



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form **990-PF**

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

OMB No 1545-0052

2011Department of the Treasury
Internal Revenue Service

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

For calendar year 2011 or tax year beginning , and ending

Name of foundation MERRILL FOUNDATION, INC. C/O WILBERT H. SIROTA		A Employer identification number 52-1490571
Number and street (or P O box number if mail is not delivered to street address) 111 SOUTH CALVERT STREET	Room/suite 2000	B Telephone number (see instructions) 410-949-2913
City or town, state, and ZIP code BALTIMORE MD 21202		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) \$ 18,074,035	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)
1	Contributions, gifts, grants, etc., received (attach schedule)	700,000			
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	3,450	3,450		
4	Dividends and interest from securities	299,489	299,489		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	579,066			
b	Gross sales price for all assets on line 6a 4,718,281				
7	Capital gain net income (from Part IV, line 2)		579,066		
8	Net short-term capital gain			0	
9	Income modifications				
10a	Gross sales less returns & allowances				
b	Less: Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) Stmt 1	622	622		
12	Total. Add lines 1 through 11	1,582,627	882,627	0	
13	Compensation of officers, directors, trustees, etc	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) See Stmt 2	980			
b	Accounting fees (attach schedule) Stmt 3	3,050	2,300		750
c	Other professional fees (attach schedule) Stmt 4	148,058	147,977		
17	Interest				
18	Taxes (attach schedule) (see instructions) Stmt 5	46,698	10,798		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings	1,288			1,288
22	Printing and publications				
23	Other expenses (att. sch) Stmt 6	272			
24	Total operating and administrative expenses. Add lines 13 through 23	200,346	161,075	0	2,038
25	Contributions, gifts, grants paid	1,448,530			1,448,530
26	Total expenses and disbursements. Add lines 24 and 25	1,648,876	161,075	0	1,450,568
27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-66,249			
b	Net investment income (if negative, enter -0-)		721,552		
c	Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

DAA

Form **990-PF** (2011)

Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	340,813	150,147	150,147
	2 Savings and temporary cash investments			
	3 Accounts receivable ▶ 5,000			
	Less allowance for doubtful accounts ▶	5,000	5,000	5,000
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (att. schedule) ▶ 0			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U S. and state government obligations (attach schedule) Stmt 7	2,373,727	1,449,674	1,449,623
	b Investments—corporate stock (attach schedule) See Stmt 8	9,080,663	10,158,987	12,589,111
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment basis ▶			
Less accumulated depreciation (attach sch) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule) See Statement 9	2,000,000	2,000,000	3,880,154	
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation (attach sch) ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	13,800,203	13,763,808	18,074,035	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	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. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	13,782,011	13,763,808	
	30 Total net assets or fund balances (see instructions)	13,782,011	13,763,808	
	31 Total liabilities and net assets/fund balances (see instructions)	13,782,011	13,763,808	

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	13,782,011
2 Enter amount from Part I, line 27a	2	-66,249
3 Other increases not included in line 2 (itemize) ▶ See Statement 10	3	48,046
4 Add lines 1, 2, and 3	4	13,763,808
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	13,763,808

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	SEE ATTACHED 2930	P	Various	Various
b	SEE ATTACHED T-BILLS	P	Various	Various
c	K-1 SECOND FIRST SAVE ASSOC.	P		
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 2,380,062		1,839,356	540,706
b 2,299,859		2,299,859	
c 38,360			38,360
d			
e			

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

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			540,706
b			
c			38,360
d			
e			

2 Capital gain net income or (net capital loss)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>	2	579,066
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8		3	579,066

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	1,153,533	17,010,437	0.067813
2009	1,189,869	13,664,872	0.087075
2008	1,136,350	15,001,257	0.075750
2007	8,063,686	22,260,691	0.362239
2006	1,594,116	19,369,367	0.082301

2 Total of line 1, column (d)	2	0.675178
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.135036
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	20,880,951
5 Multiply line 4 by line 3	5	2,819,680
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,216
7 Add lines 5 and 6	7	2,826,896
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	1,450,568

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	14,431
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	14,431
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	14,431
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	13,018
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	13,018
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	18
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,431
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be credited to 2012 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? 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		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ _____ (2) On foundation managers. \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		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?	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	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) MD		
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 See Stmt 11		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		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		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? Website address ► N/A	13	X	
14	The books are in care of ► WILBERT H. SIROTA, ESQ. 111 SOUTH CALVERT ST.	Telephone no ► 410-949-2913		
	Located at ► BALTIMORE	MD	ZIP+4 ► 21202	
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	► <input type="checkbox"/>	
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►	16	Yes	No X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	X
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? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions)	N/A	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 20 , 20 , 20 , 20	2b	
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)	N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

5a	During the year did the foundation pay or incur any amount to			
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(2)	Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
(3)	Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here	N/A		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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	N/A <input type="checkbox"/> Yes <input type="checkbox"/> No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870			6b X
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 12				

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

0

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		
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 NONE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	20,952,931
b	Average of monthly cash balances	1b	246,004
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	21,198,935
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	21,198,935
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	317,984
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	20,880,951
6	Minimum investment return. Enter 5% of line 5	6	1,044,048

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	1,044,048
2a	Tax on investment income for 2011 from Part VI, line 5	2a	14,431
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	14,431
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,029,617
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,029,617
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,029,617

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	1,450,568
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,450,568
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,450,568

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				1,029,617
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2011				
a From 2006	642,260			
b From 2007	6,990,849			
c From 2008	393,466			
d From 2009	511,766			
e From 2010	327,101			
f Total of lines 3a through e	8,865,442			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 1,450,568				
a Applied to 2010, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see instructions)				
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				1,029,617
e Remaining amount distributed out of corpus	420,951			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	9,286,393			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see instructions				
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions				
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	642,260			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	8,644,133			
10 Analysis of line 9				
a Excess from 2007	6,990,849			
b Excess from 2008	393,466			
c Excess from 2009	511,766			
d Excess from 2010	327,101			
e Excess from 2011	420,951			

Part XV **Supplementary Information (continued)****3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE ATTACHED SCHEDULE				1,448,530
Total			► 3a	1,448,530
b Approved for future payment N/A				
Total			► 3b	

Federal Statements**Statement 1 - Form 990-PF, Part I, Line 11 - Other Income**

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
PMI Litigation	\$ 622	\$ 622	\$
Total	\$ 622	\$ 622	\$ 0

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	\$ 980	\$	\$	\$
Total	\$ 980	\$ 0	\$ 0	\$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
ACCOUNTING FEES	\$ 3,050	\$ 2,300	\$	\$ 750
Total	\$ 3,050	\$ 2,300	\$ 0	\$ 750

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INVESTMENT ADVISORY FEES	\$ 144,126	\$ 144,126	\$	\$
MISCELLANEOUS FEES	3,768	3,687		
PASSTHRU FROM FIRST SECOND SAVE,	164	164		
Total	\$ 148,058	\$ 147,977	\$ 0	\$ 0

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	\$ 10,798	\$ 10,798	\$	\$
EXCISE TAX ON INVESTMENT INCOME	35,900			
Total	\$ 46,698	\$ 10,798	\$ 0	\$ 0

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses				
MISCELLANEOUS EXPENSE	272			
Total	\$ 272	\$ 0	\$ 0	\$ 0

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
US TREASURY BILLS	\$ 2,373,727	\$ 1,449,674	Cost	\$ 1,449,623
Total	\$ 2,373,727	\$ 1,449,674		\$ 1,449,623

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FIRST MANHATTAN-SEE SCHEDULE	\$ 9,080,663	\$ 10,158,987	Cost	\$ 12,589,111
Total	\$ 9,080,663	\$ 10,158,987		\$ 12,589,111

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FIRST HEALTH LTD	\$ 1,000,000	\$ 1,000,000	Cost	\$ 1,915,841
FIRST BIOMED	1,000,000	1,000,000	Cost	1,964,313
Total	\$ 2,000,000	\$ 2,000,000		\$ 3,880,154

Federal Statements**Statement 10 - Form 990-PF, Part III, Line 3 - Other Increases**

<u>Description</u>	<u>Amount</u>
PRIOR PERIOD ADJ.-GAIN OVERSTATED- 2007 STK SALES	\$ 48,046
Total	<u>\$ 48,046</u>

Federal Statements**Statement 11 - Form 990-PF, Part VII-A, Line 8b - Not Filing with Attorney General**
Explanation

Description

THE MARYLAND STATE ATTORNEY GENERAL DOES NOT REQUIRE A COPY OF FORM 990-PF FROM A FOUNDATION THAT DOES NOT SOLICIT CONTRIBUTIONS WITHIN THE STATE.

132500 MERRILL FOUNDATION, INC.

52-1490571

FYE: 12/31/2011

Federal Statements

5/10/2012 11:38 AM

Statement 12 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
ELEANOR MERRILL 312 RUGBY COVE RD. ARNOLD MD 21012	CHAIRMAN	0.00	0	0	0
NANCY MERRILL 1209 SW SIXTH AVENUE PORTLAND OR 97204	PRESIDENT	0.00	0	0	0
WIL SIROTA 111 SOUTH CALVERT STREET BALTIMORE MD 21202	SECRETARY AN	0.00	0	0	0
CATHERINE MERRILL WILLIAMS 2323 WYOMING STREET, NW WASHINGTON DC 20008	DIRECTOR	0.00	0	0	0
DOUGLAS MERRILL 16 SPINNAKER LANE SHELBOURNE VT 05482	DIRECTOR	0.00	0	0	0

Federal Statements**Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000**

<u>Name of Manager</u>	<u>Amount</u>
ELEANOR MERRILL	\$ <u> </u>
Total	\$ <u> 0</u>

Federal Statements**Taxable Interest on Investments**

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>US Obs (\$ or %)</u>
FIRST MANHATTAN	\$ 85		14		
FIRST MANHATTAN-TREASURY BILL	3,361		14		
K-1-SECOND FIRST SAVE ASSOC.	4		14		
Total	<u>\$ 3,450</u>				

Taxable Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>US Obs (\$ or %)</u>
FIRST MANHATTAN	\$ 299,111		14		
K-1 SECOND FIRST SAVE ASSOC.	378		14		
Total	<u>\$ 299,489</u>				

05/07/2012

FIRST MANHATTAN CO.

Page: 1

Realized Gain And Loss

From 01/01/2011 Thru 12/31/2011

THE MERRILL FOUNDATION

EIN 52-1490371

Acct: 542002930 087 PM548

Cusip #	Security Description	Shares Bought	Sold	Cost	Proceeds	Gain/Loss	Cat
---------	----------------------	---------------	------	------	----------	-----------	-----

Items for inclusion on Schedule D Part I (Short-term capital gains and losses) and Part II (Long-term capital gains and losses):

92927X102	WABCO HOLDINGS INC	4,200.00000	03/17/09	01/03/11	44,000.16	257,822.50	213,822.34	LT
W74857165	SANDVIK AB SHS	8,100.00000	06/05/08	01/05/11	131,246.71	156,879.57	25,632.86	LT
25490A101	DIRECTV COK CL A	5,000.00000	10/21/05	01/10/11	63,134.13	207,413.49	144,279.36	LT
948626106	WEIGHT WATCHERS INTL INC NEW	3,700.00000	10/13/09	02/17/11	101,757.24	223,683.89	121,926.65	LT
948626106	WEIGHT WATCHERS INTL INC NEW	11,600.00000	10/14/09	02/17/11	319,497.12	701,279.21	381,782.09	LT
A19494102	ERSTE BANK DER OESTERREICHISCH	3,700.00000	12/22/06	07/26/11	282,756.23	175,997.69	-106,758.54	LT
552848103	MGIC INVESTMENT CORP-WIS	10,500.00000	11/09/07	08/01/11	198,166.11	39,836.80	-158,329.31	LT
	AS OF 08/06/91							
552848103	MGIC INVESTMENT CORP-WIS	33.17900	02/29/08	08/01/11	537.50	125.88	-411.62	LT
	AS OF 08/06/91							
552848103	MGIC INVESTMENT CORP-WIS	50.07720	06/13/08	08/01/11	538.33	189.99	-348.34	LT
	AS OF 08/06/91							
552848103	MGIC INVESTMENT CORP-WIS	72.74380	08/29/08	08/01/11	536.85	275.99	-260.86	LT
	AS OF 08/06/91							
552848103	MGIC INVESTMENT CORP-WIS	0.37000	08/29/08	08/01/11	2.73	1.40	-1.33	LT
	AS OF 08/06/91							
69344M101	PMI GROUP INC	4,100.00000	11/09/07	08/01/11	55,948.74	3,847.01	-52,101.73	LT
69344M101	PMI GROUP INC	217.76280	01/14/08	08/01/11	1,790.25	204.33	-1,585.92	LT
69344M101	PMI GROUP INC	76.87630	04/14/08	08/01/11	428.97	72.13	-356.84	LT
69344M101	PMI GROUP INC	202.79720	07/14/08	08/01/11	429.93	190.28	-239.65	LT
69344M101	PMI GROUP INC	6,300.00000	08/12/08	08/01/11	18,560.23	5,911.26	-12,648.97	LT
69344M101	PMI GROUP INC	37.56370	10/14/08	08/01/11	101.80	35.25	-66.55	LT
69344M101	PMI GROUP INC	0.16320	10/14/08	08/01/11	0.44	0.15	-0.29	LT
790849103	ST JUDE MEDICAL INC	11,400.00000	02/01/11	11/08/11	465,821.02	447,072.13	-18,748.89	ST
375558103	GILRAD SCIENCES INC	4,000.00000	05/14/10	11/30/11	154,101.95	159,223.14	5,121.19	LT
	Total:				1,839,356.44	2,380,062.09	540,705.65	
	Long Term Gain/Loss:						559,454.54	
	Short Term Gain/Loss:						-18,748.89	

Merrill Foundation, Inc.
EIN 52-1490571
Tax Year: December 31, 2011

Form 990PF, Attachment to Statement 8
Cost and Fair Market Value
Corporate Stocks at First Manhattan

Shares	Name	Cost	Fair Market Value
10,400	Erste Bank Der Oesterreichisch	\$ 556,385.00	\$ 183,829.00
14,300	Reckitt Benckiser Group, PLC	224,825.00	706,620.00
8,600	Tyco Intl Ltd	307,346.00	401,706.00
16,200	Sanvik AB	180,699.00	199,625.00
25,000	SKF Frueher AB Svenska	445,773.00	531,131.00
33,800	Ameren Corp	968,675.00	1,119,794.00
19,000	Approch Res Inc	326,854.00	558,790.00
27,000	Brookfield Asset Management Inc	536,762.00	741,960.00
11,800	Canadian Natural Res Ltd	298,238.00	440,966.00
7,100	Chubb Corporation	281,184.00	491,462.00
13,000	Discovery Communications Inc	467,851.00	490,100.00
12,900	Gilead Sciences Inc	472,147.00	527,997.00
6,600	Greif Bros Corp	363,757.00	300,630.00
20,000	Liberty Global Inc Com Ser A	420,283.00	820,600.00
4,791	Lowe's Companies Inc	127,793.00	121,600.00
26,750	Nestle SA-Sponsored ADR	659,234.00	1,544,759.00
5,700	Novartis AG-Sponsored ADR	320,341.00	325,869.00
58,185	Old Republic International	994,961.00	539,378.00
10,800	Range Res Corp	456,454.00	668,952.00
10,700	Scripps Networks Interactive	436,978.00	453,894.00
4,100	Teva Pharmaceutical Inds	195,718.00	165,476.00
13,800	Ultra Pete Corp	607,379.00	408,894.00
9,400	Wabco Holdings Inc	121,774.00	407,960.00
15,000	Wells Fargo & Co	368,169.00	413,400.00
3,106	CSF Holdings Inc. - Escrow	-	-
243	Fidelity Bancorp Inc.	1,933.00	2,381.00
785	First Clover Leaf Finl Corp	3,421.00	4,789.00
849	Main Street Bank	3,387.00	4,440.00
427	North Cent Bancshares Inc.	4,709.00	7,669.00
567	Wayne Svgs Bancshares Inc.	3,687.00	4,440.00
	Unlocated Difference	2,270.00	
		<u>\$ 10,158,987.00</u>	<u>\$ 12,589,111.00</u>

Merrill Foundation**EIN 52-1490571****Tax Year: December 31, 2011****Part XV-Line 3 - Other Contributions, Gifts and Grants**

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant</u>	<u>Recipient Relationship</u>	<u>Amount</u>
Johns Hopkins University SAIS 1740 Massachusettes Ave, NW Washington, DC 20036	Charitable	Medical	None	425,000 00
The Aspen Institute 1 Dupont Circle NW, #700 Washington, DC 20036	Charitable	Environmental	None	310,000 00
Chesapeake Bay Foundation 6 Herndon Avenue Annapolis, MD 21403	Charitable	Environmental	None	250,000 00
Cornell University 300 Daly Hall Ithaca, NY 14853	Charitable	Educational	None	117,080 00
Dickinson College Carlisle, PA 17013	Charitable	Educational	None	50,000.00
University of Maryland Plus Merrill Presidential Scholars 1101 Main Administration Bldg College Park, MD 20742	Charitable	Educational	None	35,600 00
The SEED Foundation 1776 Massachusetts Ave, NW, Ste 600 Washington, DC 20036	Charitable	Educational	None	30,000.00
The Conservation Fund 1800 N. Kent St, #1120 Arlington, VA 22209	Charitable	Environmental	None	25,000 00
American Council of Trustees & Alumni 1726 M Street NW, #800 Washington, DC 20036	Charitable	Educational	None	25,000.00
American Enterprise Institute 1150 Seventeenth Street, N.W. Washington, DC 20036	Charitable	Educational	None	20,000.00
Starlight Children's Foundation 2020 K Street, NW Washington, DC 20006	Charitable	Medical	None	20,000 00
Ford's Theatre 511 10th Street, NW Washington, DC 20004	Charitable	Support for the Arts	None	15,000.00
The Shakespeare Theatre 450 7th Street NW Washington, DC 20004	Charitable	Support for the Arts	None	15,000 00

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant</u>	<u>Recipient Relationship</u>	<u>Amount</u>
Teach for America DC Region 1411 K Street NW 9th and 12th Floor Washington, DC 20005	Charitable	Educational	None	10,000 00
Anne Arundel Community College 101 College Parkway Arnold, MD 21012	Charitable	Educational	None	5,000.00
Anne Arundel Medical Center 2001 Medical Parkway Annapolis, MD 21401	Charitable	Medical	None	5,000 00
Northern Virginia Community College 7630 Little River Turnpike Suite 817 Annandale, VA 22003	Charitable	Educational	None	5,000.00
Foundation for the National Archives 700 Pennsylvania Ave NW, Rm G-12 Washington, DC 20408	Charitable	Historical	None	5,000 00
The River School 4880 MacArthur Blvd, NW Washington, DC 20007	Charitable	Educational	None	5,000 00
Newseum 555 Pennsylvania Ave NW Washington, DC 20001	Charitable	Educational	None	5,000 00
Maret School 3000 Cathedral Ave NW Washington, DC 20008	Charitable	Educational	None	5,000.00
Yellow Ribbon Fund 7200 Wisconsin Avenue, Suite 310 Bethesda, Maryland 20814	Charitable	Educational	None	5,000.00
Sibley Memorial Hospital 5255 Loughboro Road, NW Washington, D.C 20016	Charitable	Medical	None	5,000.00
Severn School 201 Water Street Severna Park, MD 21146	Charitable	Educational	None	5,000 00

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant</u>	<u>Recipient Relationship</u>	<u>Amount</u>
National Gallery of Art 4th and Constitution Ave NW Washington, DC 20565	Charitable	Support for the Arts	None	5,000 00
Barker Foundation 7979 Old Georgetown Rd, 1st Floor Bethesda, MD 20814	Charitable	Medical	None	5,000 00
Chesapeake Conservancy 410 Severan Avenue, Suite 405 Annapolis, MD 21403	Charitable	Environmental	None	5,000 00
Meridian International Center 1630 Crescent Place NW Washington, DC 20009	Charitable	Educational	None	5,000 00
George Washington University 2121 I Street NW Washington, DC 20052	Charitable	Educational	None	3,100 00
National Rehabilitation Hospital 102 Irving Street, NW Washington, DC 20010	Charitable	Medical	None	3,000.00
St John's College 60 College Avenue Annapolis, MD 21401	Charitable	Educational	None	3,000.00
Hospice Cup Hospice of the Chesapeake P O. Box 1443 Annapolis, MD 21404	Charitable	Medical	None	3,000 00
Signature Theatre 4200 Campbell Avenue Arlington, VA 22206	Charitable	Support for the Arts	None	2,500 00
Woodrow Wilson Center 1300 Pennsylvania Ave NW Washington, DC 20004	Charitable	Educational	None	2,500.00
Columbia Lighthouse 1120 20th Street, NW, Suite 750 South Washington, DC 20036	Charitable	Medical	None	2,500.00
Friends of the Rappahannock P.O. Box 7254 Fredericksburg, VA 22404	Charitable	Environmental	None	2,000.00

<u>Recipient Name and Address</u>	<u>Recipient Status</u>	<u>Purpose of Grant</u>	<u>Recipient Relationship</u>	<u>Amount</u>
Green Mountain Council Camp Sunnse Boat House Fund P.O. Box 557 Waterbury, VT 05676-0557	Charitable	Educational	None	2,000 00
Salvation Army 351 Hilltop Lane Annapolis, MD 21403	Charitable	Social Welfare	None	1,500 00
Anne Arundel County Public Library Found 5 Harry S. Truman Parkway Annapolis, MD 21401	Charitable	Educational	None	1,500 00
Friends of Mitchell Park, DC 2401 Tracy Pl Nw Washington, DC 20008-1628	Charitable	Environmental	None	1,500 00
Shelburne Farms 1611 Harbor Road Shelburne, VT 05482	Charitable	Environmental	None	1,000.00
YMCA Camp Letts 4003 Camp Letts Road Edgewaer, MD 21037	Charitable	Educational	None	500 00
Severn Sailing Association 311 First Street Annapolis, MD 21403	Charitable	Educational	None	500 00
Philanthropy Roundtable 1150 17th Street NW Washington, DC	Charitable	Educational	None	250 00
Severn River Association 2128 Renard Street Annapolis, MD 21401	Charitable	Environmental	None	250 00
Chesapeake Bay Maritime Museum 213 N Talbot Street St Michaels, MD 21663	Charitable	Environmental	None	250 00
Total 2011 Merrill Foundation Grants				\$ 1,448,530.00