner City Children to Read	1,000
Gift of Reading P.O. BOX 640703 Detroit, MI 48264	N/A To Purchase New Books for Needy Children in Metro Detroit	3,000
<u>Total to Form 990-PF, Part XV, Line 3A</u>		<u>115,000</u>