

Form 990-PF

Department of the Treasury Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

2005

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

For calendar year 2005, or tax year beginning 2005, and ending

G Check all that apply Initial return Final return Amended return Address change Name change

Name of organization: ALLEGHENY FOUNDATION
Employer identification number: 25-6012303
Number and street: 301 GRANT STREET
Room/suite: 3900
City or town, state, and ZIP code: PITTSBURGH, PA 15219-6402

H Check type of organization: Section 501(c)(3) exempt private foundation
I Fair market value of all assets at end of year: \$ 47,002,956
J Accounting method: Cash

Part I Analysis of Revenue and Expenses
(a) Revenue and expenses per books
(b) Net investment income
(c) Adjusted net income
(d) Disbursements for charitable purposes

Table with 4 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Revenue (1-12) and Operating and Administrative Expenses (13-27).

SCANNED MAY 25 2006

RECEIVED MAY 17 2006 IR-OSC ACDEN, UT

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing		14,575.	18,168.	18,168.
	2	Savings and temporary cash investments	STMT 11A	102,173.	37,836.	37,836.
	3	Accounts receivable	NONE			
		Less allowance for doubtful accounts		10,000.	NONE	NONE
	4	Pledges receivable				
		Less allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable (attach schedule)				
		Less allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges	STMT 10	32,191.	2,042.	2,042.
	10 a	Investments - U.S. and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)	STMT 11	12,262,182.	13,188,848.	46,924,302.
	c	Investments - corporate bonds (attach schedule)				
	11	Investments - land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	Investments - mortgage loans					
13	Investments - other (attach schedule)	STMT 12	507,197.	NONE	NONE	
14	Land, buildings, and equipment basis		189,479.			
	Less accumulated depreciation (attach schedule)	STMT 7A	168,871.	30,826.	20,608.	
15	Other assets (describe)					
16	Total assets (to be completed by all filers - see page 16 of the instructions Also, see page 1, item I)		12,959,144.	13,267,502.	47,002,956.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable		457,000.	690,000.	
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
23	Total liabilities (add lines 17 through 22)		457,000.	690,000.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted		12,502,144.	12,577,502.	
	25	Temporarily restricted				
	26	Permanently restricted				
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see page 17 of the instructions)		12,502,144.	12,577,502.	
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)		12,959,144.	13,267,502.		

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	12,502,144.
2	Enter amount from Part I, line 27a	2	105,018.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	12,607,162.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 13	5	29,660.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	12,577,502.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)				(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a	SEE STATEMENT 17					
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
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						
b						
c						
d						
e						
2	Capital gain net income or (net capital loss)			2	387,389.	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8				3	

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 page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2004	1,775,190.	38,372,308.	0.04626226809
2003	1,617,097.	32,974,859.	0.04904030067
2002	1,800,741.	36,647,655.	0.04913659551
2001	1,670,245.	40,204,630.	0.04154359834
2000	1,807,960.	36,857,033.	0.04905332450
2	Total of line 1, column (d)		2 0.23503608711
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3 0.04700721742
4	Enter the net value of noncharitable-use assets for 2005 from Part X, line 5		4 45,252,771.
5	Multiply line 4 by line 3		5 2,127,207.
6	Enter 1% of net investment income (1% of Part I, line 27b)		6 17,442.
7	Add lines 5 and 6		7 2,144,649.
8	Enter qualifying distributions from Part XII, line 4		8 2,395,969.

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 on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

Table with 11 rows for excise tax calculation. Includes items like 'Exempt operating foundations', 'Domestic organizations that meet the section 4940(e) requirements', 'Tax under section 511', 'Credits/Payments', and 'Total credits and payments'. Total tax due is 12,269.

Part VII-A Statements Regarding Activities

Table with 13 rows for activity statements. Includes questions about political campaigns, political expenditures, unrelated business income, and charitable status. Includes a section for books in care of ALLEGHENY FOUNDATION.

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.

Table with columns for question descriptions, Yes/No checkboxes, and Yes/No columns. Includes questions 1a through 6b regarding disqualifying activities, disaster assistance, and business holdings.

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 21 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15		57,800.	11,400.	NONE

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 21 of the instructions). If none, enter "NONE."

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

Total number of other employees paid over \$50,000 **NONE**

3 Five highest-paid independent contractors for professional services - (see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
SEE STATEMENT 16		56,135.

Total number of others receiving over \$50,000 for professional services **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
1 NOT APPLICABLE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 22 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 <u>NOT APPLICABLE</u>	
2	
All other program-related investments See page 22 of the instructions	
3 <u>NONE</u>	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 of the 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	45,920,018.
b Average of monthly cash balances	1b	21,882.
c Fair market value of all other assets (see page 23 of the instructions)	1c	NONE
d Total (add lines 1a, b, and c)	1d	45,941,900.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	NONE
2 Acquisition indebtedness applicable to line 1 assets	2	NONE
3 Subtract line 2 from line 1d	3	45,941,900.
4 Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 23 of the instructions)	4	689,129.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	45,252,771.
6 Minimum investment return. Enter 5% of line 5	6	2,262,639.

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1 Minimum investment return from Part X, line 6	1	2,262,639.
2a Tax on investment income for 2005 from Part VI, line 5	2a	17,442.
b Income tax for 2005 (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	17,442.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	2,245,197.
4 Recoveries of amounts treated as qualifying distributions	4	NONE
5 Add lines 3 and 4	5	2,245,197.
6 Deduction from distributable amount (see page 24 of the instructions)	6	NONE
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	2,245,197.

Part XII Qualifying Distributions (see page 24 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc - total from Part I, column (d), line 26	1a	2,395,969.
b Program-related investments - total from Part IX-B	1b	NONE
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3 Amounts set aside for specific charitable projects that satisfy the		
a Suitability test (prior IRS approval required)	3a	NONE
b Cash distribution test (attach the required schedule)	3b	NONE
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	2,395,969.
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 page 24 of the instructions)	5	17,442.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,378,527.

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 page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2004	(c) 2004	(d) 2005
1 Distributable amount for 2005 from Part XI, line 7				2,245,197.
2 Undistributed income, if any, as of the end of 2004				
a Enter amount for 2004 only			49,553.	
b Total for prior years <u>2003</u>		NONE		
3 Excess distributions carryover, if any, to 2005				
a From 2000	NONE			
b From 2001	NONE			
c From 2002	NONE			
d From 2003	NONE			
e From 2004	NONE			
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2005 from Part XII, line 4 ▶ \$ <u>2,395,969.</u>				
a Applied to 2004, but not more than line 2a			49,553.	
b Applied to undistributed income of prior years (Election required - see page 25 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 25 of the instructions)	NONE			
d Applied to 2005 distributable amount				2,245,197.
e Remaining amount distributed out of corpus	101,219.	STATEMENT 21		
5 Excess distributions carryover applied to 2005 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	101,219.			
b Prior years' undistributed income Subtract line 4b from line 2b		NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see page 25 of the instructions		NONE		
e Undistributed income for 2004 Subtract line 4a from line 2a Taxable amount - see page 25 of the instructions				
f Undistributed income for 2005 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2006				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	1,000,000.	STATEMENT 21		
8 Excess distributions carryover from 2000 not applied on line 5 or line 7 (see page 25 of the instructions)				
9 Excess distributions carryover to 2006. Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9				
a Excess from 2001	NONE			
b Excess from 2002	NONE			
c Excess from 2003	NONE			
d Excess from 2004	NONE			
e Excess from 2005	NONE			

Part XIV Private Operating Foundations (see page 26 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

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 2005, enter the date of the ruling

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	Prior 3 years			(e) Total
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year - see page 26 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NOT APPLICABLE

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

NOT APPLICABLE

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 page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

SEE STATEMENT 18

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

SEE STATEMENT 18

c Any submission deadlines

SEE STATEMENT 18

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

SEE STATEMENT 18

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 19				2,061,500.
Total ▶ 3a				2,061,500.
b Approved for future payment SEE STATEMENT 19				690,000.
Total ▶ 3b				690,000.

Part XVI-A Analysis of Income-Producing Activities

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, and (e) Related or exempt function income. Rows include Program service revenue, Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income, Gain or (loss) from sales of assets, and Subtotal/Total.

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

Table with 2 columns: Line No. and Explanatory text. The first row contains 'NOT APPLICABLE'.

Schedule of Contributors

2005

Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

Name of organization
ALLEGHENY FOUNDATION

Employer identification number
25-6012303

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 foundation

Check 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 organizations 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 Form 990-EZ, that met the 33 1/3% support test under Regulations sections 1.509(a)-3/1.170A-9(e) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests 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 Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate 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: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization ALLEGHENY FOUNDATION

Employer identification number
25-6012303

Part I Contributors (See Specific Instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	RICHARD M. SCAIFE ONE OXFORD CTR, 301 GRANT ST, STE 3900 PITTSBURGH, PA 15219-6402	1,000,000.	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)

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS AND GRANTS RECEIVED

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NAME AND ADDRESS -----	DATE ----	DIRECT PUBLIC SUPPORT -----
RICHARD M. SCAIFE ONE OXFORD CTR, 301 GRANT ST, STE 3900 PITTSBURGH, PA 15219-6402	04/12/2005	1,000,000.
TOTAL CONTRIBUTION AMOUNTS		----- 1,000,000. =====

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME
DIVIDEND INCOME	1,428,982.	1,428,982.	NONE
INTEREST INCOME	12,254.	12,254.	NONE
TOTAL	1,441,236.	1,441,236.	NONE

FORM 990PF, PART I - OTHER INCOME

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
OTHER INCOME	2,442.	2,442.
	-----	-----
TOTALS	2,442.	2,442.
	=====	=====

FORM 990PF, PART I - LEGAL FEES

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DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
-----	-----	-----	-----	-----
LEGAL FEES	1,286.	NONE	NONE	1,286.
TOTALS	1,286.	NONE	NONE	1,286.
	=====	=====	=====	=====

FORM 990PF, PART I - ACCOUNTING FEES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
-----	-----	-----	-----	-----
AUDIT, COMPILATION AND TAX	34,636.	17,318.	NONE	17,318.
TOTALS	34,636.	17,318.	NONE	17,318.
	=====	=====	=====	=====

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
FISCAL AGENTS	46,650.	46,650.	NONE	NONE
TOTALS	46,650.	46,650.	NONE	NONE

FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
-----	-----	-----	-----	-----
PAYROLL TAXES	13,112.	912.	NONE	12,200.
TOTALS	13,112.	912.	NONE	12,200.
	=====	=====	=====	=====

ALLEGHENY FOUNDATION
EIN: 25-6012303
YEAR ENDED: 12/31/2005

FORM 990-PF

STATEMENT 7A

PART I, LINE 19- DEPRECIATION
PART II, LINE 14- LAND, BUILDINGS, AND EQUIPMENT
PART II, LINE 14- ACCUMULATED DEPRECIATION

DESCRIPTION	AMOUNT
FURNITURE AND EQUIPMENT	124,904
LEASEHOLD IMPROVEMENTS	<u>64,575</u>
SUBTOTAL FIXED ASSETS	<u>189,479</u>
LESS: ACCUMULATED DEPRECIATION	<u>(168,871)</u>
NET FIXED ASSETS	<u><u>20,608</u></u>

DEPRECIATION AND AMORTIZATION EXPENSE FOR 12/31/05 WAS \$10,219.

STATEMENT 7A

FORM 990PF, PART I - OTHER EXPENSES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
INSURANCE	5,248.	365.	NONE	4,883.
OFFICE EXPENSES	7,436.	587.	NONE	6,849.
SECURITY	16,739.	1,165.	NONE	15,574.
TELEPHONE	1,558.	108.	NONE	1,450.
DUES AND SUBSCRIPTIONS	3,442.	NONE	NONE	3,442.
COMPUTER MAINTENANCE	978.	NONE	NONE	978.
OFFICE TEMP	4,764.	332.	NONE	4,432.
TOTALS	----- 40,165. =====	----- 2,557. =====	----- NONE =====	----- 37,608. =====

FORM 990PF, PART I - CONTRIBUTIONS, GIFTS, GRANTS PAID
 =====

RECIPIENT NAME AND ADDRESS -----	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT -----	PURPOSE OF GRANT OR CONTRIBUTION -----	AMOUNT -----
GRANTS PAID =====			
SEE STATEMENT 19			2,061,500.
		TOTAL CONTRIBUTIONS PAID	2,061,500. =====
GRANTS ACCRUED =====			
SEE STATEMENT 19			690,000.
		TOTAL APPROVED CONTRIBUTIONS ACCRUED	690,000. =====

FORM 990PF, PART II - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
PREPAID INSURANCE	2,531.	2,042.	2,042.
PREPAID FEDERAL EXCISE TAX	29,660.	NONE	NONE
TOTALS	32,191.	2,042.	2,042.

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
SEE STATEMENT 11A	12,262,182.	13,188,848.	46,924,302.
TOTALS	12,262,182.	13,188,848.	46,924,302.

ALLEGHENY FOUNDATION

Schedule of Investments

December 31, 2005

Investments	Shares or par value	Cost	Fair value
Cash:			
Fifth Third Bank	5,637	\$ 5,637	5,637
Money markets:			
Fifth Third Bank Money Market	11,304	11,304	11,304
Charles Schwab Money Market	20,895	20,895	20,895
		<u>32,199</u>	<u>32,199</u>
Common stocks:			
Abbott Laboratories Inc.	25,000	325,811	985,750
ACCO Brands Corp.	11,868	50,732	290,766
Allergan, Inc.	10,000	75,828	1,079,600
Altria Group Inc.	177,100	2,791,823	13,232,912
BP P.L.C.	100,572	763,649	6,458,734
Bank of America Corp.	22,500	1,012,285	1,038,375
Brown Forman Corp.	22,000	767,650	1,525,040
Chevron-Texaco Corp.	4,000	186,520	227,080
Citigroup Inc.	7,000	350,173	339,710
Coca-Cola Co.	20,000	332,693	806,200
Dominion Resources, Inc.	3,400	97,627	262,480
Duke Energy Corporation	68,000	810,068	1,866,600
Exxon Mobil Corp.	14,700	618,017	825,699
FPL Group, Inc.	50,000	862,881	2,078,000
Fifth Third Bancorp	3,000	174,420	113,160
Fortune Brands Inc.	50,500	792,082	3,940,010
General Electric Co.	10,300	486,676	361,015
General Mills, Inc.	20,000	49,791	986,400
GlaxoSmithKline ADR	44,000	144,195	2,221,120
Hershey Foods Corp.	20,000	195,312	1,105,000
Hospira	2,600	23,343	111,228
International Business Machines Corp.	16,000	436,903	1,315,200
JP Morgan Chase & Co.	5,000	195,640	198,450
Meadwestvaco Corp.	50,000	211,414	1,401,500
Medco Health Solutions	1,206	37,324	67,295
National City Corp.	6,000	206,516	201,420
Pfizer Inc.	10,000	407,900	233,200
Progress Energy Inc.	20,000	375,707	878,400
Wells Fargo & Co. New	4,000	231,700	251,320
Wyeth	53,000	162,720	2,441,710
Zimmer Holdings Inc.	1,200	11,447	80,928
		<u>13,188,847</u>	<u>46,924,302</u>
Total investments		\$ <u>13,226,683</u>	<u>46,962,138</u>

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV ---
MUTUAL FUNDS	507,197.	NONE	NONE
TOTALS	507,197.	NONE	NONE
	=====	=====	=====

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
REMOVAL OF PRIOR PERIOD PREPAID FEDERAL EXCISE TAX	29,660.

TOTAL	29,660.
	=====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
RICHARD M. SCAIFE ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401	CHAIRMAN & TRUSTEE 1 HR/WK	1,500.	NONE	NONE
MARGARET R. SCAIFE ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6491	TRUSTEE 1 HR/WK	1,500.	NONE	NONE
JOANNE B. BEYER ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401	TRUSTEE 1 HR/WK	1,500.	NONE	NONE
RALPH H. GOETTLER ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401	TRUSTEE 1 HR/WK	1,500.	NONE	NONE
MATTHEW A. GROLL ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401	EXECUTIVE DIRECTOR 16 HRS/WK	48,800.	11,400.	NONE
DORIS O'DONNELL ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401	TRUSTEE 1 HR/WK	1,500.	NONE	NONE
GEORGE A. WEYMOUTH	TRUSTEE 1 HR/WK	NONE	NONE	NONE

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401	TRUSTEE 1 HR/WK	1,500.	NONE	NONE
ARTHUR P. ZIEGLER, JR. ONE OXFORD CENTRE 301 GRANT STREET, SUITE 3900 PITTSBURGH, PA 15219-6401				
	GRAND TOTALS	57,800.	11,400.	NONE

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALS

=====

NAME AND ADDRESS	TYPE OF SERVICE	COMPENSATION
-----	-----	-----
OXFORD DEVELOPMENT COMPANY 301 GRANT STREET, ONE OXFORD CENTRE PITTSBURGH, PA 15219	FACILITY RENTAL	56,135.
TOTAL COMPENSATION		----- 56,135. =====

ALLEGHENY FOUNDATION
Schedule of Gains (Losses) for Investments Income
Year Ended December 31, 2005

(a)	(b)	(c)	(d)	(e)	(f)	(h)	(i)	(j)	(k)	(l)	(m)
Kind of property	Description	How acquired P-Purchase D-donated	Date acquired	Date sold/ matured	Gross sale price	Cost or other basis and expense of sale	Gain (loss) (f) less (h)	Fair market value as of December 31, 1969	Adjusted cost basis	Excess of (j) over (k)	Losses from column (j) and gains (excess (i) over (l))
Security	Abbott Laboratories Inc	P	Various	03/08/05	\$ 46,576	13,044	33,532	N/A	N/A	N/A	\$ 33,532
Security	Dominion Resources, Inc	P	02/03/00	03/08/05	21,192	8,136	13,056	N/A	N/A	N/A	13,056
Security	Fifth Third Bancorp	P	Various	03/08/05	22,981	29,081	(6,100)	N/A	N/A	N/A	(6,100)
Security	GlaxoSmithKline ADR	P	12/27/00	03/08/05	74,381	4,993	69,388	N/A	N/A	N/A	69,388
Security	Meadwestvaco Corp.	P	01/30/02	03/08/05	51,262	6,608	44,654	N/A	N/A	N/A	44,654
Security	Lucent Techs Inc	P	Various	03/08/05	1,014	10	1,004	N/A	N/A	N/A	1,004
Security	ACCO Brands Corp	D	Various	08/16/05	10	2	8	N/A	N/A	N/A	8
Security	Advanced Medical Optics, Inc	P	09/01/02	10/18/05	75,440	2,755	72,685	N/A	N/A	N/A	72,685
Security	Beck Coulter Inc	P	04/06/98	10/18/05	180,219	21,057	159,162	N/A	N/A	N/A	159,162
					<u>\$ 473,075</u>	<u>85,686</u>	<u>387,389</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>\$ 387,389</u>

ALLEGHENY FOUNDATION

Form 990-PF

EIN: 25-6012303

YEAR ENDED: 12/31/2005

Information Regarding Grant and Loan Program

The Allegheny Foundation concentrates its giving in the Western Pennsylvania area and confines most of its grant awards to the programs for historic preservation, civic development, education, youth development, and animal welfare. The Foundation does not make grants to individuals.

Initial inquiries to the Foundation should be in letter form signed by the Organization's President, or authorized representative, and have the approval of the Organization's Board of Directors. The letter should include a concise description of the specific program for which funds are requested. Additional information must include a budget for the program and for the organization, the latest audited financial statement and annual report. A copy of the Organization's current ruling letter evidencing tax exemption under Section 501(c)(3) and 509(a) of the Internal Revenue Code is required. Additional information may be requested, if needed, for further evaluation.

The Foundation normally considers grants at an annual meeting held in December. However, requests may be submitted at any time and will be acted upon as expeditiously as possible.

Grant applications should be addressed to:

Mr. Matthew A. Groll
Executive Director
Allegheny Foundation
301 Grant Street
One Oxford Centre
Suite 3900
Pittsburgh, Pennsylvania 15219-6401

FEDERAL FOOTNOTES

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GRANTS PAID

ALL OF THE GRANTEES SHOWN ON THE ATTACHED STATEMENT OF GRANTS ARE EXEMPT UNDER INTERNAL REVENUE CODE SECTION 501(C)(3) AND HAVE THE STATUS OF PUBLIC CHARITIES WITHIN THE MEANING OF INTERNAL REVENUE CODE SECTION 509(A)(1), (2), OR (3).

ALLEGHENY FOUNDATION

Schedule of Grants

As of and for the year ended December 31, 2005

	Payable, December 31, 2004	January 1 to December 31, 2005		Payable, December 31, 2005
		Approved	Paid	
Action for Animals, Inc., Latrobe, Pennsylvania Capital support	\$ —	10,000	—	10,000
Allegheny Institute for Public Policy, Pittsburgh, Pennsylvania General support	25,000	100,000	100,000	25,000
American Legislative Exchange Council, Washington, D.C. “Report Card on American Education”	20,000	35,000	35,000	20,000
Animal Friends, Inc., Pittsburgh, Pennsylvania Operating support	—	5,000	5,000	—
The Animal Rescue League of Western Pennsylvania, Inc., Pittsburgh, Pennsylvania General and program support	—	60,000	35,000	25,000
Bach Choir of Pittsburgh, Inc., Pittsburgh, Pennsylvania General support	—	7,500	7,500	—
Bay Area Electric Railway Association, Suisun, California Project support	—	50,000	—	50,000
Beginning with Books, Inc. Pittsburgh, Pennsylvania Project support	—	25,000	25,000	—
Bill of Rights Institute, Arlington, Virginia Project support Program support	— —	25,000 25,000	25,000 —	— 25,000
Boys & Girls Clubs of Western Pennsylvania. Pittsburgh, Pennsylvania Summer program	40,000	40,000	40,000	40,000
Boy Scouts of America – Greater Pittsburgh Council, Pittsburgh, Pennsylvania Project support	—	25,000	25,000	—
Brownsville Area Revitalization Corporation, Brownsville, Pennsylvania Newspapers in Education and capital support Project and capital support	15,000 —	— 27,000	15,000 12,000	— 15,000
Center for the Study of Popular Culture, Los Angeles, California Project support	—	100,000	100,000	—
Children Requiring a Caring Community, Harrisburg, North Carolina General support	25,000	50,000	25,000	50,000
Commonwealth Education Organization, Pittsburgh, Pennsylvania General support	50,000	—	25,000	25,000

STATEMENT 19

(Continued)

ALLEGHENY FOUNDATION

Schedule of Grants

As of and for the year ended December 31, 2005

	Payable, December 31, 2004	January 1 to December 31, 2005		Payable, December 31, 2005
		Approved	Paid	
Cornerstone Church of Muskegon, Muskegon, Michigan General support	\$ —	5,000	5,000	—
Crossroads Foundation, Pittsburgh, Pennsylvania Program support	100,000	—	50,000	50,000
The Extra Mile Education Foundation, Inc., Pittsburgh, Pennsylvania Operation support	25,000	100,000	100,000	25,000
The Garden Club of McKeesport, McKeesport, Pennsylvania Capital support	—	5,000	5,000	—
Gilda's Club Western Pennsylvania, Pittsburgh, Pennsylvania General support	—	100,000	100,000	—
Greater Pittsburgh Community Food Bank, Duquesne, Pennsylvania General support	—	40,000	40,000	—
Greensburg, City of, Fire Department, Greensburg, Pennsylvania Project support	—	20,000	20,000	—
Guiding Eyes for the Blind, Inc., Yorktown Heights, New York Program support	—	10,000	10,000	—
Historical Society of Carnegie, Pennsylvania, Carnegie, Pennsylvania Capital support	—	25,000	10,000	15,000
Institute for Functional Medicine, Gig Harbor, Washington Project support	10,000	—	10,000	—
Light of Life Mission, Inc., Pittsburgh, Pennsylvania General support	—	25,000	25,000	—
Ligonier Valley Rail Road Association, Ligonier, Pennsylvania Project support	—	10,000	10,000	—
Lincoln Institute of Public Opinion Research, Inc., Harrisburg, Pennsylvania General support	50,000	50,000	50,000	50,000
Manchester Bidwell Corporation, (Bidwell Training Center, Inc.) Pittsburgh, Pennsylvania Program support	—	50,000	25,000	25,000
Mount Vernon Ladies Association of the Union, Mount Vernon, Virginia Project support	—	250,000	250,000	—
Mountain Watershed Association, Melcroft, Pennsylvania General operating and project support	—	10,000	10,000	—
Pennsylvania Trolley Museum, Inc., Washington, Pennsylvania Capital support	—	250,000	250,000	—

ALLEGHENY FOUNDATION

Schedule of Grants

As of and for the year ended December 31, 2005

	Payable, December 31, 2004	January 1 to December 31, 2005		Payable, December 31, 2005
		Approved	Paid	
Philanthropy Roundtable, Washington, D.C.				
General support	\$ 10,000	10,000	10,000	10,000
Project support	—	25,000	25,000	—
Pittsburgh History and Landmarks Foundation, Pittsburgh, Pennsylvania				
Program support	12,000	10,000	12,000	10,000
Pittsburgh Urban Leadership Service Experience (PULSE), Pittsburgh, Pennsylvania				
General support	—	10,000	10,000	—
Point Park University, Pittsburgh, Pennsylvania				
Capital support	—	50,000	50,000	—
River City Brass Band, Pittsburgh, Pennsylvania				
General support	25,000	25,000	50,000	—
Rosedale Block Cluster, Inc., Pittsburgh, Pennsylvania				
General support	—	30,000	30,000	—
Saint Vincent Archabbey, Latrobe, Pennsylvania				
Capital support	—	25,000	—	25,000
Student Conservation Association, Inc., Pittsburgh, Pennsylvania				
Project support	—	25,000	25,000	—
Tutwiler Community Education Center, Inc., Tutwiler, Mississippi				
Program support	—	10,000	10,000	—
The Union Project, Pittsburgh, Pennsylvania				
Operating support	50,000	—	25,000	25,000
Capital support	—	20,000	—	20,000
Westmoreland County Food Bank, Delmont, Pennsylvania				
Operating support	—	20,000	20,000	—
Westmoreland Museum of Art, Greensburg, Pennsylvania				
Visionary Fund	—	250,000	100,000	150,000
Project support	—	250,000	250,000	—
	<u>\$ 457,000</u>	<u>2,294,500</u>	<u>2,061,500</u>	<u>690,000</u>

FEDERAL FOOTNOTES
=====

EXPENSE ALLOCATION

COMPENSATION OF OFFICERS, TRUSTEES, AND OTHER EMPLOYEES AS WELL AS THE RELATED EMPLOYEE BENEFITS ARE ALLOCATED BASED ON TIME SPENT IN CARRYING OUT THE FOUNDATION'S EXEMPT PURPOSE VERSUS TIME SPENT IN THE PRODUCTION OF INCOME. PROFESSIONAL FEES ARE ALLOCATED BASED ON SERVICES PERFORMED FOR THE FOUNDATION. DEPRECIATION IS TAKEN ON PROPERTY USED IN PRODUCING INCOME. THE REMAINING EXPENSES ARE CLASSIFIED BASED ON THE SALARY ALLOCATION DESCRIBED ABOVE.

ALLEGHENY FOUNDATION
Form 990-PF
EIN: 25-6012303
YEAR ENDED: 12/31/2005

STATEMENT 21

Qualifying Distribution Election

Pursuant to authority contained in Internal Revenue Code Section 4942(g)(3) and Regulations Section 53.4942(a)-3(d)(2), Allegheny Foundation hereby elects to have \$1,000,000 of its 2005 qualifying distributions treated as distributions out of corpus. Attached to this election is a statement of grants and qualifying distributions.

In accordance with Regulations Section 53.4942(a)-3(d)(2), this election is filed as an attachment to the 2005 Form 990-PF of Allegheny Foundation.

The person making this declaration is a foundation manager with the meaning of Section 4946(b)(1) of the Internal Revenue Code.

Mr. Matthew A. Groll, Executive Director

ALLEGHENY FOUNDATION

Form 990-PF

EIN: 25-6012303

YEAR ENDED: 12/31/2005

STATEMENT 22

The Foundation has made the following distributions during 2005 and 2006 so that all gifts received during 2005 and all distributable amounts were paid by March 15, 2006

Distributable amount for calendar year 2005	2,245,197	
Prior Year Underdistribution of Gifts	49,553	
Gifts Received during 2005	<u>1,000,000</u>	
Amount to be distributed	3,294,750	
Distributions during 2005	2,395,969	
Less: amount paid by March 15, 2005 and elected to be treated as a 2004 distribution	-	
Amount paid by March 15, 2006 and elected to be treated as a calendar 2005 distribution	<u>898,781</u>	STATEMENT 23
Distributions for 2005	3,294,750	

ALLEGHENY FOUNDATION

Form 990-PF

STATEMENT 23

EIN: 25-6012303

YEAR ENDED: 12/31/2005

Grants Paid January 1 - March 15, 2006

Date Paid	Grantee	Amount Paid
2/23/2006	Boy Scouts of America, Westmoreland- Fayette Council	\$ 50,000
2/23/2006	Cleveland Police Historical Society, Inc.	10,000
2/23/2006	Crossroads Foundation	100,000
2/23/2006	The Frick Art and Historical Center, Inc.	35,000
2/23/2006	Imani Christian Academy	30,000
2/23/2006	The Neighborhood Academy	10,000
2/23/2006	The Pittsburgh Project	10,000
2/23/2006	River City Brass Band	50,000
2/23/2006	USS Constitution Museum Foundation, Inc.	5,000
2/23/2006	Woodlawn Foundation	10,000
3/8/2006	Action for Animals, Inc.	10,000
3/8/2006	Allegheny Institute for Public Policy, (formerly American Statesman Institute)	25,000
3/8/2006	American Legislative Exchange Council	20,000
3/8/2006	The Animal Rescue League of Western Pennsylvania, Inc.	25,000
3/8/2006	Bay Area Electric Railroad Association	50,000
3/8/2006	Bill of Rights Institute	25,000
3/8/2006	Boys & Girls Clubs of Western Pennsylvania, (formerly Kay and Shadyside Boys' Club)	40,000
3/8/2006	Brownsville Area Revitalization Corp.	15,000
3/8/2006	Children Requiring a Caring Kommunity (CRACK)	50,000
3/8/2006	Commonwealth Education Organization	25,000
3/8/2006	Crossroads Foundation	50,000
3/8/2006	Extra Mile Education Foundation	25,000
3/8/2006	Historical Society of Carnegie Pennsylvania	15,000
3/8/2006	Lincoln Institute of Public Opinion Research	50,000
3/8/2006	Manchester Bidwell Corporation	25,000
3/8/2006	Philanthropy Roundtable	10,000
3/8/2006	Pittsburgh History & Landmarks Foundtion	10,000
3/8/2006	Saint Vincent Archabbey	25,000
3/8/2006	The Union Project	20,000
3/8/2006	The Union Project	25,000
3/8/2006	Westmoreland Museum of Art	150,000
	TOTAL	\$ 1,000,000

***The taxpayer elects to apply \$898,781 of the above \$1,000,000 distribution to 2005 to satisfy the conduit election. (See Statement 22)