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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.

2011

For calendar year 2011 or tax year beginning SEP 1, 2011, and ending AUG 31, 2012

Name of foundation MERCHANTS BANK FOUNDATION, INC.		A Employer identification number 03-6016628
Number and street (or P.O. box number if mail is not delivered to street address) 275 KENNEDY DRIVE	Room/suite	B Telephone number (802) 865-1627
City or town, state, and ZIP code SOUTH BURLINGTON, VT 05403		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <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) \$ 1,341,750. (Part I, column (d) must be on cash basis)	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))		(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	100,000.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	98.	98.		STATEMENT 1
	4 Dividends and interest from securities	34,556.	34,556.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	56,882.			
	b Gross sales price for all assets on line 6a	428,373.			
	7 Capital gain net income (from Part IV, line 2)		56,882.		
	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					
12 Total. Add lines 1 through 11	191,536.	91,536.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees	STMT 3 1,695.	848.		0.
	c Other professional fees	STMT 4 8,528.	8,528.		0.
	17 Interest				
	18 Taxes	STMT 5 1,386.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses				
	24 Total operating and administrative expenses. Add lines 13 through 23	11,609.	9,376.		0.
	25 Contributions, gifts, grants paid	179,287.			179,287.
26 Total expenses and disbursements. Add lines 24 and 25	190,896.	9,376.		179,287.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	640.				
b Net investment income (if negative, enter -0-)		82,160.			
c Adjusted net income (if negative, enter -0-)			N/A		

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				
	2	Savings and temporary cash investments		11,453.	25,352.	25,352.
	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 6		1,141,790.	1,128,531.	1,316,398.	
14	Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers)		1,153,243.	1,153,883.	1,341,750.	
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 ▶ <input type="checkbox"/>					
	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 ▶ <input checked="" type="checkbox"/>					
	and complete lines 27 through 31					
	27	Capital stock, trust principal, or current funds		1,153,243.	1,153,883.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds		0.	0.	
30	Total net assets or fund balances		1,153,243.	1,153,883.		
31	Total liabilities and net assets/fund balances		1,153,243.	1,153,883.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,153,243.
2	Enter amount from Part I, line 27a	2	640.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,153,883.
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	1,153,883.

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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 SHORT TERM - SEE ATTACHMENT	P	VARIOUS	VARIOUS
b LONG TERM - SEE ATTACHMENT	P	VARIOUS	VARIOUS
c CAPITAL GAINS DIVIDENDS			
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 67,887.		61,632.	6,255.
b 354,073.		309,859.	44,214.
c 6,413.			6,413.
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			6,255.
b			44,214.
c			6,413.
d			
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	56,882.
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	190,260.	1,366,413.	.139240
2009	153,525.	1,230,236.	.124793
2008	203,984.	1,002,522.	.203471
2007	194,907.	1,355,655.	.143773
2006	191,997.	1,471,672.	.130462

2 Total of line 1, column (d)	2	.741739
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	.148348
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,314,841.
5 Multiply line 4 by line 3	5	195,054.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	822.
7 Add lines 5 and 6	7	195,876.
8 Enter qualifying distributions from Part XII, line 4	8	179,287.

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 <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	1,643.
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	1,643.
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	1,643.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,280.	
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	1,280.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> 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	363.	
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
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see 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
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 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.		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?		
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) <input type="checkbox"/> VT		
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	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 STEPHANIE MACASKILL, C/O MERCHANTS Telephone no. 802-865-1627 Located at 275 KENNEDY DRIVE, SOUTH BURLINGTON, VT ZIP+4 05403			
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	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (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 N/A	1b	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? <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	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b	X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

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

☐ 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

6b

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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 7		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

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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
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 MERCHANTS BANK FOUNDATION PROVIDES GRANTS TO IRC SECTION 501(C)(3) ORGANIZATIONS FOR ACCOMPLISHMENT OF VARIOUS CHARITABLE PURPOSES.	0.
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 NONE	0.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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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	1,273,814.
b	Average of monthly cash balances	1b	61,050.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	1,334,864.
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	1,334,864.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	20,023.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,314,841.
6	Minimum investment return. Enter 5% of line 5	6	65,742.

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	65,742.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,643.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,643.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	64,099.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	64,099.
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	64,099.

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	179,287.
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	179,287.
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	179,287.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				64,099.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	121,889.			
b From 2007	129,750.			
c From 2008	154,480.			
d From 2009	93,435.			
e From 2010	123,187.			
f Total of lines 3a through e	622,741.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$	179,287.			
a Applied to 2010, but not more than line 2a			0.	
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				64,099.
e Remaining amount distributed out of corpus	115,188.			
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:	737,929.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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				0.
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	121,889.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	616,040.			
10 Analysis of line 9:				
a Excess from 2007	129,750.			
b Excess from 2008	154,480.			
c Excess from 2009	93,435.			
d Excess from 2010	123,187.			
e Excess from 2011	115,188.			

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income

[illegible]

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 ATTACHED LIST	NOT RELATED	PUBLIC CHARITIES	SEE ATTACHED LIST	179,287.
Total			3a	179,287.
b Approved for future payment				
SEE ATTACHED LIST	NOT RELATED	PUBLIC CHARITIES	SEE ATTACHED LIST	39,000.
Total			3b	39,000.

Form 990-PF (2011)

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.		

[illegible]

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

b If "Yes," complete the following schedule.		
(a) Name of organization	(b) Type of organization	(c) Description of relationship
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.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Signature of officer or trustee <i>HE MacArthur</i>		Date <i>1/14/2013</i>		Title TREASURER	
Paid Preparer Use Only	Print/Type preparer's name SANDRA K. ENMAN CPA, CFP		Preparer's signature <i>Sandra Enman CPA</i>		Date <i>1/12/13</i>	Check <input type="checkbox"/> if self-employed
	Firm's name ▶ ENMAN & ASSOCIATES PC					Firm's EIN ▶ 03-0359626
	Firm's address ▶ 147 KNIGHT LN STE 200 WILLISTON, VT 05495-9388					Phone no. 802-878-7156

Form **990-PF** (2011)

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

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

OMB No 1545-0047

2011

Name of the organization

Employer identification number

MERCHANTS BANK FOUNDATION, INC.**03-6016628**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

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

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

MERCHANTS BANK FOUNDATION, INC.**03-6016628****Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	MERCHANTS BANK 275 KENNEDY DRIVE SOUTH BURLINGTON, VT 05403	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

Employer identification number

MERCHANTS BANK FOUNDATION, INC.**03-6016628****Part II Noncash Property** (see instructions) Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

MERCHANTS BANK FOUNDATION, INC.**03-6016628**

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$ _____

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
MERCHANTS BANK ACCT# 1553486 INTEREST	33.
MERCHANTS BANK SWEEP MM	65.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	98.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
L/T CAP GAIN DIVIDENDS - MERCHANTS TRUST COMPANY	4,526.	4,526.	0.
MERCHANTS TRUST COMPANY S/T CAP GAIN DIVIDENDS - MERCHANTS TRUST COMPANY	34,556.	0.	34,556.
	1,887.	1,887.	0.
TOTAL TO FM 990-PF, PART I, LN 4	40,969.	6,413.	34,556.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	1,695.	848.		0.
TO FORM 990-PF, PG 1, LN 16B	1,695.	848.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FINANCIAL ADVISOR FEES	8,528.	8,528.		0.
TO FORM 990-PF, PG 1, LN 16C	8,528.	8,528.		0.

FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	298.	0.		0.
FEDERAL TAXES (BALANCE DUE 2010)	1,088.	0.		0.
ESTIMATED FEDERAL TAX PAYMENT (2011)	0.	0.		0.
TO FORM 990-PF, PG 1, LN 18	1,386.	0.		0.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	6
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
MERCHANTS TRUST COMPANY	COST	1,128,531.	1,316,398.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,128,531.	1,316,398.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 7

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MARTHA DAVIS	PRESIDENT/CHAIRMAN 2.00	0.	0.	0.
JESSICA ROHDE	TRUSTEE 1.00	0.	0.	0.
PAMELA MATWEECHA	VICE PRESIDENT 2.00	0.	0.	0.
ERINN PERRY	SECRETARY 1.00	0.	0.	0.
STEPHANIE MACASKILL	TREASURER 2.00	0.	0.	0.
KATHRYN LEECH	TRUSTEE 1.00	0.	0.	0.
KEVIN FARLEY	TRUSTEE 1.00	0.	0.	0.
SEAN HOUGHTON	TRUSTEE 1.00	0.	0.	0.
DIANE GAGNON	TRUSTEE 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 8

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

STEPHANIE MACASKILL, MERCHANTS BANK
275 KENNEDY DRIVE
S. BURLINGTON, VT 05403

TELEPHONE NUMBER

802-865-1627

FORM AND CONTENT OF APPLICATIONS

SEE ATTACHED SCHEDULE

ANY SUBMISSION DEADLINES

APPLICATIONS MUST BE RECEIVED BY THE 1ST OF THE MONTH IN WHICH THE TRUSTEES
ARE MEETING.

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE LIMITED TO 501(C)(3) ORGANIZATIONS

Form **990-W****Estimated Tax on Unrelated Business Taxable
Income for Tax-Exempt Organizations**

OMB No. 1545-0976

(Worksheet)

Department of the Treasury
Internal Revenue Service

(and on Investment Income for Private Foundations)

FORM 990-PF

2012

(Keep for your records. Do not send to the Internal Revenue Service.)

1	Unrelated business taxable income expected in the tax year	1	
2	Tax on the amount on line 1. See instructions for tax computation	2	
3	Alternative minimum tax (see instructions)	3	
4	Total. Add lines 2 and 3	4	
5	Estimated tax credits (see instructions)	5	
6	Subtract line 5 from line 4	6	
7	Other taxes (see instructions)	7	
8	Total. Add lines 6 and 7	8	
9	Credit for federal tax paid on fuels (see instructions)	9	
10a	Subtract line 9 from line 8. Note If less than \$500, the organization is not required to make estimated tax payments. Private foundations, see instructions	10a	
b	Enter the tax shown on the 2011 return (see instructions). Caution. If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c	10b	1,643.
c	2012 Estimated Tax Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c	10c	1,680.

ADJUSTED TO

	(a)	(b)	(c)	(d)
11 Installment due dates (see instructions)	11 01/15/13			
12 Required installments Enter 25% of line 10c in columns (a) through (d) unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a "large organization" (see instructions)	12 1,680.			
13 2011 Overpayment (see instructions)	13			
14 Payment due. (Subtract line 13 from line 12.)	14 1,680.			

LHA For Paperwork Reduction Act Notice, see instructions.

Form **990-W** (2012)

Merchants Bank Foundation, Inc

Account #: 5671

Tax Worksheet: From 9/1/2011 to 8/31/2012

Trust Category: Nonprofit Agency
 Dates Open: 3/9/1998 to Present
 Trust Year End: August
 Date Printed: 12/27/2012

Admin Officer: Jim Miller
 Invest Officer: 4111
 Tax State: Vermont
 Tax ID: 03-6016628

Capital Gains and Losses

Individual Transactions

Short-Term

Description of Security	Cusip	Shares/Par	Acquired	Date Sold	Days Held	Income	Principal	Cost Basis	Gain/Loss
BBH Core Select N	05528X604	377 117000	08/08/2011	11/14/2011	98	0 00	5,664 29	-5,053 37	610 92
FMI Large Cap Fund	302933205	271 077000	08/08/2011	11/14/2011	98	0 00	4,180 00	-3,879 11	300.89
T Rowe Price Instl Floating Rate	77958B402	391 516000	03/16/2011	11/14/2011	243	0 00	3,919 08	-4,052 19	-133.11
Vanguard MSCI Emerging Markets ETF	922042858	105 000000	09/26/2011	11/16/2011	51	0 00	4,246 13	-3,848 25	397 88
Virtus Premium AlphaSector I	92828R230	153 334000	11/14/2011	02/23/2012	101	0 00	1,941 21	-1,830 81	110 40
Thornburg International Value Fund	885215566	171 814000	11/14/2011	06/18/2012	217	0 00	4,298 79	-4,405 32	-106 53
BBH Core Select N	05528X604	728 085000	08/08/2011	06/18/2012	315	0 00	11,685 77	-9,756 34	1,929 43
FMI Large Cap Fund	302933205	699 336000	08/08/2011	06/18/2012	315	0 00	11,392 19	-10,007 50	1,384 69
Virtus Premium AlphaSector I	92828R230	1,262 324000	08/19/2011	06/18/2012	304	0 00	16,157 75	-14,428 36	1,729 39
Virtus Premium AlphaSector I	92828R230	40 203000	11/14/2011	06/18/2012	217	0 00	514 60	-480 02	34 58
DoubleLine Total Return Bond I	258620103	346 478000	02/23/2012	06/18/2012	116	0 00	3,887 48	-3,890 95	-3 47
Short-Term Total						0.00	67,887.29	-61,632.22	6,255.07

Long-Term

Description of Security	Cusip	Shares/Par	Acquired	Date Sold	Days Held	Income	Principal	Cost Basis	Gain/Loss
PIMCO Emerging Local Bd Fd	72201F516	1,395 099000	08/07/2009	09/26/2011	780	0 00	13,964 94	-13,253 44	711 50
PIMCO Emerging Local Bd Fd	72201F516	95 630000	11/19/2009	09/26/2011	676	0 00	957 26	-959 17	-1 91
PIMCO Emerging Local Bd Fd	72201F516	987 193000	03/09/2010	09/26/2011	566	0 00	9,881 80	-10,089 11	-207 31
PIMCO Total Return Fund	693390700	1,144 096000	02/12/2003	09/26/2011	3,148	0 00	12,402 00	-12,266 93	135 07
PIMCO Unconstrained Bd Fd	72201M487	1,133 638000	04/21/2009	09/26/2011	888	0 00	12,402 00	-11,585 78	816 22
Oakmark Global Fund	413838830	122 190000	03/09/2010	11/14/2011	615	0 00	2,502 46	-2,430 36	72 10
PIMCO Emerging Local Bd Fd	72201F516	415 309000	08/07/2009	11/14/2011	829	0 00	4,331 67	-3,945 44	386 23
Clipper Fund	188850101	21 660000	05/08/2008	11/14/2011	1,285	0 00	1,374 33	-1,593 53	-219 20
Touchstone Sands Cap Instl Growth Fd	89155J104	98 154000	05/08/2008	11/14/2011	1,285	0 00	1,452 68	-1,205.33	247 35
Loomis Sayles Bond Fund	543495840	503 908000	02/12/2003	11/14/2011	3,197	0 00	7,180 69	-5,704 24	1,476 45
Osterweis Strategic Income Fund	742935489	546 893000	01/11/2010	11/14/2011	672	0 00	6,316 62	-6,234 58	82 04
PIMCO Total Return Fund	693390700	137 525000	03/07/2005	11/14/2011	2,443	0 00	1,494 90	-1,457 95	36 95
PIMCO Total Return Fund	693390700	594 577000	02/12/2003	11/14/2011	3,197	0 00	6,463 05	-6,375 02	88 03
PIMCO Unconstrained Bd Fd	72201M487	722.100000	04/21/2009	11/14/2011	937	0 00	7,928.65	-7,379 86	548 79
Harbor International Fund - Instl	411511306	168 347000	11/06/2008	12/02/2011	1,121	0 00	9,220 38	-6,501 56	2,718 82
Thornburg International Value Fund	885215566	308 224000	11/13/2003	12/02/2011	2,941	0 00	7,788 83	-5,079 53	2,709 30
Thornburg International Value Fund	885215566	43 799000	09/09/2004	12/02/2011	2,640	0 00	1,106 80	-794 08	312 72
Brandywine Blue Fd Common	10532B101	653 685000	11/06/2008	12/02/2011	1,121	0 00	15,276 62	-12,825 30	2,451 32
Clipper Fund	188850101	141 731000	05/08/2008	12/02/2011	1,303	0 00	8,953 14	-10,427 15	-1,474 01
Fairholme Fund	304871106	245 525000	11/06/2008	12/02/2011	1,121	0 00	6,184.77	-5,605 34	579 43
Fairholme Fund	304871106	54 995000	03/09/2010	12/02/2011	633	0 00	1,385 32	-1,800.00	-414 68
Longleaf Partners Fund	543069108	347 509000	02/12/2003	12/02/2011	3,215	0 00	9,268 07	-7,461 01	1,807 06
Longleaf Partners Fund	543069108	247.911000	03/09/2010	12/02/2011	633	0 00	6,611 79	-6,212 64	399 15
Osterweis Fund	742935406	338.706000	11/06/2008	12/02/2011	1,121	0 00	8,708 14	-6,482 83	2,225 31
Osterweis Fund	742935406	287.502000	03/09/2010	12/02/2011	633	0 00	7,391.68	-7,138 69	252 99

Merchants Bank Foundation
 EIN# 03-6016628
 2011 990-PF Part IV Attachment

Merchants Bank Foundation, Inc

Account #: 5671

Tax Worksheet: From 9/1/2011 to 8/31/2012

Trust Category: Nonprofit Agency
 Dates Open: 3/9/1998 to Present
 Trust Year End: August
 Date Printed: 12/27/2012

Admin Officer: Jim Miller
 Invest Officer: 4111
 Tax State: Vermont
 Tax ID: 03-6016628

Capital Gains and Losses

Individual Transactions

Long-Term

Description of Security	Cusip	Shares/Per	Acquired	Date Sold	Days Held	Income	Principal	Cost Basis	Gain/Loss
PIMCO Total Return Fund	693390700	2,091 284000	01/13/2006	12/02/2011	2,149	0 00	22,627.69	-22,023 98	603.71
PIMCO Total Return Fund	693390700	1,800 587000	08/07/2009	12/02/2011	847	0 00	19,482 35	-19,014 20	468 15
PIMCO Total Return Fund	693390700	726 573000	03/07/2005	12/02/2011	2,461	0 00	7,861 52	-7,702 62	158 90
Oakmark Global Fund	413838830	254 871000	03/09/2010	02/23/2012	716	0 00	5,785.57	-5,069 39	716 18
Harbor International Fund - Instl	411511306	92 259000	11/06/2008	02/23/2012	1,204	0 00	5,557.67	-3,563 04	1,994.63
Thornburg International Value Fund	885215566	194 042000	11/13/2003	02/23/2012	3,024	0 00	5,320.64	-3,197 81	2,122 83
Fairholme Fund	304871106	208 058000	11/06/2008	02/23/2012	1,204	0 00	5,888 05	-4,560 97	1,327 08
Oakmark Fund	413838103	43 512000	02/12/2003	02/23/2012	3,298	0 00	1,997 63	-1,221 82	775.81
Oakmark Fund	413838103	20 692000	05/29/2003	02/23/2012	3,192	0 00	949 97	-673 93	276 04
Oakmark Fund	413838103	134 954000	12/09/2010	02/23/2012	441	0 00	6,195 73	-5,566 87	628 86
Osterweis Fund	742935406	162 455000	11/06/2008	02/23/2012	1,204	0 00	4,459 39	-3,109 39	1,350 00
Touchstone Sands Cap Instl Growth Fd	89155J104	213 851000	05/08/2008	02/23/2012	1,386	0.00	3,579 86	-2,626 09	953 77
AQR Diversified Arbitrage Fund Class I	00203H602	117 041000	05/25/2010	06/18/2012	755	0 00	1,292 13	-1,255 85	36 28
Arbitrage Funds Class I	03875R205	17 036000	05/25/2010	06/18/2012	755	0.00	223 17	-212 95	10 22
PIMCO Emerging Local Bd Fd	72201F516	1,208 336000	08/07/2009	06/18/2012	1,046	0 00	12,433 78	-11,479 19	954 59
Thornburg International Value Fund	885215566	1,043 686000	11/13/2003	06/18/2012	3,140	0 00	26,113 02	-17,199 95	8,913 07
Clipper Fund	188850101	4 145000	05/08/2008	06/18/2012	1,502	0 00	269.12	-304 95	-35 83
Fairholme Fund	304871106	407 107000	11/06/2008	06/18/2012	1,320	0 00	11,325 73	-8,924 46	2,401 27
Oakmark Fund	413838103	11 983000	02/12/2003	06/18/2012	3,414	0 00	541 02	-336 48	204 54
Osterweis Fund	742935406	122 076000	11/06/2008	06/18/2012	1,320	0 00	3,248 45	-2,336 53	911.92
Touchstone Sands Cap Instl Growth Fd	89155J104	457 133000	05/08/2008	06/18/2012	1,502	0 00	7,588 41	-5,613 59	1,974 82
Loomis Sayles Bond Fund	543495840	454 938000	02/12/2003	06/18/2012	3,414	0 00	6,564 76	-5,149 90	1,414 86
Loomis Sayles Bond Fund	543495840	590 784000	03/16/2011	06/18/2012	460	0 00	8,525 01	-8,548 64	-23 63
Osterweis Strategic Income Fund	742935489	197 726000	03/16/2011	06/18/2012	460	0 00	2,256 05	-2,315 37	-59 32
PIMCO Total Return Fund	693390700	524 298000	12/09/2010	06/18/2012	557	0 00	5,919 33	-5,662 42	256 91
PIMCO Unconstrained Bd Fd	72201M487	621 415000	03/16/2011	06/18/2012	460	0 00	7,053 06	-6,897 71	155 35
T. Rowe Price Instl Floating Rate	77958B402	46 550000	03/16/2011	06/18/2012	460	0 00	465 03	-481 79	-16 76
Long-Term Total						0.00	354,072.73	-309,858.76	(44,213.97)
Individual Transactions Total						0.00	(421,960.02)	-371,490.98	50,469.04

Short Term Capital Gain Allocation

Description of Security	Cusip	Trade Date	Income	Principal	Gain/Loss	Description of Transaction	Qualified Amount
BBH Core Select N	05528X604	12/14/2011	0 00	22 58	22 58	Short Term Capital Gain Allocation on 2,129 973 shares	22 58
Osterweis Strategic Income Fund	742935489	12/15/2011	0 00	327 73	327 73	Short Term Capital Gain Allocation on 7,872 378 shares	1.74
AQR Diversified Arbitrage Fund Class I	00203H602	12/16/2011	0 00	798 88	798 88	Short Term Capital Gain Allocation on 2,873 532 shares	139 48
Arbitrage Funds Class I	03875R205	12/19/2011	0 00	722 34	722.34	Short Term Capital Gain Allocation on 2,466 64 shares	0 00
FMI Large Cap Fund	302933205	12/30/2011	0.00	15 74	15.74	Short Term Capital Gain Allocation on 2,076.582 shares	15 74
Short Term Capital Gain Allocation Total			0.00	1,887.27	(1,887.27)		179.54

Merchants Bank Foundation
 EIN# 03-6016628
 2011 990-PF Part IV Attachment

Merchants Bank Foundation, Inc

Account #: 5671

Tax Worksheet: From 9/1/2011 to 8/31/2012

Trust Category: Nonprofit Agency
Dates Open: 3/9/1998 to Present
Trust Year End: August
Date Printed: 12/27/2012

Admin Officer: Jim Miller
Invest Officer: 4111
Tax State: Vermont
Tax ID: 03-6016628

Capital Gains and Losses

Long Term Capital Gain Allocation

Description of Security	Cusip	Trade Date	Income	Principal	Gain/Loss	Description of Transaction
FMI Large Cap Fund	302933205	10/31/2011	0 00	794 66	794 66	Long Term Capital Gain Allocation on 2,347 659 shares
Longleaf Partners Fund	543069108	11/09/2011	0 00	1,283 36	1,283 36	Long Term Capital Gain Allocation on 1,859 937 shares
BBH Core Select N	05528X604	12/14/2011	0 00	350 81	350 81	Long Term Capital Gain Allocation on 2,129.973 shares
Osterweis Fund	742935406	12/15/2011	0 00	337 53	337 53	Long Term Capital Gain Allocation on 1,130 087 shares
Osterweis Strategic Income Fund	742935489	12/15/2011	0 00	505 25	505 25	Long Term Capital Gain Allocation on 7,872 378 shares
Arbitrage Funds Class I	03875R205	12/19/2011	0 00	5 92	5 92	Long Term Capital Gain Allocation on 2,466 64 shares
T Rowe Price Instl Floating Rate	77958B402	12/19/2011	0 00	256 70	256 70	Long Term Capital Gain Allocation on 3,889 33 shares
FMI Large Cap Fund	302933205	12/30/2011	0 00	149 24	149 24	Long Term Capital Gain Allocation on 2,076 582 shares
Westport Select Cap I	961323409	12/30/2011	0 00	842 72	842 72	Long Term Capital Gain Allocation on 519.749 shares
Long Term Capital Gain Allocation Total			0.00	4,526.19	(4,526.19)	

Merchants Bank Foundation
EIN# 03-6016628
2011 990-PF Part IV Attachment

MERCHANTS BANK FOUNDATION, INC.
Contributions/Payments for Fiscal Year 2011
(as of August 31, 2012)

PBC

Organization	Region	Date Paid	Amount	Balance	Purpose of Donation	Check #	Signature
Annual Budget			\$ 145,000.00				
Special Allocated Donations			\$ 25,000.00	\$ 170,000.00			
Special Allocated Donations			\$ 10,000.00	\$ 180,000.00			
Town of South Hero	Grand Isle	9/1/11	\$ 500.00	\$ 179,500.00	Help with South Hero Rescue		3593
East Dorset Fire District I	Bennington	9/1/11	\$ 1,500.00	\$ 178,000.00	Help with 9/11 Memorial Fund		3594
Howard Center Inc	Chittenden	9/1/11	\$ 1,000.00	\$ 177,000.00	Help with general operating expenses		3595
Welsh Presbyterian Church	Rutland	9/1/11	\$ 100.00	\$ 176,900.00	Help with the Fair Haven Crop Walk 2011		3596
Hunger Mountain Christian Assembly	Washington	9/2/11	\$ 1,000.00	\$ 175,900.00	Help with Hurricane Irene Cleanup		3597
Fair Haven Grade School	Rutland	9/16/11	\$ 150.00	\$ 175,750.00	Help with Applefest 2011		3599
Brownell Library	Chittenden	10/7/11	\$ 100.00	\$ 175,650.00	Help with general operating expenses		3600
Fair Haven Concerned Inc	Rutland	11/4/11	\$ 500.00	\$ 175,150.00	Help with general operating expenses		3601
Friends of Highgate Public Library Inc	Franklin	11/4/11	\$ 100.00	\$ 175,050.00	Help with general operating expenses		3602
Northeastern Vermont Agree Agency on Aging	Caledonia	11/4/11	\$ 500.00	\$ 174,550.00	Help with the Blizzard Box		3603
VT Elks Charities Inc	Addison	11/25/11	\$ 1,250.00	\$ 173,300.00	Help with Silver Towers Camp		3605
Hinesburg Community Schools	Chittenden	11/25/11	\$ 1,000.00	\$ 172,300.00	Help with Partnership in Education		3606
VT Works for Women Inc	Chittenden	11/25/11	\$ 500.00	\$ 171,800.00	Help with Rosie's Girls		3608
Community Health Center of Burlington Inc	Chittenden	11/25/11	\$ 3,000.00	\$ 168,800.00	Help with general operating expenses		3609
Ottawaquechee Health Foundation Inc	Windsor	11/25/11	\$ 2,000.00	\$ 166,800.00	Help with the Good Neighbor Grant		3610
Brattleboro Small Fry Baseball Assoc Inc	Windham	11/25/11	\$ 5,000.00	\$ 161,800.00	Help to develop the land for a new sports complex		3611
Champlain College	Chittenden	11/30/11	\$ 7,500.00	\$ 154,300.00	Help with the Center of Financial Literacy program		3612
United Way of Chittenden County	Statewide	11/30/11	\$ 30,000.00	\$ 124,300.00	Annual contribution for United Way agencies statewide		3614
Community Emergency Relief Volunteers	Washington	12/2/11	\$ 57.12	\$ 124,242.88	Help to pay for cranberry sauce for the Thanksgiving dinner		3615
Fibrolamellar Cancer Foundation	Chittenden	12/23/11	\$ 250.00	\$ 123,992.88	Help with general operating expenses		3616
Puppets in Education	Bennington	12/23/11	\$ 120.00	\$ 123,872.88	Help with the Bennington Autism Task Force		3617
Central Vermont Adult Basic Education	Washington	12/23/11	\$ 1,200.00	\$ 122,672.88	Help with general operating expenses		3618
Grass Roots Art and Community Efforts	Caledonia	12/23/11	\$ 100.00	\$ 122,572.88	Help with general operating expenses		3619
Southern Vermont Area Health Education Center	Windsor	11/2/12	\$ 500.00	\$ 122,072.88	Help with general operating expenses		3620
Springfield Family Center	Windsor	11/2/12	\$ 500.00	\$ 121,572.88	Help with general operating expenses		3621
The Center for America's First Horse Inc	Chittenden	1/24/12	\$ 500.00	\$ 121,072.88	Help with general operating expenses		3622
Edmunds Elementary School PTO	Chittenden	1/24/12	\$ 350.00	\$ 120,722.88	Help with general operating expenses		3623
Northfield Senior Center	Washington	1/24/12	\$ 250.00	\$ 120,472.88	Help with general operating expenses		3624
Jencho Little League	Chittenden	1/31/12	\$ 200.00	\$ 120,272.88	Help with field and shed maintenance		3625
Fair Haven Union High School	Rutland	1/31/12	\$ 150.00	\$ 120,122.88	Help with Project Graduation		3626
New England Tropical Conservatory	Bennington	1/31/12	\$ 300.00	\$ 119,822.88	Help fund an exhibit panel		3627
Puppets in Education	Washington	1/31/12	\$ 200.00	\$ 119,622.88	Help with general operating expenses		3628
Lamoille Area Cancer Network Inc	Caledonia	1/31/12	\$ 100.00	\$ 119,522.88	Help with general operating expenses		3629
Town of Essex	Chittenden	1/31/12	\$ 500.00	\$ 119,022.88	Help with general operating expenses		3630
The Burton Foundation	Chittenden	3/9/12	\$ 1,000.00	\$ 118,022.88	Help with The Chill		3631
Vermont Interfaith Action	Chittenden	3/9/12	\$ 750.00	\$ 117,272.88	Help with general operating expenses		3632
Everybody Wins Vermont Inc	Rutland	3/9/12	\$ 2,500.00	\$ 114,772.88	Help with general operating expenses		3633
Vermont Adult Learning Inc	Chittenden	3/9/12	\$ 1,000.00	\$ 113,772.88	Help support education on the environmental benefits of home sharing		3634
Burlington Emergency Shelter	Chittenden	3/9/12	\$ 1,000.00	\$ 112,772.88	Help with general operating expenses		3635
Hinesburg Nursery School	Chittenden	3/9/12	\$ 500.00	\$ 112,272.88	Help with general operating expenses		3636
The Mentoring Project of the Upper Valley	Orange	3/9/12	\$ 1,000.00	\$ 111,272.88	Help with general operating expenses		3637
Home Share Now	Washington	3/9/12	\$ 2,000.00	\$ 109,272.88	Help with general operating expenses		3638
Vermont Respite House	Chittenden	3/9/12	\$ 500.00	\$ 108,772.88	Help with general operating expenses		3639
Laura Kate Winterbottom Memorial Fund	Chittenden	3/15/12	\$ 250.00	\$ 108,522.88	Help with general operating expenses		3640
Buxby Library	Addison	4/6/12	\$ 250.00	\$ 108,272.88	Help with general operating expenses		3642
Jencho-Underhill Eoumenical Ministry	Chittenden	4/6/12	\$ 300.00	\$ 107,972.88	Help support the Jencho Recreation Summer Camp		3643
Solarfest Inc	Bennington	4/6/12	\$ 250.00	\$ 107,722.88	Help with general operating expenses		3644
Vermont Maple Festival	Franklin	4/6/12	\$ 200.00	\$ 107,522.88	Help with general operating expenses		3645
Sons of Union Veterans of the Civil War	Washington	5/3/12	\$ 500.00	\$ 107,022.88	Help with general operating expenses		3647
Champlain Housing Trust	Chittenden	5/18/12	\$ 750.00	\$ 106,272.88	Help with the Financial Literacy Program		3648
King Street Center	Chittenden	5/18/12	\$ 200.00	\$ 106,072.88	Help with general operating expenses		3649
Mt Mansfield Union High School (MMU)	Chittenden	5/18/12	\$ 100.00	\$ 105,972.88	Help with Project Graduation		3650
Twinfield Union School	Washington	5/18/12	\$ 50.00	\$ 105,922.88	Help with Project Graduation		3651
American Cancer Society	Caledonia	5/18/12	\$ 100.00	\$ 105,822.88	Help with Relay for Life		3652
Vermont's Camp Takumta	Grand Isle	5/18/12	\$ 2,000.00	\$ 103,822.88	Help with construction of bathrooms in camper cabins		3653

Local Motion Inc	Chittenden	5/18/12	\$ 1,000.00	\$ 102,822.88	Help to complete the trailrider web site	3654	x
Champlain Valley Office of Economic Opportunity	Chittenden	5/18/12	\$ 1,250.00	\$ 101,572.88	Help to support the Growing Money program	3655	x
Brattleboro Town Schools	Windham	5/18/12	\$ 1,000.00	\$ 100,572.88	Help to support the Jump Start for Math and Literacy program	3656	x
Manchester Music Festival	Bennington	5/18/12	\$ 2,000.00	\$ 98,572.88	Help with general operating expenses	3657	x
North Hero Elementary School	Grand Isle	5/18/12	\$ 1,050.00	\$ 97,522.88	Help to purchase new non-fiction books	3658	x
Shader Croft School	Chittenden	5/18/12	\$ 1,500.00	\$ 96,022.88	Help with general operating expenses	3659	x
Vermont Kin as Parents	Chittenden	5/18/12	\$ 1,000.00	\$ 95,022.88	Help fund "Parenting Revisited: the Impact of Change"	3660	x
Brattleboro Mutual Aid Association Inc	Windham	5/18/12	\$ 2,500.00	\$ 92,522.88	Help benefit the Thompson House	3662	x
Visiting Nurses Association for Chittenden and Grand Isle	Chittenden	5/25/12	\$ 2,000.00	\$ 90,522.88	Help to benefit the Family Room	3663	x
Oxbow Community Scholarship for Excellence	Orange	5/25/12	\$ 250.00	\$ 90,272.88	Help with general operating expenses	3664	x
Bloodroot Literary Magazine	Orange	5/25/12	\$ 200.00	\$ 90,072.88	Help with general operating expenses	3665	x
Mount Abraham High School	Addison	5/25/12	\$ 500.00	\$ 89,572.88	Help with the "School to Work" program	3666	x
Addison County Community Trust	Addison	5/25/12	\$ 500.00	\$ 89,072.88	Help benefit the Brookside Youth Garden	3667	x
City of Montpelier	Washington	5/25/12	\$ 3,000.00	\$ 86,072.88	Help benefit the Montpelier Senior Center	3668	x
Wonder & Wisdom	Caledonia	5/25/12	\$ 200.00	\$ 85,872.88	Help with general operating expenses	3669	x
Faith in Action Northern Community Partnership	Caledonia	5/25/12	\$ 200.00	\$ 85,672.88	Help with general operating expenses	3670	x
Sterling School Inc	Caledonia	5/25/12	\$ 400.00	\$ 85,272.88	Help with Get Thee to a Funnery	3671	x
Bennington-Rutland Opportunity Council Inc	Rutland	5/25/12	\$ 2,000.00	\$ 83,272.88	FBQ Rutland County Long Term Recovery Center	3672	x
Windsor County Partners	Windsor	5/25/12	\$ 1,000.00	\$ 82,272.88	FBQ Mentors for Youth	3673	x
Champlain Islanders Developing Essential Resources	Grand Isle	5/25/12	\$ 500.00	\$ 81,772.88	Help with annual fund drive/adaptive equipment	3674	x
Committee on Temporary Shelter (COTS)	Chittenden	5/25/12	\$ 5,000.00	\$ 76,772.88	Help with general operating expenses	3675	x
National Audubon Society Inc	Chittenden	5/29/12	\$ 6,000.00	\$ 70,772.88	FBQ Audubon Vermont, Help to replace the Club House roof	3676	x
Studio Place Arts Inc.	Washington	6/21/12	\$ 500.00	\$ 70,272.88	Help support the "Art's First" program	3677	x
First United Methodist Church of Shelburne	Chittenden	6/21/12	\$ 500.00	\$ 69,772.88	FBQ Shelburne Food Shelf	3678	x
Camele Hump Middle School	Chittenden	6/21/12	\$ 60.00	\$ 69,412.88	Help support the music and drama department	3679	x
Franklin County Home Health Agency Inc	Franklin	6/21/12	\$ 300.00	\$ 69,412.88	Help with general operating expenses	3680	x
Underhill Jencho Troop 627, Boy Scouts of America	Franklin	6/21/12	\$ 100.00	\$ 69,312.88	Help support the Eagle Scout service project	3681	x
Communit Capital of Vermont	Washington	6/21/12	\$ 1,500.00	\$ 67,812.88	Help with general operating expenses	3682	x
Boy Scouts of America	Washington	6/21/12	\$ 750.00	\$ 67,062.88	Help raise funds to assist with summer camp "camperships"	3683	x
Mountain Communities Supporting Education	Bennington	6/21/12	\$ 1,000.00	\$ 66,062.88	Help support "The Collaboration"	3684	x
Luc Gates Foundation	Franklin	7/13/12	\$ 250.00	\$ 65,812.88	Help support the annual golf tournament	3685	x
Travis Roy Foundation	Chittenden	7/13/12	\$ 500.00	\$ 65,312.88	Help support the Jencho Whiteball Tournament	3686	x
Travis Roy Foundation	Chittenden	7/13/12	\$ 500.00	\$ 64,812.88	Help support the Jencho Whiteball Tournament	3687	x
Northeastern Vermont Area Health Education Center	Caledonia	7/13/12	\$ 250.00	\$ 64,562.88	Help support the MedQuest Health Careers program	3688	x
Craftsbury Public Library	Caledonia	7/13/12	\$ 250.00	\$ 64,312.88	Help improve the library shelving	3689	x
Flynn Center for Performing Arts	Chittenden	7/16/12	\$ 2,500.00	\$ 61,812.88	Help support the Stand Up for the Flynn Take a Seal Campaign	3690	x
Travis Roy Foundation	Chittenden	7/16/12	\$ 500.00	\$ 61,312.88	Help support the Jencho Whiteball Tournament	3692	x
Connecticut Valley Fair	Orange	7/20/12	\$ 300.00	\$ 61,012.88	Help support the annual fair	3693	x
Town of Thetford	Orange	7/20/12	\$ 100.00	\$ 60,912.88	Help support the Thetford Elder Network	3694	x
Sustainable Energy Resource Group	Orange	7/20/12	\$ 100.00	\$ 60,812.88	Help with general operating expenses	3695	x
Town of Thetford	Orange	7/20/12	\$ 50.00	\$ 60,762.88	Help support the Thetford Food Shelf	3696	x
Thetford Fire Department	Orange	7/20/12	\$ 100.00	\$ 60,662.88	Help support the fundraising auction	3697	x
Cracker Barrel Bazaar Association	Orange	7/20/12	\$ 200.00	\$ 60,462.88	Help with general operating expenses	3698	x
KidSafe Collaborative Inc	Chittenden	7/27/12	\$ 500.00	\$ 59,962.88	Help with general operating expenses	3699	x
Christ the King School	Chittenden	7/27/12	\$ 250.00	\$ 59,712.88	Help with the tuition funds program	3702	x
Fair Haven Grade School	Rutland	7/27/12	\$ 100.00	\$ 59,612.88	Help with general operating expenses	3701	x
Lund Family Center	Chittenden	7/27/12	\$ 500.00	\$ 59,112.88	Help with general operating expenses	3703	x
Champlain Islanders Developing Essential Resources	Grand Isle	8/8/12	\$ 250.00	\$ 58,862.88	Help fund the Food for Thought program	3705	x
BROC - Community Action in Southwestern VT	Bennington	8/8/12	\$ 150.00	\$ 58,712.88	Help with general operating expenses	3706	x
Georgia Elementary and Middle School	Franklin	8/17/12	\$ 125.00	\$ 58,587.88	Help with general operating expenses	3707	x
Northern Vermont Youth Football Association	Chittenden	8/17/12	\$ 125.00	\$ 58,462.88	Help with general operating expenses	3708	x
The Champlain Adaptive Mounted Program	Grand Isle	8/31/12	\$ 2,650.00	\$ 55,812.88	Help to purchase 4 new riding saddles	3709	x
Vermont Committee for AIDS Resources Education	Chittenden	8/31/12	\$ 500.00	\$ 55,312.88	Help to support the community education and speakers bureau program	3710	x
Intervale Center Inc	Chittenden	8/31/12	\$ 250.00	\$ 55,062.88	Help with general operating expenses	3711	x
Homeshare Vermont Inc	Chittenden	8/31/12	\$ 5,000.00	\$ 50,062.88	Help to establish the HomeShare Fe Assistance Fund	3712	x
Salvation Farms	Caledonia	8/31/12	\$ 2,500.00	\$ 47,562.88	Help with general operating expenses	3713	x
Keeping Track Inc	Chittenden	8/31/12	\$ 250.00	\$ 47,312.88	Help to support the Keeping Track mentoring program	3714	x
Vermont Institute of Contemporary Arts Inc	Windsor	8/31/12	\$ 700.00	\$ 46,612.88	Help with general operating expenses	3715	x
Food Works Two Rivers Center for Sustainability	Washington	8/31/12	\$ 800.00	\$ 45,812.88	Help fund the Alphabet Soup program	3716	x
Rutland Area Art Association DBA Chaffee Art Center	Rutland	8/31/12	\$ 2,500.00	\$ 43,312.88	Help fund the digital art studio	3717	x
Habitat for Humanity International Inc. Green Mount	Lamoille	8/31/12	\$ 5,000.00	\$ 38,312.88	Help to fund the first HPH in Lamoille county	3718	x
Central Vermont Community Action Council Inc	Washington	8/31/12	\$ 2,500.00	\$ 35,812.88	Help to fund their Tangible Assets IDA program	3719	x
Castleton Cares Inc	Rutland	8/31/12	\$ 100.00	\$ 35,712.88	Help fund the annual Crop walk	3720	x

MERCHANTS BANK FOUNDATION, INC.
Outstanding Pledges For FYE'11 -- As of August 31, 2012

Plate Date	Original Amount	Organization	Region (by County or Statewide)	Term of Plate	Last Pmt. Date	Last Pmt. Amount	Total Paid To Date	Current Plate Balance	Pmt. Projections FY '11	Remaining Balance
05/09	\$ 50,000.00	Champlain College	Chittenden	Payable over 5 years, beg. FY '08 (\$10M each year)	7/13/12	\$ 10,000.00	\$ 40,000.00	\$ 10,000.00	\$ -	\$ 10,000.00
11/1/10	\$ 25,000.00	Champlain College for Center for Financial Literacy	Chittenden	Payable over 3 years, beg FY '10 (\$10M 2010, \$1.5M 2011, \$1.5M 2012)	11/20/11	\$ 7,500.00	\$ 17,500.00	\$ 7,500.00	\$ -	\$ 7,500.00
12/10	\$ 50,000.00	ECHO at the Leahy Center for Lake Champlain	Chittenden	Payable over 2 years, beg FY '10 (\$25M each year)	5/18/12	\$ 25,000.00	\$ 50,000.00	\$ -	\$ -	\$ -
5/11	\$ 10,000.00	Brattleboro Mutual Auto Association Inc DBA Thompson House	Windham	Payable over 2 years, beg FY '10 (\$7,500 2010, \$2,500 2011)	5/18/12	\$ 2,500.00	\$ 10,000.00	\$ -	\$ -	\$ -
11/11	\$ 10,000.00	Community Health Center of Burlington Inc	Chittenden	Payable over 3 years, beg FY '11 (\$3,000 2011, \$3,000 2012, \$4,000 2013)	11/25/11	\$ 3,000.00	\$ 3,000.00	\$ 7,000.00	\$ -	\$ 7,000.00
11/11	\$ 10,000.00	Flynn Center for the Performing Arts	Chittenden	Payable over 2 years, beg FY '11 (\$2,500 2011, \$7,500 2012)	7/13/12	\$ 2,500.00	\$ -	\$ 7,500.00	\$ -	\$ 7,500.00
5/2012	\$ 10,000.00	City of Montpelier FBO Montpelier Senior Center	Washington	Payable over 3 years, beg FY '11 (\$3,000 2011, \$3,000 2012, \$4,000 2013)	5/1/12	\$ 3,000.00	\$ 3,000.00	\$ 7,000.00	\$ -	\$ 7,000.00
TOTAL:	\$ 165,000.00							\$ 98,000.00		\$ 39,000.00

Abstract

Merchants Bank Foundation
EIN# 03-6016628
2011 990-PF Part XV Attachment

MERCHANTS BANK FOUNDATION, INC.
c/o Merchants Bank
ADDRESS OF APPROPRIATE BRANCH

(802) PHONE NUMBER OF APPROPRIATE BRANCH or 1-800-322-5222

For our Trustees' consideration of a grant or contribution to your organization please respond to the following questions and submit additional information as requested. Trustees meetings are held on a quarterly basis during February, May, August and November. **Application deadlines are January 15, April 15, July 15, and October 15.** Please mail applications to the attention of NAME OF BRANCH PRESIDENT OR CBO at the address indicated above.

Mission Statement

The Foundation strives to provide funding to organizations for programs and services that support general education, human services or community enrichment for all Vermonters for purposes of advancing education, household self-sufficiency, sustainable independence and viable community development.

1. **Name of Organization:**

2. **Address and Telephone Number of Organization:**

3. **Name of Executive Director, how long has he/she had this responsibility:**

4. **What is the nature of your request for funding? Is your organization seeking funding for a particular project, or alternatively for general operating revenue? Please explain and indicate the level of funding desired.**

5. **a.) Briefly explain the nature of your program. Indicate who benefits, what specific services are provided, and general information about your organization.**

5. **b.) What percentage of the people served by your organization is in the low-to moderate income bracket? If it is at least 51%, please provide documentation showing this.**

6. **What is the amount of the annual operating budget? Please provide a copy of the revenue and expense report for the most recent fiscal year.**

7. For the consideration of a charitable contribution from the Merchants Bank Foundation, your organization must have a tax-exempt IRS 501(c)(3) status. Please submit written substantiation of your tax-exempt status along with this application.
8. Does your organization have a Board of Directors? If so, please identify the members of the Board.
9. Does your organization have affiliation with a similar regional or national organization? If so, explain.
10. Does your organization receive annual funding from a federal, state or local municipality? If so, what percentage of your budget is from each?
11. Has your organization received contributions from other charitable organizations or foundations? If so, who? Do you receive funding from the local United Way campaign?
12. Please attach any additional information, which you deem pertinent to this request.