Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0052

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation: MARDAG FOUNDATION

A Employer identification number: 41-1698990

Number and street (or P.O box number if mail is not delivered to street address): 55 FIFTH STREET EAST

Room/suite: 600

B Telephone number: 651/224-5463

City or town, state, and ZIP code: ST. PAUL, MN 55101-1797

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 47,306,721.

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

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

	Part I	**Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received			N/A	
	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	914,841.	915,135.		STATEMENT 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	1,234,926.			
	b	Gross sales price for all assets on line 6a 2,000,000.				
	7	Capital gain net income (from Part IV, line 2)		1,234,926.		
	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)				
	11	Other income	60,582.	60,582.		STATEMENT 2
	12	**Total.** Add lines 1 through 11	2,210,349.	2,210,643.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.	0.	0.		0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees STMT 3	2,600.	0.		2,600.
	b	Accounting fees STMT 4	11,936.	3,848.		8,088.
	c	Other professional fees STMT 5	215,145.	219,278.		0.
	17	Interest				
	18	Taxes STMT 6	35,030.	30.		0.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings	3,851.	0.		3,851.
	22	Printing and publications				
	23	Other expenses STMT 7	252,256.	5,779.		246,477.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	520,818.	228,935.		261,016.
	25	Contributions, gifts, grants paid	2,035,491.			2,035,491.
	26	**Total expenses and disbursements.** Add lines 24 and 25	2,556,309.	228,935.		2,296,507.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	-345,960.			
	b	**Net investment income** (if negative, enter -0-)		1,981,708.		
	c	**Adjusted net income** (if negative, enter -0-)			N/A	

RECEIVED
NOV 21 2012
IRS-OSC
OGDEN, UT

SCANNED NOV 26 2012

14

123501
12-02-11 LHA For Paperwork Reduction Act Notice, see instructions. Form **990-PF** (2011)

Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	589,792.	275,438.	275,438.
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations			
	b	Investments - corporate stock			
	c	Investments - corporate bonds			
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 8	46,631,608.	46,600,002.	47,031,283.
	14	Land, buildings, and equipment: basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers)	47,221,400.	46,875,440.	47,306,721.
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			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	0.	0.	
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	15,375,567.	15,375,567.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds	31,845,833.	31,499,873.	
	30	**Total net assets or fund balances**	47,221,400.	46,875,440.	
	31	**Total liabilities and net assets/fund balances**	47,221,400.	46,875,440.	

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	47,221,400.
2	Enter amount from Part I, line 27a	2	-345,960.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	46,875,440.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	46,875,440.

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	P		
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	2,000,000.		765,074.	1,234,926.
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				1,234,926.
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 1,234,926.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 } 3 N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	2,170,887.	45,176,699.	.048053
2009	2,562,509.	41,296,228.	.062052
2008	2,947,604.	52,065,848.	.056613
2007	2,723,203.	61,606,529.	.044203
2006	2,767,504.	57,269,645.	.048324

2	Total of line 1, column (d)	2	.259245
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	.051849
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	48,714,696.
5	Multiply line 4 by line 3	5	2,525,808.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	19,817.
7	Add lines 5 and 6	7	2,545,625.
8	Enter qualifying distributions from Part XII, line 4	8	2,296,507.

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	39,634.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3	Add lines 1 and 2			3	39,634.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	39,634.
6	Credits/Payments:				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	45,493.		
b	Exempt foreign organizations - tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c			
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments. Add lines 6a through 6d			7	45,493.
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	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	5,859.
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶	5,859.	**Refunded** ▶	11	0.

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 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. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	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* STMT 12	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	X	
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) ▶ MN			
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 ▶ WWW.MARDAG.ORG

14 The books are in care of ▶ THE SAINT PAUL FOUNDATION Telephone no.▶651-224-5463

Located at ▶55 EAST FIFTH STREET, SUITE 600, ST. PAUL, MN ZIP+4 ▶55101

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			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			
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 ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ 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.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		X

Form **990-PF** (2011)

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? N/A | 5b | |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | 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? N/A | 7b | |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 9		0.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

Form **990-PF** (2011)

123551
12-02-11

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
THE SAINT PAUL FOUNDATION 55 EAST FIFTH STREET, #600, ST PAUL, MN 55101	ADMINISTRATIVE SERVICES	271,524.

Total number of others receiving over $50,000 for professional services ▶ 0

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 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

Form **990-PF** (2011)

123561
12-02-11

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	49,019,020.
b	Average of monthly cash balances	1b	437,524.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	49,456,544.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	49,456,544.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	741,848.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	48,714,696.
6	**Minimum investment return.** Enter 5% of line 5	6	2,435,735.

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	2,435,735.
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a 39,634.		
b	Income tax for 2011. (This does not include the tax from Part VI.) — 2b		
c	Add lines 2a and 2b	2c	39,634.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	2,396,101.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	2,396,101.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	2,396,101.

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	2,296,507.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,296,507.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2,296,507.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				2,396,101.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			2,175,637.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶$ 2,296,507.				
a Applied to 2010, but not more than line 2a			2,175,637.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				120,870.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				2,275,231.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

1 a 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			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2 a 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).)

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.

NONE

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:

SEE STATEMENT 10

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 11				2,035,491.
Total			▶ 3a	2,035,491.
b *Approved for future payment* SEE STATEMENT 11				651,357.
Total			▶ 3b	651,357.

Form **990-PF** (2011)

123611 12-02-11

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
	(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	914,841.	
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	523000	-185,176.	01	189,563.	
8 Gain or (loss) from sales of assets other than inventory			18	1,234,926.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a CLASS ACTION SETTLEMENT			01	56,195.	
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		-185,176.		2,395,525.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 2,210,349.

(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).

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
		N/A	

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

b If "Yes," complete the following schedule.

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

Sign Here

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

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

11/12/12 ▶ PRESIDENT

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
XIAOYAN LUO		10/12/12		P01305207

Firm's name ▶ CLIFTONLARSONALLEN LLP

Firm's EIN ▶ 41-0746749

Firm's address ▶ 220 SOUTH SIXTH STREET, SUITE 300
MINNEAPOLIS, MN 55402

Phone no. 612-376-4500

Form **990-PF** (2011)

123622
12-02-11

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND AND INTEREST INCOME	914,841.	0.	914,841.
TOTAL TO FM 990-PF, PART I, LN 4	914,841.	0.	914,841.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
CIG K-1 MISC INCOME	-185,180.	-185,180.	
CIG K-1 MISC INCOME	189,563.	189,563.	
BLACKSTONE K-1 MISC INCOME	4.	4.	
CLASS ACTION SETTLEMENT	56,195.	56,195.	
TOTAL TO FORM 990-PF, PART I, LINE 11	60,582.	60,582.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL	2,600.	0.		2,600.
TO FM 990-PF, PG 1, LN 16A	2,600.	0.		2,600.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	11,936.	3,848.		8,088.
TO FORM 990-PF, PG 1, LN 16B	11,936.	3,848.		8,088.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	176,101.	180,234.		0.
TSPF INVESTMENT MGMT	38,948.	38,948.		0.
CUSTODY FEE	96.	96.		0.
TO FORM 990-PF, PG 1, LN 16C	215,145.	219,278.		0.

FORM 990-PF TAXES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES EXPENSE	35,000.	0.		0.
FOREIGN TAXES	30.	30.		0.
TO FORM 990-PF, PG 1, LN 18	35,030.	30.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TSPF ADMIN SERVICES	232,576.	0.		232,576.
MEMBERSHIP DUES	5,770.	0.		5,770.
INSURANCE	4,881.	0.		4,881.
MISCELLANEOUS	3,250.	0.		3,250.
INTEREST EXPENSE ON INVESTMENT DEBTS	5,779.	5,779.		0.
TO FORM 990-PF, PG 1, LN 23	252,256.	5,779.		246,477.

FORM 990-PF OTHER INVESTMENTS STATEMENT 8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
BALANCED CO-MINGLED FUND	COST	46,600,002.	47,031,283.
TOTAL TO FORM 990-PF, PART II, LINE 13		46,600,002.	47,031,283.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
TIMOTHY M. OBER 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	PRESIDENT 0.75	0.	0.	0.
GRETCHEN D. DAVIDSON 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	VICE PRESIDENT 0.75	0.	0.	0.
PHYLLIS RAWLS GOFF 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	SECRETARY 0.75	0.	0.	0.
RICHARD B. OBER 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	TREASURER 0.75	0.	0.	0.
ANN MULHOLLAND 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	ADMINISTRATIVE DIRECTOR 2.50	0.	0.	0.
CHRISTINE SEARSON 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	FINANCE DIRECTOR 0.75	0.	0.	0.
JACK H. POHL 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	INVESTMENT DIRECTOR 1.00	0.	0.	0.
PAT MEDURE 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	MEMBER 0.75	0.	0.	0.

CORNELIA M EBERHART 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	MEMBER 0.75	0.	0.	0.
GAYLE M. OBER 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	MEMBER 0.75	0.	0.	0.
JANICE K. ANGELL 55 FIFTH STREET EAST, SUITE 600 ST PAUL, MN 55101	MEMBER 0.75	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 10
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

MARDAG FOUNDATION, ATTN: GRANTS MANAGER
55 FIFTH STREET EAST, #600
ST PAUL, MN 55101-1797

TELEPHONE NUMBER

651-244-5463

FORM AND CONTENT OF APPLICATIONS

PRIOR TO SUBMITTING A GRANT REQUEST, APPLICANTS SHOULD REQUEST THE FOUNDATION'S APPLICATION PACKET. APPLICANTS MAY SUBMIT A LETTER OF INQUIRY DESCRIBING THE PROPOSED PROJECT.

ANY SUBMISSION DEADLINES

SUBMIT PROPOSALS 4 MONTHS PRIOR TO A BOARD MEETING. MEETINGS OCCUR IN APRIL, AUGUST AND NOVEMBER.

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE MADE TO ORGANIZATIONS LOCATED WITHIN AND SERVING THE RESIDENTS OF THE STATE OF MINNESOTA.

Date: 12/30/2011
Time: 15:51 58

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
11/16/2007	MR-07-000148	**Boys and Girls Clubs of the Twin Cities** For the Bridge to the Future Capital Campaign, with the understanding that this grant will be used exclusively for renovations at its three branch sites in Saint Paul	30,000		30,000						
11/16/2007	MR-07-000164	**CommonBond Communities** For Campaign 4000 Building Homes, Hope and Community, with the understanding that this grant will be used exclusively as part of the Housing Investment Fund to invest in the development of properties in the East Metro area of Dakota, Ramsey and Washington counties	30,000		30,000						
11/16/2007	MR-07-000126	**United Family Practice Health Center** To help finance construction of a new facility	25,000		25,000						
08/01/2008	MR-08-000080	**Como Friends** For the Campaign for Como Park Zoo and Conservatory	125,000		125,000						
04/16/2010	MR-09-000254	**Park Square Theatre Company** To help finance the budget for expansion of educational programming	20,000		20,000						
08/06/2010	MR-10-000038	**Project for Pride in Living Inc** To help finance the budget for stabilization and expansion of the Youth Development Program and the Self-Sufficiency Program in Saint Paul	40,000		40,000						
08/06/2010	MR-10-000079	**The Saint Paul Foundation** To help finance the budget of the software conversion	15,000		15,000						
11/12/2010	MR-10-000055	**Arcata Press Saint Paul Almanac** To help finance the budget of the organizational expansion project	10,000		10,000						
11/12/2010	MR-10-000012	**Centro Campesino Por Los Cambios Hacia Adelante** To help finance the budget of the Health Promoters Program	5,000		2,143	2,857					
11/12/2010	MR-10-000072	**Kootasca Community Action Inc** To help finance the operating budget of Build Your Bridge	13,000			13,000					
11/12/2010	MR-10-000062	**Prevent Child Abuse Minnesota** For the Challenge Matching Gift Fund	20,000		20,000						

STMT 1

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future 2011	2012	2013	2014	2015	2016 >
11/12/2010	MR-10-000057	**Volunteer Lawyers Network** To help finance the budget of the Greater Minnesota and East Metro Bankruptcy Services Program	20,000		20,000						
12/20/2010	MR-10-000083	**Project for Pride in Living Inc** To support programs and facilities in Saint Paul	10,000		10,000						
04/15/2011	MR-11-000029	**Admission Possible** To help finance the budget of its alumni services pilot program		15,000	15,000						
04/15/2011	MR-11-000031	**All Parks Alliance for Change** To help finance the budget of its foreclosure response program		10,000	10,000						
04/15/2011	MR-11-000006	**American Composers Forum** To help finance the budget of Teaching Artist Training for Composers		15,000	15,000						
04/15/2011	MR-11-000009	**Ampersand Families** To help finance the budget of the Minnesota Heart Gallery project		20,000	20,000						
04/15/2011	MR-11-000028	**Bolder Options** To help finance the budget of the Saint Paul expansion		15,000	15,000						
04/15/2011	MR-11-000015	**Boys & Girls Club of the Bemidji Area** To help finance the budget of the Volunteer Partnership project		29,000	14,500		14,500				
04/15/2011	MR-10-000085	**Bridges of Hope** To help finance the budget for Family Support Services program		20,000	20,000						
04/15/2011	MR-11-000001	**Childrens Dental Services Inc** To help finance the budget of Expanding dental services to the Iron Range		10,000	10,000						
04/15/2011	MR-11-000026	**College of St. Scholastica Inc** To help finance the budget of Social Work Tribal Initiative Student Support Counselor		16,200	16,200						
04/15/2011	MR-11-000003	**Corporation for Supportive Housing** To help finance the budget of its Ending Homelessness for Veterans program		15,000	15,000						
04/15/2011	MR-11-000002	**Eastern Minnesota Deacons Association Inc** To help finance the budget of ESL Classes for Karen Refugees		10,000	7,000		3,000				

Date: 12/30/2011
Time: 15 51 58

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
04/15/2011	MR-11-000012	**Free Arts for Abused Children of Minnesota** To help finance the budget of the Saint Paul Expansion of weekly Mentorship		20,000	10,000		10,000				
04/15/2011	MR-11-000022	**Girl Scouts of Minnesota and Wisconsin Lakes and Pines** To help finance the budget of the Willmar Outreach to At-Risk Girls project		15,000	15,000						
04/15/2011	MR-11-000019	**Grant Community School Collaborative** To help finance the budget for the Program for Academic and Cultural Enrichment		15,000	15,000						
04/15/2011	MR-11-000024	**HOME Line** To help finance the budget of its East Metro expansion of the Tenant Hotline Service		10,000	10,000						
04/15/2011	MR-11-000007	**Immigrant Law Center of Minnesota Inc** To help finance the budget of the continued establishment of the Rural Immigration Project		20,000	20,000						
04/15/2011	MR-11-000013	**Keystone Community Services** To help finance the budget of Hmong Youth and Families program expansion		40,000	20,000		20,000				
04/15/2011	MR-11-000027	**Lao Family Community of Minnesota Inc** To help finance the budget of its Out and About program		19,000	19,000						
04/15/2011	MR-11-000032	**Minnesota Council on Foundations** For general corporate purposes		4,225	4,225						
04/15/2011	MR-11-000018	**Minnesota Literacy Council, Inc.** To help finance its GED preparation program		20,000	20,000						
04/15/2011	MR-11-000014	**Minnesota Museum of American Art** To help finance the budget of the CuratorKids program		11,356	11,356						
04/15/2011	MR-11-000008	**Neighborhood House** To help finance the budget of its East Side Family Center		20,000	20,000						
04/15/2011	MR-11-000011	**OST Minnesota** To help finance the budget of start up and early implementation		60,000	20,000		20,000	20,000			
04/15/2011	MR-10-000089	**People Responding in Social Ministry** To help finance the budget of its PRISM Express Ramsey County expansion		20,000	20,000						

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
04/15/2011	MR-11-000021	**Portico Healthnet** To help finance the budget of the expansion of the Development Capacity program		20,000	20,000						
04/15/2011	MR-11-000033	**Project Success-Students Undertaking Creative Control** For Program Expansion into Highland Park and Ramsey Junior High Schools		15,000		15,000					
04/15/2011	MR-11-000004	**Rebuilding Together - Twin Cities** To help finance the budget of its Safe at Home program		15,000	15,000						
04/15/2011	MR-11-000005	**Resources for Child Caring, Inc.** To help finance the budget of its Early Childhood Library Access		15,000	15,000						
04/15/2011	MR-10-000086	**Stepping Stone Theater Co** For Capital Support		10,000	10,000						
04/15/2011	MR-11-000010	**Teach for America, Inc.** To help finance the budget for program expansion in the Twin Cities, Saint Paul program		30,000	30,000						
04/15/2011	MR-11-000017	**Twin Cities Public Television Inc** To help finance the budget of Next Avenue		90,000	60,000		30,000				
04/15/2011	MR-11-000016	**White Earth Land Recovery Project** To help finance the budget of organizing Niijii Broadcasting		30,000	30,000						
04/15/2011	MR-11-000025	**White Earth Reservation Tribal Council** To help finance the budget of the Down On Violence Everyday Community Assessment and Media project		15,750	15,750						
04/15/2011	MR-10-000087	**Amherst H. Wilder Foundation** To help finance the budget of Minnesota Compass		20,000	20,000						
04/15/2011	MR-10-000088	**Amherst H. Wilder Foundation** To help finance the caregiver support services		20,000	20,000						
06/13/2011	MR-11-000065	**Warroad Care Center, Inc.** To help establish the Mission Benevolence Fund		5,000	5,000						
08/05/2011	MR-11-000066	**Big Brothers Big Sisters of the Greater Twin Cities** To help finance the budget for expansion of the Education and Enrichment Program		10,000	10,000						

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Date: 12/30/2011
Time: 15·51·58

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
08/05/2011	MR-11-000041	**Bridging Incorporated** To help finance Project Good Night in Ramsey, Washington and Dakota Counties		20,000	15,000	5,000					
08/05/2011	MR-11-000070	**Casa De Esperanza** To help finance the budget of the Enhancing Program Effectiveness Through Volunteer Placement Project		10,000	10,000						
08/05/2011	MR-11-000087	**Century College Foundation** To help finance the budget of the Preparing to Achieve a College Education Program		15,000	15,000						
08/05/2011	MR-11-000060	**Children's Theater Company and School** To help finance the budget of Neighborhood Bridges East Metro		10,000	10,000						
08/05/2011	MR-11-000038	**City of Saint Paul, Minnesota** To help finance the budget of Sprockets Out-of-School Time Network Professional Development		20,000	20,000						
08/05/2011	MR-11-000061	**College of Visual Arts** To help finance the budget for the College Art Prep for Success Project		15,000	15,000						
08/05/2011	MR-11-000040	**CommonBond Communities** To help finance the budget of its Open 4000 Doors matching grant		50,000			50,000				
08/05/2011	MR-11-000046	**Community Design Center of Minnesota** To help finance the budget of the Holistic Youth Development Program		10,000	10,000						
08/05/2011	MR-11-000052	**Community Thread** To help finance the budget of the Senior Chore Services Program		20,000	20,000						
08/05/2011	MR-11-000084	**Como Friends** To help finance the budget of The Campaign for Como		50,000			50,000				
08/05/2011	MR-11-000020	**Creative Play Place** To help finance the budget for the Executive Director and Development Consultant		15,000	15,000						
08/05/2011	MR-11-000037	**Family Pathways** To help finance the budget for Heating, Ventilation and Air Conditioning		10,000	10,000						

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Date: 12/30/2011
Time: 15.51 58

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
08/05/2011	MR-11-000042	**FamilyMeans** To help finance the budget for the Cimarron Youth Development Initiative		10,000	5,000		5,000				
08/05/2011	MR-11-000034	**Faribault Area Senior Citizens, Inc.** To help finance the budget to Upgrade Technology and Facilities		20,000	20,000						
08/05/2011	MR-11-000068	**GENESIS II for Families Inc** To help finance the budget for expansion of Next Phase Teen Parenting Education		10,000	10,000						
08/05/2011	MR-11-000039	**Hastings Family Service** To help finance the budget of the Bring the Mission Home Campaign		35,000	12,000		12,000	11,000			
08/05/2011	MR-11-000043	**Koochiching Aging Options** To help finance the budget of the program specialist position		20,000	20,000						
08/05/2011	MR-11-000044	**Lakes Area Interfaith Caregivers** To help finance the budget of the expansion of the Senior Home Access Project		10,000	10,000						
08/05/2011	MR-11-000045	**Life House Incorporated** To help finance the budget for Housing Case Management		20,000	20,000						
08/05/2011	MR-11-000069	**Minnesota Coalition for Battered Women, Inc.** To help finance the budget of the Women of Color and Native Women's Leadership Project		20,000	20,000						
08/05/2011	MR-11-000038	**Minnesota Orchestral Association** To help finance the budget for the Common Chords Project		30,000	20,000		10,000				
08/05/2011	MR-11-000050	**Minnesota Theater Alliance** To help finance the budget of Minnesota Free Night of Theater		10,000	10,000						
08/05/2011	MR-11-000053	**North Shore Area Partners** To help finance the budget of Mobile Resource Centers		14,000	14,000						
08/05/2011	MR-11-000049	**Saint Paul Public Schools Foundation** To help finance the budget of Tutoring Partnership for Academic Excellence matching grant		20,000			20,000				
08/05/2011	MR-11-000056	**Salem Lutheran Church, Deerwood MN** To help finance the budget of the Thrift Store Project		7,500	7,500						

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
08/05/2011	MR-11-000048	**ServeMinnesota** To help finance the budget for Minnesota Math Corps		19,500	19,500						
08/05/2011	MR-11-000062	**Springboard for the Arts** To help finance the budget for the Fergus Falls Pilot Office		10,000	10,000						
08/05/2011	MR-11-000055	**St Paul Youth Services Inc** To help finance the budget of the Second Chance Initiative		10,000	10,000						
08/05/2011	MR-11-000047	**Three Rivers Community Action Inc.** To help finance the budget of Caregiver Smarts		20,000	20,000						
08/05/2011	MR-11-000058	**University of Minnesota Foundation** To help finance the budget of Learning Dreams Saint Paul Program		20,000	20,000						
08/05/2011	MR-11-000063	**White Bear Center for the Arts** To help finance the budget of the Gateway to the Arts Capital Campaign		40,000	25,000		15,000				
08/05/2011	MR-11-000071	**Young Womens Christian Association of St. Paul Minnesota** To help finance the budget of Journey's Program		15,000	15,000						
11/11/2011	MR-11-000099	**Arts Midwest** To help finance the budget of ArtsLab		150,000	50,000		50,000	50,000			
11/11/2011	MR-11-000095	**Carondelet Village Inc** To help finance the budget of Capital Support		20,000	20,000						
11/11/2011	MR-11-000079	**Central MN Re-Entry Project** To help finance the budget of the DAD Program		10,000	10,000						
11/11/2011	MR-11-000084	**Childrens Law Center of Minnesota** To help finance the budget of the Ramsey County Permanency Project		25,000	25,000						
11/11/2011	MR-11-000107	**A Childs Delight Too Inc** To help finance the budget of the I am Moving I am Learning Program		6,800	6,800						
11/11/2011	MR-11-000105	**Community Action Duluth** To help finance the budget of the Jump Start Duluth Program		20,000	20,000						

Date: 12/30/2011
Time: 15:51:58

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future 2011	2012	2013	2014	2015	2016 >
11/11/2011	MR-11-000100	**Domestic Abuse Intervention Programs** To help finance the budget of Safe Transitions Healthy Families Program		20,000	20,000						
11/11/2011	MR-11-000096	**ECHO Minnesota** To help finance the budget of the Domestic Violence Project		25,000	25,000						
11/11/2011	MR-11-000106	**Family Tree Inc** To help finance the budget of the Healthy Beginnings Program		15,000	15,000						
11/11/2011	MR-11-000090	**Greater Frogtown Community Development Corporation** To help finance the budget of the Affordable Housing Outreach Coordinator		15,000	15,000						
11/11/2011	MR-11-000081	**Independent School District #739** To help finance the budget of Kimball Area Arts Initiative - Year Two		10,000	10,000						
11/11/2011	MR-11-000082	**Karen Community of Minnesota** To help finance the expansion of its Supportive Housing Program		15,000	15,000						
11/11/2011	MR-11-000057	**Knute Nelson Foundation** To help finance the budget of the Comprehensive Balance Program		14,517	14,517						
11/11/2011	MR-11-000101	**Lifetrack Resources Inc.** To help finance the budget of the Families Together in the Home Program		25,000	25,000						
11/11/2011	MR-11-000103	**The Link** To help finance the budget of Lincoln Place		40,000	20,000		20,000				
11/11/2011	MR-11-000085	**Minnesota Children's Museum** To help finance the budget of the Play It Forward Capital Campaign		100,000			50,000	50,000			
11/11/2011	MR-11-000083	**Mounds Park Academy** To help finance the budget of Development Capacity Building for Breakthrough Saint Paul		20,000	20,000						
11/11/2011	MR-11-000086	**Neighbors, Inc.** To help finance the budget of the 40th Anniversary Capital Campaign		100,000	35,000		35,000	30,000			
11/11/2011	MR-11-000080	**Northfield Retirement Community Foundation** To help finance the budget for Family Caregiver Support Groups		15,000	15,000						

Date: 12/30/2011
Time: 15:51:58

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

						Due In Future					
App Date	**Grant ID**	**Grantee / A/R Description**	**Unpaid 01/01/11**	**Approved Amount**	**Paid 2011**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016 >**
11/11/2011	MR-11-000077	**Northfield Union of Youth Inc** To help finance the budget of installing a new heating/cooling unit as a part of The Key Youth Center Capital Support		8,000	8,000						
11/11/2011	MR-11-000088	**Pangea World Theater** To help finance the budget of Implementing Collaboration		10,000	10,000						
11/11/2011	MR-11-000091	**Pelican Rapids Living At Home Block Nurse Program** To help finance the budget of Living Longer, Living Better		18,000	18,000						
11/11/2011	MR-11-000089	**Project FINE Inc** To help finance the budget of the Diversity Youth Quest		15,000	15,000						
11/11/2011	MR-11-000094	**Public Art Saint Paul** To help finance the budget forThe Next Public Art		40,000	20,000		20,000				
11/11/2011	MR-11-000104	**The Refuge Network** For the Fundraising Challenge		20,000			20,000				
11/11/2011	MR-11-000072	**The Saint Paul Foundation** To help finance the budget of the Community Sharing Fund		50,000	50,000						
11/11/2011	MR-11-000073	**The Saint Paul Foundation** To help finance the budget of the Management Improvement Fund		50,000	50,000						
11/11/2011	MR-11-000074	**The Saint Paul Foundation** To help finance the budget of Numbers Work!		50,000	50,000						
11/11/2011	MR-11-000097	**St Paul Intervention Project Inc** To help finance the budget of the Partnership for Domestic Services Strategic Plan to End Domestic Violence		25,000	25,000						
11/11/2011	MR-11-000076	**Ujamaa Place** To help finance the budget of the Ujamaa Place Campaign		20,000	20,000						

Date: 12/30/2011
Time: 15:51.58

Mardag Foundation
Grant Commitment Schedule
01/01/11 - 12/31/11

Funding Source: E Endowment

App Date	Grant ID	Grantee / A/R Description	Unpaid 01/01/11	Approved Amount	Paid 2011	Due In Future					
						2011	2012	2013	2014	2015	2016 >
11/11/2011	MR-11-000102	**University of St. Thomas** To help finance the budget of Canku Kagupi Miikana (A Pathway)		20,000	20,000						
		Totals for Endowment:	363,000	2,323,848	2,035,491	35,857	454,500	161,000	0	0	0
		Totals for Report:	363,000	2,323,848	2,035,491	35,857	454,500	161,000	0	0	0

AMENDED AND RESTATED

BYLAWS

OF

THE MARDAG FOUNDATION

STMT 1

TABLE OF CONTENTS

TABLE OF CONTENTS
(continued)

ARTICLE I.
ORGANIZATION AND CORPORATE ACTIVITIES

Section 1.01. **<u>Organization</u>**. Under the Will of Agnes Elmer Ober, a trust (sometimes hereinafter referred to as "the Trust") was created which was originally known as the Ober Charitable Foundation and subsequently changed its name to the Mardag Foundation. That trust has been under the jurisdiction of the District Court of Ramsey County, Minnesota. This corporation is organized pursuant to the provision of Article XVIII(j) of said Will, which provides that:

> ". . . In the event that at any time during the continuance of this Trust and prior to the distribution of the entire Trust Estate, the Trustees shall determine that the Trust Estate can be more conveniently or efficiently administered or the purposes for which it is created more effectively accomplished by a corporation than by the Trust hereby created, the Individual Trustees and/or other natural persons selected by them may cause to be organized a non-profit corporation under the laws of the State of Minnesota under the name, 'OBER CHARITABLE FOUNDATION' with powers and purposes consonant with the powers and purposes of, and limiting the corporate expenditures in accordance with the limitations under, this Trust; may cause the Articles of Incorporation and By-Laws of such corporation to contain such provisions consistent with the foregoing limitations as the Trustees shall deem necessary, advisable, or proper; and the Trustees shall cause to be conveyed, assigned, transferred, and delivered to such corporation the entire Trust Estate then existing, upon the assumption by such corporation of the obligation to administer and distribute the Trust Estate for the purposes and substantially in accordance with the provisions hereof. . . "

The assets of this corporation have been transferred to it by the trustees of the Trust pursuant to the above provisions of the trust instrument.

Section 1.02. **<u>Limitations and Purposes</u>.** The Articles of Incorporation contain certain limitations on corporate activities. These are incorporated in and made a part of these bylaws. The purposes of this corporation shall be consonant with the purposes of the Trust created under the Will of Agnes Elmer Ober, originally known as the Ober Charitable Foundation. Pursuant to the provisions of said Will of Agnes Elmer Ober:

> "None of the Trust Estate shall ever be used except for, or given to any corporation, association, or trust unless it be organized and operated exclusively for religious, charitable, scientific, literary and/or educational purposes, subject to the further restriction that no payment shall ever be made to a donee-organization unless such organization is located in and carries on substantially all of its activities within the State of Minnesota."

provided that, as construed by the District Court of Ramsey County, Minnesota pursuant to Court Order:

(a) "...such proviso permits distributions to organizations incorporated outside of the State of Minnesota provided that...the distributions are earmarked for use exclusively, or substantially exclusively, within the State of Minnesota by Minnesota chapters, units or regional affiliates of such out-of-state corporations..."

(b) "...such provision permits distributions to the State of Minnesota or any political subdivision of the State of Minnesota..." as long as such "...gifts are made for exclusively public purposes and will be exempt under, and will not impair the exempt status of the Foundation..."

ARTICLE II.
MEMBERS

Section 2.01. **Members.** The Articles of Incorporation do not provide for members of this corporation, and accordingly, there are no members nor shall there be any meetings of the members of the corporation.

Section 2.02. **Actions By Members.** Any action or approval of the members or shareholders of a corporation which would otherwise be required by the terms of any agreement to which this corporation is a party, or by which this corporation is bound, or by the provisions of any law, rule or regulation to which this corporation is subject, requires only action or approval of the Board of Directors.

ARTICLE III.
BOARD OF DIRECTORS

Section 3.01. **General Powers.** The Board of Directors shall manage the property and affairs of the corporation to carry out the purposes of the corporation stated in the Articles of Incorporation.

Section 3.02. **Election of Directors.** A director shall be elected by affirmative vote of a majority of the directors at the annual meeting.

Section 3.03. **Tenure of Directors.** A director shall hold office for the term for which he or she has been elected and until his or her successor has been elected and qualified, except in cases of resignation or removal. In the case of resignation or removal, the directors shall elect a director to fill the unexpired term of the director who has resigned or been removed, as the case may be.

Section 3.04. **Board Vacancies.** A vacancy in any office of the corporation may be filled by the affirmative vote of a majority of the directors then in office and the person so elected shall hold office and serve until the next annual meeting.

Section 3.05. **Removal of Board Members.** Any director may be removed, with or without cause, at any time by an affirmative vote of a majority of the directors. Any person proposed to be removed is entitled to at least five (5) days written notice of the meeting at which the removal is to be voted upon and may appear before and be heard at the meeting.

Section 3.06. Resignation of Board Member. Any director may resign at any time by delivering a written resignation to the President or to the Secretary of the corporation. The resignation of any director shall take effect at the time, if any, specified therein, or if no time is specified therein, immediately upon receipt thereof by the officer of this corporation to whom it is given; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.07. Organization. The Board of Directors shall elect a President at its annual meeting. The President of the corporation shall preside at all meetings of the Board of Directors. The Secretary shall act as secretary at each meeting, but delegate those duties to a person employed by the corporation, or to any person reasonably qualified to act in this capacity.

Section 3.08. Compensation of Board Members. Unless the Board of Directors determines otherwise, the members of the Board of Directors shall not be paid any salary for their services as directors. The corporation may reimburse each director for any reasonable travel and other expenses incurred in performing services on behalf of the corporation.

ARTICLE IV.
MEETINGS

Section 4.01. Annual Meetings. The annual meeting of the Board of Directors shall be held each year for the purpose of electing the officers of this corporation and for the transaction of such other business as shall come before the meeting. Notice of such meeting shall be given as provided in Section 4.05 hereof, unless excused in accordance with Section 4.06 hereof.

Section 4.02. Regular Meetings. Regular meetings of the Board of Directors may be held from time to time at such time and place as the Board may determine by resolution; however the Board may delegate to the President the power to set the meeting dates and times.

Section 4.03. Special Meetings. Special meetings of the Board may be called by the President, and must be called by the President on the written request of not less than three (3) directors. A meeting called at the request of the directors shall be held not less than ten (10) days nor more than thirty (30) days after the President, Vice President or Secretary receives the directors' written request that it be held if notice is given by mail. The meeting shall be held not less than twenty-four (24) hours later if notice is given in person or by telephone. Should the President fail, within two (2) days after the date on which the directors' written request is received, to call a special meeting by giving or causing to be given notice thereof, the directors requesting that the meeting be held may fix the time and place of the meeting and give notice thereof in the manner specified in Section 4.05 hereof. Business at a special meeting shall be limited to the specified call of the meeting.

Section 4.04. Place of Meeting. Meetings shall be held at any place within or without the State of Minnesota designated by the Board of Directors, and in the absence of such designation shall be held at the registered office of the corporation. The Board may delegate to its President the power to designate the place of meetings.

Section 4.05. **Notice of Meetings.** Written notice of every annual, regular and every special meeting of the Board shall be delivered, mailed, faxed, or sent by means of electronic communications, to each director, addressed to him or her at his or her residence or usual place of business, at least five (5) days and no more than thirty (30) days before the day on which the meeting is to be held, or be delivered to him or her personally or by telephone, not later than twenty-four (24) hours before the meeting is to be held. Each such notice shall state the time and place of the meeting, but need not state the purposes thereof except as otherwise expressly required by the laws of the State of Minnesota, the Articles of Incorporation, or these Bylaws.

Section 4.06. **Notices Excused.** Notice of any meeting of the Board of Directors need not be given to any director who shall be present at such meeting; and any meeting of the Board of Directors shall be a legal meeting without any notice thereof having been given if all of the directors of this corporation then in office shall be present thereat or waive such notice in writing before, at, or after such meeting. Appearance at a meeting is deemed a waiver unless it is solely for the purpose of asserting the illegality of the meeting.

Section 4.07. **Quorum.** Except as otherwise provided by statute or by these Bylaws, a majority of the Board is necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Board members present is the act of the Board. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting without further notice.

Section 4.08. **Voting.** Each Board member shall have one vote. There shall be no cumulative voting. Directors may vote by voice or by ballot.

Section 4.09. **Action Without a Meeting.** Any action that may be taken at a meeting of the Board of Directors may be taken without a meeting as set forth in the Articles of Incorporation.

Section 4.10. **Electronic Communications.** This corporation recognizes that authenticated electronic communications ("electronic communications") may legally satisfy written record and signature requirements necessary for valid records, signatures, and contracts. Authenticated communications are those communications that set forth information from which the corporation can reasonably conclude that the communication was sent by the purported sender and are delivered to the principal place of business of the corporation, or to an officer or agent of the corporation who is authorized by the corporation to receive the communication. Electronic communications are records that are created, generated, sent, communicated, received or stored by electrical, digital, magnetic, wireless, optical, electromagnetic, or similar technologies. Valid electronic signatures are those signatures that are expressed through an electronic sound, symbol, or process, and that are logically associated with a record and executed or adopted by a person with intent to sign the record.

Section 4.11. **Electronic Conference Meetings.** A conference among directors or among members of any committee designated by the Board of Directors, by any means of communication through which the participants may simultaneously hear each other during the conference, constitutes a meeting of the Board or the committee if the same notice is given of the conference as would be required for a meeting and if the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a meeting by this means constitutes personal presence at the meeting.

ARTICLE V.
OFFICERS

Section 5.01. Number. The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as may be determined by the Board of Directors. A person may hold more than one office at the same time, provided however that the same person shall not, at the same time, hold the offices of (i) President and Vice President, or (ii) President and Secretary.

Section 5.02. Election, Term of Office, and Qualifications. The officers shall be elected for a one-year term at the annual meeting of the Board, after the annual election of Directors. Officers shall be of legal age. The President and Vice President must be elected from among the directors, but other officers need not be directors of the corporation. Any officer so elected shall hold office until the annual meeting of the Board of Directors in the next calendar year and until the election and qualification of his or her successor, except in cases of resignation or removal.

Section 5.03. Compensation. The compensation of the officers of the corporation is subject to review and approval by the Board and must be reasonable in amount for the services rendered. Unless the Board of Directors determines otherwise, the officers of the corporation shall serve without any compensation.

Section 5.04. Resignation. Any officer may resign at any time by giving written notice of his or her resignation to the Board of Directors or the President or to the Secretary of this corporation. The resignation of any officer shall take effect at the time, if any specified therein, or if no time is specified therein, immediately upon receipt thereof by the officer of this corporation to whom it is given; and, unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

Section 5.05. Removal. Any officer may be removed, either with or without cause by a vote of the majority of the total number of directors, at any annual or special meeting called for that purpose, and such purpose shall be stated in the notice or waiver of notice of such meeting unless all the directors of the corporation shall be present at such meeting.

Section 5.06. Vacancies. A vacancy in any office of the corporation shall be filled by the affirmative vote or action of a majority of the Board members then in office, and the officer so elected shall hold office and serve until the next annual meeting of the Board.

Section 5.07. The President. The President shall have and exercise general charge and supervision over the affairs of the corporation; shall do and perform such other duties as may be assigned by the Board of Directors; and in general shall perform all duties usually incident to the office of the President.

Section 5.08. **The Vice President.** At the request of the President or in the case of the President's absence or disability, the Vice President shall perform the duties and possess and exercise the powers of the President and shall have such other duties as may be assigned to him or her by the Board of Directors.

Section 5.09. **The Secretary.** The Secretary shall be responsible for the maintenance of books, documents, and papers required in the management and operation of the Board of Directors and shall in general perform all the duties incident to the office of secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to him or her by the Board of Directors.

Section 5.10. **The Treasurer.** The Treasurer shall be responsible for all funds and property of the Board and shall in general perform all the duties incident to the office of treasurer, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to him or her by the Board of Directors.

Section 5.11. **Other Officers, Agents, and Representatives.** The corporation may have such other officers, agents, and employees as may be deemed necessary by the Board of Directors. Such other officers, agents, and employees shall be appointed in such manner, have such duties, and hold their offices for such terms as may be designated by resolution of the Board of Directors.

Section 5.12. **Bond.** The Board of Directors of this corporation shall from time to time determine which, if any, officers, agents and/or employees of this corporation shall be bonded and the amount of each bond.

ARTICLE VI.
COMMITTEES

Section 6.01. **Appointment.** The Board of Directors may appoint committees as necessary. Committee membership is not limited to directors unless specified in the committee description provided, however, that at least one member of the committee be a director. Committees shall have the powers, duties, and responsibilities and shall be organized and function as specified in their appointment. Acts of committees are subject to overall direction and control by the Board of Directors.

Section 6.02. **Executive Committee.** The Board of Directors may designate three (3) or more of its directors, at least one of whom shall be the President of this corporation, to constitute an Executive Committee. Only persons who are directors of this corporation shall be eligible for appointment to the Executive Committee. When a member of the Executive Committee ceases to be a director of this corporation, such person shall automatically cease to be a member of the Executive Committee of this corporation.

Section 6.03. Powers of the Executive Committee. The Executive Committee shall at all times be subject to the control and direction of the Board of Directors. The Executive Committee shall have all the powers and authority of the Board of Directors in the management of the business of the corporation in the interval between meetings of the Board of Directors, except the Executive Committee shall have no authority:

(1) to elect Directors;

(2) to elect Officers;

(3) to amend the Articles of Incorporation or Bylaws; or

(4) to act with respect to any other matters specifically reserved by the Board of Directors for itself.

Section 6.04. Meetings of the Executive Committee. If an Executive Committee is established, it shall hold such regular or other periodic meetings, at such times and places, and upon such notice, if any, as may from time to time be fixed by resolution adopted by a majority of the members of the Executive Committee. In addition, special meetings of the Executive Committee shall be held whenever called by the President or by one other member of the Executive Committee, upon the same notice as provided for in Section 4.05 hereof, unless excused in accordance with Section 4.06 hereof.

Section 6.05. Quorum. A majority of the total number of members of the Executive Committee shall be required to constitute a quorum for the transaction of business at any meeting, and the act of a majority of the members of the Executive Committee present at any meeting at which a quorum is present shall be the act of the Executive Committee.

Section 6.06. Additional Committees. The Board of Directors may appoint additional committees including ad hoc committees as necessary.

ARTICLE VII.
FINANCIAL MANAGEMENT

Section 7.01. Books and Records. The Board of Directors of this corporation shall cause to be kept:

(1) records of all proceedings of the Board of Directors and the Executive Committee, if any; and

(2) such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

Section 7.02. Documents Kept at Registered Office. The Board of Directors shall cause to be kept at the registered office of this corporation originals or copies of:

(1) records of all proceedings of the Board of Directors and the Executive Committee, if any; and

(2) all financial statements and tax returns of this corporation; and

(3) the Articles of Incorporation and Bylaws of this corporation, and all amendments and restatements thereof.

Section 7.03. **Contracts**. The Board of Directors may authorize any officer or officers, agent or agents of the corporation to enter into any contract or to execute and deliver any instrument in the name of or on behalf of the corporation. This authority may be general or confined to specific instances.

Section 7.04. **Checks, Drafts, etc**. All checks, drafts, or orders for payment of money, notes or other evidences of indebtedness issued in the name of the corporation, must be signed by the officer or officers, agent or agents of the corporation, and in the manner specified by the Board of Directors. In the absence of a determination by the Board of Directors, the instruments must be signed by the Treasurer or the President of the corporation.

Section 7.05. **Fiscal Year**. The fiscal year of the corporation shall be as determined from time to time by the Board of Directors; provided, however, that until such time as the Board of Directors may otherwise direct, the corporation's fiscal year shall commence on the first of January of each year and end on the thirty-first of December.

Section 7.06. **Accounting System**. The Board of Directors shall establish and maintain, in accordance with generally accepted accounting principles applied on a consistent basis, an appropriate accounting system for the corporation. The Board of Directors may cause the books and records of the corporation to be audited at such times as it determines reasonable and proper, and may retain such person or firm for such purposes as it may deem appropriate.

Section 7.07. **Authority to Borrow, Encumber Assets**. No director, officer, agent, or employee of this corporation shall have the power or authority to borrow on its behalf, to pledge its credit, or to mortgage or pledge its property except within the scope and to the extent of the authority delegated by resolutions adopted from time to time by the Board of Directors. The authority may be given by the Board of Directors for any of the above purposes and may be general or limited to specific instances.

Section 7.08. **Fiscal Agent**. The Board of Directors may appoint as fiscal agent one or more entities authorized to transact business in Minnesota, provided that each such entity has a capital and surplus of not less than One Hundred Million Dollars. All securities or other properties held or owned by the corporation shall be in the exclusive custody and control of the fiscal agent(s), which shall have full power to hold the legal title to such securities and properties as may be transferred to it and, when authorized by the corporation, to invest and reinvest available funds of the corporation in such securities as the corporation may approve, and when so authorized, to sell or otherwise dispose of properties of the corporation, both real and personal. The fiscal agent(s) shall receive and disburse income and principal funds as directed by the corporation, shall periodically account to the corporation for all assets held and all funds received and disbursed, and shall perform such other services for the corporation as may be agreed upon. Except as provided herein, all the corporate authority shall be exercised by the Board of Directors.

ARTICLE VIII.
INDEMNIFICATION

Section 8.01. **General.** The corporation shall indemnify its officers, directors, committee members, employees, and agents in the manner set forth in Minnesota Statutes Section 317A.521 (or successor provision), provided the corporation has made such determination or determinations, if any, as it may reasonably require to establish that the standards set forth in Minnesota Statutes Section 317A.521, subd. 2, have been met. In addition, the corporation may, in the sole discretion of its Board of Directors, indemnify such persons or any other person under such circumstances or different circumstances as the Board of Directors shall deem appropriate as long as the Board of Directors reasonably believes such indemnification to be in the best interests of the corporation.

Section 8.02. **Rights Not Exclusive.** The indemnification provided by this article shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person. Nothing contained in this article shall affect any rights to indemnification to which the corporation's personnel, other than directors and officers, may be entitled by contract or otherwise under law.

Section 8.03. **Insurance.** The corporation may buy and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the corporation or who is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity.

Section 8.04. **Standard of Conduct.** Each director and officer shall discharge his or her duties as a director or officer in good faith in a manner which the director or officer reasonably believes to be in the best interests of the corporation and with the care an ordinary prudent person in a like position would exercise under similar circumstances.

ARTICLE IX.
VOTE STOCK OF ANOTHER CORPORATION

Unless otherwise ordered by the Board of Directors, the President may vote on behalf of the corporation, either in person or by proxy, at any meeting of the stockholders or any corporation in which this corporation may hold stock, and at the meeting may exercise all of the rights and powers incident to the ownership of the stock which, as the stock's owner, this corporation might have exercised if present. This power shall also apply to any interests the corporation may hold in partnerships and/or limited liability companies. The Board of Directors may confer like powers upon any other person and may revoke any powers granted under this Article IX.

ARTICLE X.
CONFLICT OF INTEREST

The Board of Directors shall adopt a conflict of interest policy.

ARTICLE XI.
SEAL

This corporation shall have no seal.

ARTICLE XII.
AMENDMENTS TO BYLAWS

The Bylaws may be amended from time to time in the same manner as provided in the Articles of Incorporation for the amendment of the Articles of Incorporation.

CERTIFICATE

The undersigned **DOES HEREBY CERTIFY** that:

1. I am the duly elected and acting President of The Mardag Foundation, a Minnesota non-profit corporation; and

2. The foregoing Amended and Restated Bylaws, consisting of ten (10) pages (not including this page), constitute the Amended and Restated Bylaws of the corporation as duly adopted by written action of the Directors, effective as of August, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of the 12 day of November, 2011.

____________, President