

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

**1999**

IRS use only Do not write or staple in this space.

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

For calendar year 1999, or tax year beginning , 1999, and ending OMB No. 1545-0052

Use the IRS label. Otherwise, please print or type. See Specific Instructions.	Name of Organization <b>BELDON II FUND</b>		<b>A</b> Employer Identification Number <b>38-2756784</b>
	Number and Street (or P.O. box number if mail is not delivered to street address) <b>99 MADISON AVENUE</b>	Room/Suite <b>8TH FLOOR</b>	<b>B</b> Telephone Number (see instructions) <b>(212) 616-5600</b>
	City or Town <b>NEW YORK</b>	State ZIP Code + 4 <b>NY 10016</b>	<b>C</b> If exemption application is pending, check here . . . <input type="checkbox"/> G <b>D 1</b> Foreign organizations, check here . . . . . <input type="checkbox"/> G <b>2</b> Organizations meeting the 85% test, check here and attach computation . . . . . <input type="checkbox"/> G <b>E</b> If private foundation status was terminated under section 507(b)(1)(A), check here . . . . . <input type="checkbox"/> G If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . . . <input type="checkbox"/> G <b>F</b> If address changed, check here . . . . . <input type="checkbox"/> G
<b>H</b> 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	<b>J</b> Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column d must be on cash basis.)		<b>G</b>
<b>I</b> Fair market value of all assets at end of year (from Part II, column c, line 16) <b>GS 94,372,912.</b>			

<b>Part I Analysis of Revenue and Expenses</b> (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)
<b>R</b> <b>E</b> <b>V</b> <b>E</b> <b>N</b> <b>U</b> <b>E</b>	<b>1</b> Contributions, gifts, grants, etc. received (att sch) . . . . .				
	<b>2</b> Contributions from split-interest trusts . . . . .		<b>53,009.</b>		
	<b>3</b> Interest on savings and temporary cash investments . . . . .	<b>1,921.</b>	<b>1,921.</b>		
	<b>4</b> Dividends and interest from securities . . . . .	<b>4,837,085.</b>	<b>4,837,085.</b>		
	<b>5a</b> Gross rents . . . . .				
	<b>b</b> (Net rental income or (loss) _____)				
	<b>6</b> Net gain/(loss) from sale of assets not on line 10 . . . . .	<b>6,668,591.</b>			
	<b>7</b> Capital gain net income (from Part IV, line 2) . . . . .		<b>6,668,591.</b>		
	<b>8</b> Net short-term capital gain . . . . .				
	<b>9</b> Income modifications . . . . .				
	<b>10a</b> Gross sales less returns and allowances . . . . .				
	<b>b</b> Less: Cost of goods sold . . . . .				
<b>c</b> Gross profit/(loss) (att sch) . . . . .					
<b>11</b> Other income (attach schedule)					
<b>12 Total.</b> Add lines 1 through 11 . . . . .	<b>11,507,597.</b>	<b>11,560,606.</b>			
<b>A</b> <b>D</b> <b>M</b> <b>I</b> <b>N</b> <b>I</b> <b>S</b> <b>T</b> <b>R</b> <b>A</b> <b>T</b> <b>I</b> <b>V</b> <b>E</b> <b>A</b> <b>N</b> <b>D</b> <b>E</b> <b>X</b> <b>P</b> <b>E</b> <b>N</b> <b>S</b> <b>E</b> <b>S</b>	<b>13</b> Compensation of officers, directors, trustees, etc. . . . .				
	<b>14</b> Other employee salaries and wages . . . . .	<b>421,610.</b>			<b>421,610.</b>
	<b>15</b> Pension plans, employee benefits . . . . .	<b>56,233.</b>			<b>56,233.</b>
	<b>16a</b> Legal fees (attach schedule) . . . <b>L-16a Stmt</b>	<b>31,202.</b>	<b>30,696.</b>		<b>506.</b>
	<b>b</b> Accounting fees (attach sch) . . . <b>L-16b Stmt</b>	<b>23,384.</b>			<b>23,384.</b>
	<b>c</b> Other prof fees (attach sch) . . . <b>L-16c Stmt</b>	<b>538,101.</b>	<b>209,253.</b>		<b>328,848.</b>
	<b>17</b> Interest . . . . .				
	<b>18</b> Taxes (attach schedule) . See Line 18 Stmt . . . . .	<b>1,674,156.</b>	<b>2,347.</b>		<b>25,789.</b>
	<b>19</b> Depreciation (attach schedule) and depletion . . . . .	<b>28,551.</b>			
	<b>20</b> Occupancy . . . . .	<b>185,029.</b>			<b>185,029.</b>
	<b>21</b> Travel, conferences, and meetings . . . . .	<b>120,145.</b>			<b>120,145.</b>
	<b>22</b> Printing and publications . . . . .	<b>2,721.</b>			<b>2,721.</b>
	<b>23</b> Other expenses (attach schedule) See Line 23 Stmt . . . . .	<b>240,652.</b>			<b>240,652.</b>
	<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23 . . . . .	<b>3,321,784.</b>	<b>242,296.</b>		<b>1,404,917.</b>
<b>25</b> Contributions, gifts, grants paid . . . . .	<b>2,401,582.</b>			<b>2,401,582.</b>	
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25 . . . . .	<b>5,723,366.</b>	<b>242,296.</b>		<b>3,806,499.</b>	
<b>27 Subtract line 26 from line 12:</b>					
<b>a Excess of revenue over expenses and disbursements . . . . .</b>	<b>5,784,231.</b>				
<b>b Net investment income</b> (if negative, enter -0-) . . . . .		<b>11,318,310.</b>			
<b>c Adjusted net income</b> (if negative, enter -0-) . . . . .					

<b>Part II Balance Sheets</b> Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>A S S E T S</b>	1 Cash ' non-interest-bearing			
	2 Savings and temporary cash investments	<b>2, 434, 033.</b>	<b>261, 295.</b>	<b>261, 295.</b>
	3 Accounts receivable G			
	Less: allowance for doubtful accounts G			
	4 Pledges receivable G			
	Less: allowance for doubtful accounts G			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch) G			
	Less: allowance for doubtful accounts G			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments ' U.S. and state government obligations (attach schedule) L- 10a. Stmt	<b>33, 988, 014.</b>	<b>26, 187, 533.</b>	<b>25, 371, 824.</b>
	b Investments ' corporate stock (attach schedule) L- 10b. Stmt	<b>703, 480.</b>	<b>12, 223, 393.</b>	<b>28, 971, 481.</b>
	c Investments ' corporate bonds (attach schedule) L- 10c. Stmt	<b>35, 986, 319.</b>	<b>20, 676, 630.</b>	<b>20, 203, 813.</b>
	11 Investments ' land, buildings, and equipment: basis G			
Less: accumulated depreciation (attach schedule) G				
12 Investments ' mortgage loans L- 12. Stmt	<b>0.</b>	<b>18, 287, 834.</b>	<b>17, 899, 818.</b>	
13 Investments ' other (attach schedule) L- 13. Stmt	<b>0.</b>	<b>895, 569.</b>	<b>895, 569.</b>	
14 Land, buildings, and equipment: basis G <b>784, 077.</b>				
Less: accumulated depreciation (attach schedule) L- 14. Stmt G <b>71, 704.</b>	<b>5, 998.</b>	<b>712, 373.</b>	<b>712, 374.</b>	
15 Other assets (describe G <b>See Other Assets Stmt</b> )	<b>11, 000.</b>	<b>56, 738.</b>	<b>56, 738.</b>	
16 <b>Total assets</b> (to be completed by all filers ' see instructions. Also, see page 1, item l)	<b>73, 128, 844.</b>	<b>79, 301, 365.</b>	<b>94, 372, 912.</b>	
<b>L I A B I L I T I E S</b>	17 Accounts payable and accrued expenses			
	18 Grants payable	<b>327, 500.</b>	<b>650, 000.</b>	
	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 G <b>See Other Liab Stmt</b> )	<b>436.</b>	<b>13, 216.</b>	
	23 <b>Total liabilities</b> (add lines 17 through 22)	<b>327, 936.</b>	<b>663, 216.</b>	
<b>N E T A S S E T S O R S</b>	<b>Organizations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> G <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	<b>Organizations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> G <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	<b>72, 800, 908.</b>	<b>78, 638, 149.</b>	
	30 <b>Total net assets or fund balances</b> (see instructions)	<b>72, 800, 908.</b>	<b>78, 638, 149.</b>	
	31 <b>Total liabilities and net assets/fund balances</b> (see instructions)	<b>73, 128, 844.</b>	<b>79, 301, 365.</b>	

**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	<b>72, 800, 908.</b>
2 Enter amount from Part I, line 27a	2	<b>5, 784, 231.</b>
3 Other increases not included in line 2 (itemize) G <b>See Other Increases Stmt</b>	3	<b>53, 010.</b>
4 Add lines 1, 2, and 3	4	<b>78, 638, 149.</b>
5 Decreases not included in line 2 (itemize) G	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) ' Part II, column (b), line 30	6	<b>78, 638, 149.</b>

**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 shares MLC Company)	(b) How acquired P Purchase D Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
<b>1 a STEELCASE STOCK (SEE ATTACHMENT)</b>	<b>D</b>	<b>Various</b>	<b>Various</b>
<b>b OLD KENT BANK FUNDS (SEE ATTACHMENT)</b>	<b>P</b>	<b>Various</b>	<b>Various</b>
<b>c SMITH BARNEY (SEE ATTACHMENT)</b>	<b>P</b>	<b>Various</b>	<b>Various</b>
<b>d</b>			
<b>e</b>			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
<b>a 6,703,332.</b>	<b>0.</b>	<b>2,631.</b>	<b>6,700,701.</b>
<b>b 2,917,154.</b>	<b>0.</b>	<b>2,691,122.</b>	<b>226,032.</b>
<b>c 26,002,110.</b>	<b>0.</b>	<b>26,260,252.</b>	<b>-258,142.</b>
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
<b>a 0.</b>	<b>0.</b>	<b>0.</b>	<b>6,700,701.</b>
<b>b 0.</b>	<b>0.</b>	<b>0.</b>	<b>226,032.</b>
<b>c 0.</b>	<b>0.</b>		<b>-258,142.</b>
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss). <span style="float:right">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	<b>2</b>	<b>6,668,591.</b>
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 <span style="float:right">]</span>	<b>3</b>	

**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 organization liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

If 'Yes,' the organization 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 (column (b) divided by column (c))
<b>1998</b>	<b>1,706,915.</b>	<b>75,242,921.</b>	<b>0.022685</b>
<b>1997</b>	<b>1,101,748.</b>	<b>12,357,970.</b>	<b>0.089153</b>
<b>1996</b>	<b>1,323,158.</b>	<b>12,225,335.</b>	<b>0.108231</b>
<b>1995</b>	<b>1,373,656.</b>	<b>12,127,488.</b>	<b>0.113268</b>
<b>1994</b>	<b>207,990.</b>	<b>3,064,890.</b>	<b>0.067862</b>

<b>2</b> Total of line 1, column (d)	<b>2</b>	<b>0.401199</b>
<b>3</b> Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	<b>3</b>	<b>0.080240</b>
<b>4</b> Enter the net value of noncharitable-use assets for 1999 from Part X, line 5	<b>4</b>	<b>104,386,645.</b>
<b>5</b> Multiply line 4 by line 3	<b>5</b>	<b>8,375,984.</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	<b>113,183.</b>
<b>7</b> Add lines 5 and 6	<b>7</b>	<b>8,489,167.</b>
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	<b>3,806,499.</b>

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)

1 a Exempt operating foundations described in Section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary see instructions).			
b Domestic organizations that meet the Section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	226,366.
c All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of line 12, column (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	226,366.
4 Subtitle A (income) tax (domestic Section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		5	226,366.
6 Credits/Payments:			
a 1999 estimated tax payments and 1998 overpayment credited to 1999	6 a	236,238.	
b Exempt foreign organizations' tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 2758)	6 c	0.	
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	236,238.	
8 Enter any <b>Penalty</b> for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	1,604.	
9 <b>Tax Due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>Amount Owed</b>	9		
10 <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>Amount Overpaid</b>	10	8,268.	
11 Enter the amount on line 10 to be: Credited to 2000 estimated tax <input type="checkbox"/> <b>8,268.</b> Refunded <input type="checkbox"/>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the organization 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)?		X
<i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.</i>		
c Did the organization file <b>Form 1120-POL</b> for this year?		X
d Enter the amount (if any) of tax on political expenditures (Section 4955) imposed during the year: (1) On the organization <input type="checkbox"/> \$ _____ (2) On organization managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers <input type="checkbox"/> \$ _____		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		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 organization have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV.</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> _____ <b>MICHIGAN (INCORPORATED), NEW YORK (OFFICE)</b>		
b If the answer is 'Yes' to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	X	
9 Is the organization claiming status as a private operating foundation within the meaning of Section 4942(j)(3) or 4942(j)(5) for calendar year 1999 or the taxable year beginning in 1999 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV.</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes' attach a schedule listing their names and addresses</i>	X	
11 a Did anyone request to see either the organization's annual return or its exemption application (or both)?	X	
b If 'Yes,' did the organization comply pursuant to the instructions? (See General Instruction Q.)	X	
12 The books are in care of <input type="checkbox"/> <b>BELDON II FUND</b> Telephone no. <input type="checkbox"/> <b>(212) 616-5600</b> Located at <input type="checkbox"/> <b>99 MADISON AVENUE, NEW YORK, NY</b> ZIP + 4 <input type="checkbox"/> <b>10016</b>		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of <b>Form 1041</b> Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <input type="checkbox"/>		

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

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

		Yes	No
<b>1</b>	Self-dealing (section 4941):		
<b>a</b>	During the year did the organization (either directly or indirectly):		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(6) Agree to pay money or property to a government official? ( <b>Exception.</b> Check 'No' if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	<b>b</b> If any answer is 'Yes' to 1a(1)-(6), did <b>any</b> of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <b>1 b</b>		
	Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> G <input type="checkbox"/>		
	<b>c</b> Did the organization 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 1999? <b>1 c</b>		<input checked="" type="checkbox"/>
<b>2</b>	Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation as defined in section 4942(j)(3) or 4942(j)(5)):		
<b>a</b>	At the end of tax year 1999, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1999? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years G 19__ , 19__ , 19__ , 19__ .		
<b>b</b>	Are there any years listed in 2a for which the organization is <b>Not</b> applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to <b>all</b> years listed, answer 'No' and attach statement ' see instructions) <b>2 b</b>		
<b>c</b>	If the provisions of section 4942(a)(2) are being applied to <b>any</b> of the years listed in 2a, list the years here. G 19__ , 19__ , 19__ , 19__ .		
<b>3</b>	Taxes on excess business holdings (section 4943):		
<b>a</b>	Did the organization 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>b</b>	If 'Yes,' did it have excess business holdings in 1999 as a result of (1) any purchase by the organization 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? ( <i>Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 1999.</i> ) <b>3 b</b>		
<b>4</b>	Taxes on investments that jeopardize charitable purposes (section 4944):		
<b>a</b>	Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes? <b>4 a</b>		<input checked="" type="checkbox"/>
<b>b</b>	Did the organization 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 1999? <b>4 b</b>		<input checked="" type="checkbox"/>
<b>5</b>	Taxes on taxable expenditures (section 4945) and political expenditures (section 4955):		
<b>a</b>	During the year did the organization 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)? <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>b</b>	If any answer is 'Yes' to 5a(1)-(5), did <b>any</b> 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)? <b>5 b</b>		
	Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> G <input type="checkbox"/>		
<b>c</b>	If the answer is 'Yes' to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).		

**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
<b>JOHN R HUNTING</b> 2000 P ST NW, WASH, DC	CHARIMAN, PRES, TREAS PART TIME	0.	0.	0.
<b>PATRICIA BAUMAN</b> 2040 S ST NW, WASH, DC	DIRECTOR PART TIME	0.	0.	0.
<b>NEWELL FLATHER</b> 77 SUMMER ST, BOSTON, MA	DIRECTOR PART TIME	0.	0.	0.
See Part VIII, Line 1 Stmt		0.	0.	0.

**2 Compensation of five highest paid employees (other than those included on line 1 see instructions). If none, enter 'None.'**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
<b>WILLIAM J ROBERTS</b> 44 BEEHOLD RD, REDDING, CT	EXEC DIRECTOR 40 HOURS	152,603.	7,492.	0.
<b>RONALD R LAWSON</b> 5800 ARLINGTON AVE, RIVERDALE, NY	COO 40 HOURS	94,346.	3,390.	0.
<b>JULIE HERMAN</b> 40 PARK AVE, #2G, NEW YORK, NY	PROG OFFICER 40 HOURS	66,451.	3,049.	0.

Total number of other employees paid over \$50,000 ..... **G** **3**

**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
<b>NONE</b>		

Total number of others receiving over \$50,000 for professional services ..... **G** **None**

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
<b>1</b> -----	
<b>2</b> -----	
<b>3</b> -----	
<b>4</b> -----	

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

Describe any program-related investments made by the foundation during the tax year.	Amount
1 ----- -----	
2 ----- -----	
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	<b>1 a</b>	<b>91, 132, 323.</b>
b Average of monthly cash balances	<b>1 b</b>	<b>14, 843, 966.</b>
c Fair market value of all other assets (see instructions)	<b>1 c</b>	
d Total (add lines 1a, b and c)	<b>1 d</b>	<b>105, 976, 289.</b>
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1 e</b>	
2 Acquisition indebtedness applicable to line 1 assets	<b>2</b>	
3 Subtract line 2 from line 1d	<b>3</b>	<b>105, 976, 289.</b>
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	<b>1, 589, 644.</b>
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	<b>104, 386, 645.</b>
6 Minimum investment return. Enter 5% of line 5	<b>6</b>	<b>5, 219, 332.</b>

**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	<b>1</b>	<b>5, 219, 332.</b>
2 a Tax on investment income for 1999 from Part VI, line 5	<b>2 a</b>	<b>226, 366.</b>
b Income tax for 1999. (This does not include the tax from Part VI.)	<b>2 b</b>	
c Add lines 2a and 2b	<b>2 c</b>	<b>226, 366.</b>
3 Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	<b>4, 992, 966.</b>
4 a Recoveries of amounts treated as qualifying distributions	<b>4 a</b>	
b Income distributions from section 4947(a)(2) trusts	<b>4 b</b>	
c Add lines 4a and 4b	<b>4 c</b>	
5 Add lines 3 and 4c	<b>5</b>	<b>4, 992, 966.</b>
6 Deduction from distributable amount (see instructions)	<b>6</b>	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	<b>4, 992, 966.</b>

**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	<b>1 a</b>	<b>3, 806, 499.</b>
b Program-related investments total of lines 1 - 3 of Part IX-B	<b>1 b</b>	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	<b>3 a</b>	
b Cash distribution test (attach the required schedule)	<b>3 b</b>	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	<b>3, 806, 499.</b>
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	<b>6</b>	<b>3, 806, 499.</b>

**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 1998	(c) 1998	(d) 1999
<b>1</b> Distributable amount for 1999 from Part XI, line 7				<b>4,992,966.</b>
<b>2</b> Undistributed income, if any, as of the end of 1998:				
<b>a</b> Enter amount for 1998 only			<b>0.</b>	
<b>b</b> Total for prior years: 19 ____, 19 ____, 19 ____				
<b>3</b> Excess distributions carryover, if any, to 1999:				
<b>a</b> From 1994	<b>0.</b>			
<b>b</b> From 1995	<b>247,330.</b>			
<b>c</b> From 1996	<b>734,143.</b>			
<b>d</b> From 1997	<b>506,247.</b>			
<b>e</b> From 1998	<b>0.</b>			
<b>f</b> Total of lines 3a through e	<b>1,487,720.</b>			
<b>4</b> Qualifying distributions for 1999 from Part XII, line 4: <b>G \$ 3,806,499.</b>				
<b>a</b> Applied to 1998, but not more than line 2a				
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)				
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)				
<b>d</b> Applied to 1999 distributable amount				<b>3,806,499.</b>
<b>e</b> Remaining amount distributed out of corpus	<b>0.</b>			
<b>5</b> Excess distributions carryover applied to 1999 (If an amount appears in column (d), the same amount must be shown in column (a).)	<b>1,186,467.</b>			<b>1,186,467.</b>
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	<b>301,253.</b>			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		<b>0.</b>		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		<b>0.</b>		
<b>e</b> Undistributed income for 1998. Subtract line 4a from line 2a. Taxable amount - see instructions			<b>0.</b>	
<b>f</b> Undistributed income for 1999. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2000				<b>0.</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see instructions)				
<b>8</b> Excess distributions carryover from 1994 not applied on line 5 or line 7 (see instructions)	<b>0.</b>			
<b>9</b> Excess distributions carryover to 2000. Subtract lines 7 and 8 from line 6a	<b>301,253.</b>			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 1995	<b>0.</b>			
<b>b</b> Excess from 1996	<b>0.</b>			
<b>c</b> Excess from 1997	<b>301,253.</b>			
<b>d</b> Excess from 1998	<b>0.</b>			
<b>e</b> Excess from 1999	<b>0.</b>			



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

**1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1999, enter the date of the ruling G

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

	Tax year				(e) Total
	(a) 1999	(b) 1998	(c) 1997	(d) 1996	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> 'Assets' alternative test ' enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> 'Endowment' alternative test ' Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> 'Support' alternative test ' enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> Gross investment income					

**Part XV Supplementary Information** (Complete this part only if the organization had \$5,000 or more in assets at any time during the year.)

**1 Information Regarding Foundation Managers:**

**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)  
**NONE**

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**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.  
**NONE**

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**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**

Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc, (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number of the person to whom applications should be addressed:  
**BELDON II FUND**  
**99 MADISON AVENUE, 8TH FLOOR**  
**NEW YORK NY 10016 (212) 616-5600**

---

**b** The form in which applications should be submitted and information and materials they should include:  
**NO FORM PRESCRIBED**

---

**c** Any submission deadlines:  
**NONE**

---

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:  
**NONE**

**Part XV** **Supplementary Information** (continued)

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i> <b>NEW 1999                      GRANTS PAID</b>	<b>STMT</b>	<b>STMT</b>	<b>VARIOUS</b>	<b>1, 751, 582.</b>
<b>Total</b> ..... <b>G 3 a</b>				<b>1, 751, 582.</b>
<i>b Approved for future payment</i> <b>1999 GRANTS PAYABLE</b>	<b>STMT</b>	<b>STMT</b>	<b>VARIOUS</b>	<b>650, 000.</b>
<b>Total</b> ..... <b>G 3 b</b>				<b>650, 000.</b>





# Underpayment of Estimated Tax by Corporations

G See separate instructions for Paperwork Reduction Act Notice.

G Attach to the corporation's tax return.

**1999**

Name <b>BELDON II FUND</b>	Employer Identification Number <b>38-2756784</b>
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**Note:** In most cases, the corporation **does not** need to file Form 2220. (See Part I below for exceptions.) The IRS will figure any penalty owed and bill the corporation. If the corporation does not need to file Form 2220, it may still use it to figure the penalty. Enter the amount from line 34 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

**Part I Reasons for Filing** Check the boxes below that apply to the corporation. If any box or the note below applies, the corporation must file Form 2220, even if it does not owe the penalty. If the box on line 1 or line 2 or the waiver applies, the corporation may be able to lower or eliminate the penalty. See instructions.

- 1  The corporation is using the annualized income installment method.
- 2  The corporation is using the adjusted seasonal installment method.
- 3  The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax.

**Note:** The corporation must also file Form 2220 if it is claiming a waiver of the penalty. See **Waiver of penalty for corporations claiming the research credit** in the instructions.

**Part II Figuring the Underpayment**

4 Total tax (see instructions) .....	4	<b>226,366.</b>			
5 a Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 4 .....	5 a				
b Interest due under the look-back method of section 460(b)(2) for completed long-term contracts included on line 4 .....	5 b				
c Credit for federal tax paid on fuels (see instructions) .....	5 c				
d <b>Total.</b> Add lines 5a through 5c .....	5 d				
6 Subtract line 5d from line 4. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation does not owe the penalty .....	6	<b>226,366.</b>			
7 Enter the tax shown on the corporation's 1998 income tax return. ( <b>Caution: See the instructions before completing this line.</b> ) .....	7	<b>1,433,919.</b>			
8 Enter the <b>smaller</b> of line 6 or line 7. If the corporation must skip line 7, enter the amount from line 6 on line 8 .....	8	<b>226,366.</b>			
		(a) (b) (c) (d)			
9 <b>Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Enter 5th month), 6th, 9th, and 12th months of the corporation's tax year .....	9	<b>05/15/99</b>	<b>06/15/99</b>	<b>09/15/99</b>	<b>12/15/99</b>
10 <b>Required installments.</b> If the box on line 1 and/or line 2 above is checked, enter the amounts from Schedule A, line 41. If the box on line 3 (but not 1 or 2) is checked, see the instructions for the amounts to enter. If none of these boxes are checked, enter 25% of line 8 above in each column .....	10	<b>56,590.</b>	<b>56,592.</b>	<b>56,592.</b>	<b>56,592.</b>
11 <b>Estimated tax paid or credited for each period</b> (see instructions). For column (a) only, enter the amount from line 11 on line 15 .....	11		<b>52,684.</b>	<b>122,630.</b>	<b>60,241.</b>
<b>Complete lines 12 through 18 of one column before going to the next column.</b>					
12 Enter amount, if any, from line 18 of the preceding column .....	12				<b>5,540.</b>
13 Add lines 11 and 12 .....	13		<b>52,684.</b>	<b>122,630.</b>	<b>65,781.</b>
14 Add amounts on lines 16 and 17 of the preceding column .....	14		<b>56,590.</b>	<b>60,498.</b>	<b>0.</b>
15 Subtract line 14 from line 13. If zero or less, enter -0- .....	15		<b>0.</b>	<b>62,132.</b>	<b>65,781.</b>
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0- .....	16		<b>3,906.</b>	<b>0.</b>	
17 <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18 .....	17	<b>56,590.</b>	<b>56,592.</b>		
18 <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column .....	18			<b>5,540.</b>	<b>9,189.</b>

**Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.**

**Part III Figuring the Penalty**

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see instructions). <i>(Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)</i> . . . . .	<b>See Stmt</b>			
20 Number of days from due date of installment on line 9 to the date shown on line 19 . . . . .	20			
21 Number of days on line 20 after 4/15/1999 and before 1/1/2000 . . . . .	21			
22 Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 21}}{365}$ <input checked="" type="checkbox"/> 8% . . . . .	22			
23 Number of days on line 20 after 12/31/1999 and before 4/1/2000 . . . . .	23			
24 Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 23}}{366}$ <input checked="" type="checkbox"/> 8% . . . . .	24			
25 Number of days on line 20 after 3/31/2000 and before 7/1/2000 . . . . .	25			
26 Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 25}}{366}$ <input type="checkbox"/> ____ *% . . . . .	26			
27 Number of days on line 20 after 6/30/2000 and before 10/1/2000 . . . . .	27			
28 Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 27}}{366}$ <input type="checkbox"/> ____ *% . . . . .	28			
29 Number of days on line 20 after 9/30/2000 and before 1/1/2001 . . . . .	29			
30 Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 29}}{366}$ <input type="checkbox"/> ____ *% . . . . .	30			
31 Number of days on line 20 after 12/31/2000 and before 2/16/2001 . . . . .	31			
32 Underpayment on line 17 <input checked="" type="checkbox"/> $\frac{\text{Number of days on line 31}}{365}$ <input type="checkbox"/> ____ *% . . . . .	32			
33 Add lines 22, 24, 26, 28, 30, and 32 . . . . .	33			
34 <b>Penalty.</b> Add columns (a) through (d), of line 33. Enter the total here and on Form 1120, line 33; Form 1120-A, line 29; or the comparable line for other income tax returns . . . . .			<b>34</b>	<b>1,604.</b>

\*For underpayments paid after March 31, 2000: For lines 26, 28, 30, and 32 use the penalty interest rate for each calendar quarter that the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS's web site at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-1040 to get interest rate information.

**Depreciation and Amortization**  
**(Including Information on Listed Property)**

Department of the Treasury  
Internal Revenue Service (99)

G See instructions.  
G Attach this form to your return.

**1999**  
**67**

Name(s) Shown on Return

Business or Activity to Which This Form Relates

Identifying Number

**BELDON II FUND**

**Form 990-PF page 1**

**38-2756784**

**Part I Election to Expense Certain Tangible Property (Section 179)**

(Note: If you have any 'listed property,' complete Part V before you complete Part I.)

1	Maximum dollar limitation. If an enterprise zone business, see instructions	1	<b>\$19,000.</b>
2	Total cost of Section 179 property placed in service. See instructions	2	
3	Threshold cost of Section 179 property before reduction in limitation	3	<b>\$200,000.</b>
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter amount from line 27	7	
8	Total elected cost of Section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1998. See instructions	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2000. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

**Part II MACRS Depreciation for Assets Placed in Service Only During Your 1999 Tax Year**  
(Do Not Include Listed Property)

**Section A General Asset Account Election**

14 If you are making the election under Section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See instructions

**Section B General Depreciation System (GDS) (See instructions)**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15 a 3-year property						
b 5-year property		<b>81,968.</b>	<b>5.0 yrs</b>	<b>HY</b>	<b>200DB</b>	<b>16,394.</b>
c 7-year property		<b>67,608.</b>	<b>7.0 yrs</b>	<b>HY</b>	<b>200DB</b>	<b>9,658.</b>
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			<b>25 yrs</b>		<b>S/L</b>	
h Residential rental property			<b>27.5 yrs</b>	<b>MM</b>	<b>S/L</b>	
i Nonresidential real property			<b>27.5 yrs</b>	<b>MM</b>	<b>S/L</b>	
			<b>39 yrs</b>	<b>MM</b>	<b>S/L</b>	

**Section C Alternative Depreciation System (ADS) (See instructions)**

16 a Class life					<b>S/L</b>	
b 12-year			<b>12 yrs</b>		<b>S/L</b>	
c 40-year			<b>40 yrs</b>	<b>MM</b>	<b>S/L</b>	

**Part III Other Depreciation (Do Not Include Listed Property) (See instructions)**

17	GDS and ADS deductions for assets placed in service in tax years beginning before 1999	17	<b>2,244.</b>
18	Property subject to Section 168(f)(1) election	18	
19	ACRS and other depreciation	19	<b>173.</b>

**Part IV Summary (See instructions)**

20	Listed property. Enter amount from line 26	20	<b>82.</b>
21	<b>Total.</b> Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	<b>28,551.</b>
22	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to Section 263A costs	22	

**Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement**

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A - Depreciation and Other Information (Caution: See instructions for limits for passenger automobiles.)**

23 a Do you have evidence to support the business/investment use claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No									23 b If 'Yes,' is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected Section 179 cost			
24 Property used more than 50% in a qualified business use (see instructions):											
SPRINT PCS AND HANDSET	06/17/99	100.00	575.	575.	7.00	200DB/HY	82.				
25 Property used 50% or less in a qualified business use (see instructions):											
26 Add amounts in column (h). Enter the total here and on line 20, page 1									26	82.	
27 Add amounts in column (i). Enter the total here and on line 7, page 1									27		

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
28 Total business/investment miles driven during the year (Do not include commuting miles - see instructions)												
29 Total commuting miles driven during the year												
30 Total other personal (noncommuting) miles driven												
31 Total miles driven during the year. Add lines 28 through 30												
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 Is another vehicle available for personal use?												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
37 Do you treat all use of vehicles by employees as personal use?		
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
39 Do you meet the requirements concerning qualified automobile demonstration use? See instructions		

Note: If your answer to 35, 36, 37, 38, or 39 is 'Yes,' you need not complete Section B for the covered vehicles.

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code Section	(e) Amortization period or percentage	(f) Amortization for this year
40 Amortization of costs that begins during your 1999 tax year:					
ULTRA CONSTRUCTION (10 YEAR LEASE PERIOD 6/99-5/09)	06/01/99	621,196.	178	10.00 yrs	36,421.
41 Amortization of costs that began before 1999					41
42 Total. Enter here and on 'Other Deductions' or 'Other Expenses' line of your return					42 <b>36,421.</b>





Form 990-PF, Page 1, Part I, Line 18

**Line 18 Stmt**

Taxes: (see instructions)	Rev/Exp Book	Net Inv Inc.	Adj Net Inc.	Charity Disb
<b>PAYROLL TAXES</b>	<b>25,789.</b>			<b>25,789.</b>
<b>FOREIGN TAXES PAID</b>	<b>2,347.</b>	<b>2,347.</b>		
<b>EXCISE TAXES</b>	<b>1,646,020.</b>			
<b>Total</b>	<b>1,674,156.</b>	<b>2,347.</b>		<b>25,789.</b>

Form 990-PF, Page 1, Part I, Line 23

**Line 23 Stmt**

Other expenses:	Rev/Exp Book	Net Inv Inc.	Adj Net Inc.	Charity Disb
<b>BANK CHARGES</b>	<b>790.</b>			<b>790.</b>
<b>INSURANCE</b>	<b>2,619.</b>			<b>2,619.</b>
<b>MEMBERSHIPS</b>	<b>6,220.</b>			<b>6,220.</b>
<b>OFFICE SUPPLIES</b>	<b>14,587.</b>			<b>14,587.</b>
<b>POSTAGE AND DELIVERY</b>	<b>2,436.</b>			<b>2,436.</b>
<b>REPAIRS AND MAINTENANCE</b>	<b>2,567.</b>			<b>2,567.</b>
<b>TELEPHONE</b>	<b>22,905.</b>			<b>22,905.</b>
<b>DUES AND SUBSCRIPTIONS</b>	<b>5,035.</b>			<b>5,035.</b>
<b>Amortization</b>	<b>36,421.</b>			<b>36,421.</b>
<b>INTEREST EXPENSE</b>	<b>193.</b>			<b>193.</b>
<b>FOUNDATION DIRECTED PROJECTS</b>	<b>15,917.</b>			<b>15,917.</b>
<b>MOVING</b>	<b>130,962.</b>			<b>130,962.</b>
<b>Total</b>	<b>240,652.</b>			<b>240,652.</b>

Form 990-PF, Page 1, Part I, Line 16a

**L-16a Stmt**

Line 16a - Legal Fees: Name of Provider	Type of Service Provided	Amount Paid
<b>PERKINS COIE</b>	<b>LEGAL ADVICE NON-PROFITS AND INVESTMENT POLICIES</b>	<b>29,635.</b>
<b>WASHINGTON POST</b>	<b>LEGAL AD FOR 1998 990 FORM</b>	<b>14.</b>
<b>WARNER NORCROSS AND JUDD</b>	<b>PROGRAM RELATED INVESTMENTS AND PAYOUT REQUIREMENTS</b>	<b>1,061.</b>
<b>WOOD RAFALSKY &amp; WOOD</b>	<b>GENERAL LEGAL ADVICE</b>	<b>492.</b>
<b>Total</b>		<b>31,202.</b>

Form 990-PF, Page 1, Part I, Line 16b

**L-16b Stmt**

Line 16b - Accounting Fees: Name of Provider	Type of Service Provided	Amount Paid
<b>MCGUIRE ASSOCIATES</b>	<b>FINANCIAL STMTS, REVIEW, TAXES</b>	<b>13,184.</b>
<b>BOND BEEBE</b>	<b>ANNUAL AUDIT AND REVIEW</b>	<b>10,200.</b>
<b>Total</b>		<b>23,384.</b>

Form 990-PF, Page 1, Part I, Line 16c

**L-16c Stmt**

Line 16c - Other Professional Fees: Name of Provider	Type of Service Provided	Amount Paid
PAUL SINGER	GENERAL CONSULTING	1,500.
CORBIN CREATIVE COMPUTING	COMPUTER CONSULTING	23,790.
ISAACSON MILLER	EXECUTIVE EMPLOYEE SEARCH	37,758.
CMS PENSION ASSOCIATES INC	401K PLAN ADMINISTRATION	1,342.
CAVANAUGH, HAGAN & PIERSON	BOARD MEETING FACILITATION	12,039.
GALLAGHER WOOD DESIGN	ANNUAL REPORT DESIGNED/PRODUCED	484.
COMPLETE CONSULTING SERVICES	401K PLAN FILING	800.
CROXTON COLLAB ARCHITECTS	ARCHITECT PLANS FOR NEW OFFICE SPACE	9,603.
TENISE WHELAN	STATE RESEARCH	2,025.
JIFFY COMP	NETWORK AND EMAIL CONSULTING	4,438.
KRANTZ ASSOCIATES	INFRASTRUCTURE, INTERNET, NETWORK, INSTALLATION CONSUL	108,272.
JOMALI MORALES	TEMPORARY ADMIN ASSISTANT	3,600.
LARAE BROWN	TEMPORARY ADMIN ASSISTANT	3,571.
SA GAVISH INC	RELOCATION PLAN	3,750.
PATTY JOFFEE	EMPLOYEE SEARCH	2,200.
PHILLIPS OPPENHEIM GROUP	EMPLOYEE SEARCH	66,000.
MISCELLANEOUS	GENERAL CONSULTANTS	1,134.
WHELAN ASSOCIATES	POLLING RESEARCH	2,160.
HEADWATERS GROUP	EVALUATION REPORTS	45,700.
SMITH BARNEY	INVESTMENT FEES	207,935.
Total		<u>538,101.</u>

Form 990-PF, Page 2, Part III, Line 3

**Other Increases Stmt**

SPLIT INTEREST TRUST CONTRIBUTION	53,009.
ROUNDING	1.
Total	<u>53,010.</u>

Form 990-PF, Page 2, Part II, Line 10a

**L-10a Stmt**

Line 10a Investments in US/State Government Obligations:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
UNITED STATES TREASURY BILLS	33,988,014.	26,187,533.	25,371,824.
Total	<u>33,988,014.</u>	<u>26,187,533.</u>	<u>25,371,824.</u>

Form 990-PF, Page 2, Part II, Line 10b

**L-10b Stmt**

Line 10b ' Investments in Corporate Stock:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
<b>STEELCASE INC CLASS B PREFERRED</b>	<b>14, 826.</b>	<b>12, 194.</b>	<b>21, 074, 652.</b>
<b>KENT GROWTH AND INCOME FUND</b>	<b>239, 158.</b>	<b>0.</b>	<b>0.</b>
<b>KENT INDEX EQUITY FUND</b>	<b>50, 428.</b>	<b>0.</b>	<b>0.</b>
<b>KENT SMALL CO GROWTH FUND</b>	<b>224, 334.</b>	<b>0.</b>	<b>0.</b>
<b>KENT INTL GROWTH FUND</b>	<b>174, 734.</b>	<b>0.</b>	<b>0.</b>
<b>SMITH BARNEY STOCKS</b>	<b>0.</b>	<b>12, 211, 199.</b>	<b>7, 896, 829.</b>
Total	<u><b>703, 480.</b></u>	<u><b>12, 223, 393.</b></u>	<u><b>28, 971, 481.</b></u>

Form 990-PF, Page 2, Part II, Line 10c

**L- 10c Stmt**

Line 10c ' Investments in Corporate Bonds:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
<b>KENT INCOME FUND</b>	<b>941, 655.</b>	<b>0.</b>	<b>0.</b>
<b>KENT INTERMEDIATE BOND FUND</b>	<b>947, 382.</b>	<b>0.</b>	<b>0.</b>
<b>KENT SHORT- TERM BOND FUND</b>	<b>113, 431.</b>	<b>0.</b>	<b>0.</b>
<b>GENERAL ELECTRIC CAP CORP DISC</b>	<b>33, 983, 851.</b>	<b>0.</b>	<b>0.</b>
<b>SMITH BARNEY CORP BONDS</b>	<b>0.</b>	<b>20, 676, 630.</b>	<b>20, 203, 813.</b>
Total	<u><b>35, 986, 319.</b></u>	<u><b>20, 676, 630.</b></u>	<u><b>20, 203, 813.</b></u>

Form 990-PF, Page 2, Part II, Line 12

**L-12 Stmt**

Line 12 ' Investments ' Mortgage loans:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
<b>SMITH BARNEY MORTGAGE &amp; ASSET BACKED SECURITIES</b>	<b>0.</b>	<b>18, 287, 834.</b>	<b>17, 899, 818.</b>
Total	<u><b>0.</b></u>	<u><b>18, 287, 834.</b></u>	<u><b>17, 899, 818.</b></u>

Form 990-PF, Page 2, Part II, Line 13

**L-13 Stmt**

Line 13 ' Investments ' Other:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
<b>CITIZEN' S FUND</b>	<b>0.</b>	<b>895, 569.</b>	<b>895, 569.</b>
Total	<u><b>0.</b></u>	<u><b>895, 569.</b></u>	<u><b>895, 569.</b></u>

Form 990-PF, Page 2, Part II, Line 14  
**L-14 Stmt**

Line 14b - Description of Land, Buildings, and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
<b>COMPUTERS, EQUIPMENT, FURNITURE, LEASEHOLDS</b>	<b>784,077.</b>	<b>71,704.</b>	<b>712,373.</b>
<b>Total</b>	<b><u>784,077.</u></b>	<b><u>71,704.</u></b>	<b><u>712,373.</u></b>

Form 990-PF, Page 2, Part II, Line 15  
**Other Assets Stmt**

Line 15 ' Other Assets:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
<b>SECURITY DEPOSIT</b>	<b>11,000.</b>	<b>55,950.</b>	<b>55,950.</b>
<b>TRAVEL ADVANCES</b>	<b>0.</b>	<b>788.</b>	<b>788.</b>
<b>Total</b>	<b><u>11,000.</u></b>	<b><u>56,738.</u></b>	<b><u>56,738.</u></b>

Form 990-PF, Page 2, Part II, Line 22  
**Other Liab Stmt**

Line 22 ' Other Liabilities:	Beginning Book Value	End of Year	
		Book Value	Fair Market Value
<b>PENSION PAYABLE</b>	<b>167.</b>	<b>257.</b>	
<b>PAYROLL TAXES PAYABLE</b>	<b>269.</b>	<b>12,959.</b>	
<b>Total</b>	<b><u>436.</u></b>	<b><u>13,216.</u></b>	

Form 990-PF, Page 6, Part VIII, Compensation  
**Part VIII, Line 1 Stmt**

(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
<b>LAEL STEGALL</b> RR2 BOX 498, DEER ISLE, ME	<b>DIRECTOR</b> <b>PART TIME</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
<b>DIANE IVES</b> 122 PARK AVE, TAKOMA PARK, MD	<b>DIRECTOR</b> <b>PART TIME</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
<b>GENE KARPINSKI</b> 218 D ST SE, WASH, DC	<b>DIRECTOR</b> <b>PART TIME</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
<b>ROGER MILLIKEN</b> 70 BLANCHARD RD, CUMBERLAND, ME	<b>VICE CHAIR</b> <b>PART TIME</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
<b>HOLLY SCHADLER</b> 607 14TH STREET NW, WASH, DC	<b>SECRETARY</b> <b>PART TIME</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>

Form 990-PF, Page 6, Part VIII, Compensation  
**Part VIII, Line 1 Stmt**

Continued

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

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**Supporting Statement of:**

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**Form 990- PF, p1/Line 16c (b)**

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<b>Description</b>	<b>Amount</b>
<u>INVESTMENT FEES</u>	<u>207,935.</u>
<u>ACCOUNTING REVIEW OF INVESTMENTS AND REPORTING</u>	<u>1,318.</u>
Total	<u><u>209,253.</u></u>