

Department of the Treasury
Internal Revenue Service

Treated as a Private Foundation
Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

2006

For calendar year 2006, or tax year beginning , 2006, and ending

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

Use the IRS label Otherwise, print or type. See Specific Instructions.

Name of foundation: **BLAIR FOUNDATION 02-43714**

Number and street (or P O box number if mail is not delivered to street address): **NORTHERN TRUST N.A., AS TRUSTEE**

Room/suite: _____

City or town, state, and ZIP code: **P.O. BOX 803878 - CHICAGO, IL 60680**

A Employer identification number: **65-6072965**

B Telephone number (see page 11 of the instructions): **(312) 630-6000**

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2. Foreign organizations meeting the 85% test, check here and attach computation

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) **\$ 9,624,716.**

J Accounting method Cash Accrual
 Other (specify) _____

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

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc. received (attach schedule)				
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	286,627.	286,539.		STMT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	437,406.			
b	Gross sales price for all assets on line 6a	1,641,952.			
7	Capital gain net income (from Part IV, line 2)		437,406.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule)	-1,170.			STMT 2
12	Total. Add lines 1 through 11	722,863.	723,945.		
13	Compensation of officers, directors, trustees, etc.	52,989.	15,290.		37,699.
14	Other employee salaries and wages		NONE	NONE	
15	Pension plans, employee benefits		NONE	NONE	
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)	1,300.	650.		650.
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see page 14 of the instructions)	25,895.	3,000.		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings		NONE	NONE	
22	Printing and publications		NONE	NONE	
23	Other expenses (attach schedule) STMT 4	5,400.			5,400.
24	Total operating and administrative expenses. Add lines 13 through 23	85,584.	18,940.	NONE	43,749.
25	Contributions, gifts, grants paid	437,200.			437,200.
26	Total expenses and disbursements. Add lines 24 and 25	522,784.	18,940.	NONE	480,949.
27	Subtract line 26 from line 12	200,079.			
b	Net investment income (if negative, enter -0-)		705,005.		
c	Adjusted net income (if negative, enter -0-)				

For Privacy Act and Paperwork Reduction Act Notice, see the instructions. Form **990-PF** (2006)

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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				
	2	Savings and temporary cash investments		1,582,462.	1,136,127.	1,136,127.
	3	Accounts receivable				
		Less allowance for doubtful accounts				
	4	Pledges receivable				
		Less allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)				
	7	Other notes and loans receivable (attach schedule)				
		Less allowance for doubtful accounts	NONE			
	8	Inventories for sale or use			1,050,176.	1,036,307.
	9	Prepaid expenses and deferred charges			4,209,102.	6,514,057.
	10 a	Investments - U S and state government obligations (attach schedule) STMT 5		531,768.	864,260.	862,737.
	b	Investments - corporate stock (attach schedule) STMT 6		4,031,864.		
	c	Investments - corporate bonds (attach schedule) STMT 7		987,305.		
	11	Investments - land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	Investments - mortgage loans					
13	Investments - other (attach schedule)					
14	Land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)					
15	Other assets (describe)			73,813.	75,488.	
16	Total assets (to be completed by all filers - see page 17 of the instructions Also, see page 1, item I)		7,133,399.	7,333,478.	9,624,716.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
23	Total liabilities (add lines 17 through 22)					
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Organizations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds		7,133,399.	7,333,478.	
	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 18 of the instructions)		7,133,399.	7,333,478.		
31	Total liabilities and net assets/fund balances (see page 18 of the instructions)		7,133,399.	7,333,478.		

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	7,133,399.
2	Enter amount from Part I, line 27a	2	200,079.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	7,333,478.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,333,478.

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 PART IV SCHEDULE						
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	437,406.	
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 18 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 foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 19 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))
2005	421,931.	8,906,939.	0.04737104408
2004	894,406.	8,608,721.	0.10389534055
2003	996,927.	7,949,158.	0.12541290537
2002	478,361.	8,142,215.	0.05875072078
2001	435,894.	8,590,149.	0.05074347372
2 Total of line 1, column (d)			0.38617348450
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			0.07723469690
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5			9,371,231.
5 Multiply line 4 by line 3			723,784.
6 Enter 1% of net investment income (1% of Part I, line 27b)			7,050.
7 Add lines 5 and 6			730,834.
8 Enter qualifying distributions from Part XII, line 4			480,949.

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 19

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 19 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling letter _____ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	14,100.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b)	2	
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	3	14,100.
3	Add lines 1 and 2	4	NONE
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	5	14,100.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	6a	14,700.
6	Credits/Payments	6b	NONE
a	2006 estimated tax payments and 2005 overpayment credited to 2006	6c	NONE
b	Exempt foreign organizations-tax withheld at source	6d	
c	Tax paid with application for extension of time to file (Form 8868)	7	14,700.
d	Backup withholding erroneously withheld	8	
7	Total credits and payments. Add lines 6a through 6d	9	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	10	600.
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	11	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		
11	Enter the amount of line 10 to be credited to 2007 estimated tax 600. Refunded		

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		N/A
5		X
6	X	
7	X	
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities Continued

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)			X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?			
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A		X	
14	The books are in care of ▶ NORTHERN TRUST, N.A. Telephone no ▶ (312) 630-6000 Located at ▶ P.O. BOX 803878 CHICAGO, IL ZIP + 4 ▶ 60680			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-F in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrues during the year			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions)	2b	X
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2006)	3b	X
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?	4b	X

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

5a During the year did the foundation pay or incur any amount to... (1) Carry on propaganda... (2) Influence the outcome of any specific public election... (3) Provide a grant to an individual for travel, study, or other similar purposes? (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)? (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes... b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance... c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? 6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

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 23 of the instructions).

Table with 5 columns: (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. Row 1: SEE STATEMENT 9, -0-, 52,989., -0-, -0-

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 24 of the instructions). If none, enter "NONE."

Table with 5 columns: (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. Row 1: NONE, NONE, NONE, NONE, NONE

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

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

3 Five highest-paid independent contractors for professional services (see page 24 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
NONE	NONE	

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 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made up by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 25 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 25 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	9,513,940.
b	Average of monthly cash balances	1b	NONE
c	Fair market value of all other assets (see page 25 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	9,513,940.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	9,513,940.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 26 of the instructions)	4	142,709.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	9,371,231.
6	Minimum investment return. Enter 5% of line 5	6	468,562.

Part XI Distributable Amount (see page 26 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	468,562.
2a	Tax on investment income for 2006 from Part VI, line 5	2a	14,100.
b	Income tax for 2006 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	14,100.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	454,462.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	454,462.
6	Deduction from distributable amount (see page 26 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	454,462.

Part XII Qualifying Distributions (see page 26 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	480,949.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	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	480,949.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 27 of the instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	480,949.

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 27 of the instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				454,462.
2 Undistributed income, if any, as of the end of 2005				
a Enter amount for 2005 only			NONE	
b Total for prior years 2004		NONE		
3 Excess distributions carryover, if any, to 2006				
a From 2001	11,893.			
b From 2002	79,846.			
c From 2003	612,185.			
d From 2004	473,868.			
e From 2005	NONE			
f Total of lines 3a through e	1,177,792.			
4 Qualifying distributions for 2006 from Part XII, line 4 ▶ \$ 480,949.				
a Applied to 2005, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 27 of the instructions)		NONE		
c Treated as distributions out of corpus (Election required - see page 27 of the instructions)	NONE			
d Applied to 2006 distributable amount				454,462.
e Remaining amount distributed out of corpus	26,487.			
5 Excess distributions carryover applied to 2006 (If an amount appears in column (d), the same amount must be shown in column (a))	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,204,279.			
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions		NONE		
e Undistributed income for 2005 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions			NONE	
f Undistributed income for 2006 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2007				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 28 of the instructions)	NONE			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7 (see page 28 of the instructions)	11,893.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	1,192,386.			
10 Analysis of line 9				
a Excess from 2002	79,846.			
b Excess from 2003	612,185.			
c Excess from 2004	473,868.			
d Excess from 2005	NONE			
e Excess from 2006	26,487.			

Part XIV Private Operating Foundations (see page 28 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 2006, enter the date of the ruling

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

	Tax year		Prior 3 years		(e) Total
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	
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 28 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))

N/A

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

N/A

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

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see page 28 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

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT 10</p>				
Total ▶ 3a				437,200.
<p>b <i>Approved for future payment</i></p>				
Total ▶ 3b				

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of (1) Cash (2) Other assets b Other transactions (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements

2 a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... b If "Yes," complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship

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

Sign Here section containing signature of officer or trustee (James A. Carlisle), Northern Trust, NA, and Preparer's Use Only section for signature and firm name.

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					66,606.	
108,933.00		1200. BURLINGTON RESOURCES INC PROPERTY TYPE: SECURITIES 23,711.00					10/17/2002 85,222.00	01/26/2006
13,082.00		300. FISERV INC PROPERTY TYPE: SECURITIES 10,336.00					09/22/2004 2,746.00	01/26/2006
100,000.00		100000. PFIZER INC NT DTD 01/30/2001 PROPERTY TYPE: SECURITIES 100,340.00					05/30/2001 -340.00	02/01/2006
50,000.00		50000. U S TREASURY NTS DTD 02/15/9 PROPERTY TYPE: SECURITIES 49,773.00					01/26/1998 227.00	02/15/2006
75,000.00		75000. COLGATE PALMOLIVE CO MTN DTD PROPERTY TYPE: SECURITIES 74,277.00					06/11/2001 723.00	03/27/2006
41,332.00		800. APOLLO GROUP INC CL A PROPERTY TYPE: SECURITIES 56,796.00					02/17/2004 -15,464.00	03/28/2006
129,185.00		1400. BURLINGTON RESOURCES INC PROPERTY TYPE: SECURITIES 27,342.00					07/11/2001 101,843.00	03/28/2006
23,799.00		500. CITIGROUP INC PROPERTY TYPE: SECURITIES 20,666.00					05/04/2000 3,133.00	03/28/2006
26,222.00		1000. COMCAST CORP NEW CL A SPL CL PROPERTY TYPE: SECURITIES 25,445.00					02/20/2003 777.00	03/28/2006
23,211.00		600. EBAY INC PROPERTY TYPE: SECURITIES 32,897.00					11/23/2004 -9,686.00	03/28/2006

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
94,443.00		2000. ENCANA CORP COM NPV PROPERTY TYPE: SECURITIES 43,628.00					11/23/2004	03/28/2006 50,815.00
58,648.00		3000. INTEL CORP PROPERTY TYPE: SECURITIES 27,677.00					10/17/2002	03/28/2006 30,971.00
24,971.00		600. J P MORGAN CHASE & CO PROPERTY TYPE: SECURITIES 9,030.00					01/31/1996	03/28/2006 15,941.00
32,257.00		600. TALISMAN ENERGY INC PROPERTY TYPE: SECURITIES 9,581.00					09/16/2003	03/28/2006 22,676.00
60,638.00		1000. AMERICAN INTL GROUP INC PROPERTY TYPE: SECURITIES 43,072.00					04/28/2004	05/25/2006 17,566.00
25,765.00		400. APACHE CORP PROPERTY TYPE: SECURITIES 8,409.00					10/15/2001	05/25/2006 17,356.00
28,423.00		1100. CBS CORP NEW CL B PROPERTY TYPE: SECURITIES 37,874.00					04/28/2004	05/25/2006 -9,451.00
71,389.00		1200. DENTSPLY INTL INC NEW PROPERTY TYPE: SECURITIES 66,889.00					08/01/2005	05/25/2006 4,500.00
17,243.00		400. FASTENAL CO PROPERTY TYPE: SECURITIES 6,425.00					02/20/2003	05/25/2006 10,818.00
33,600.00		2957.75 MFB NORTHN FDS SMALL CAP I PROPERTY TYPE: SECURITIES 34,754.00					03/28/2006	05/25/2006 -1,154.00
19,421.00		600. ADR SATYAM COMPUTER SVCS LTD PROPERTY TYPE: SECURITIES 25,542.00					03/28/2006	05/25/2006 -6,121.00

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
78,795.00		23,953.00					09/16/2003	05/25/2006
							54,842.00	
100,000.00		99,782.00					06/27/2001	07/03/2006
							218.00	
13,989.00		15,290.00					03/28/2006	07/27/2006
							-1,301.00	
75,000.00		77,115.00					01/10/2002	08/01/2006
							-2,115.00	
100,000.00		101,787.00					11/26/2001	08/15/2006
							-1,787.00	
50,000.00		49,375.00					06/02/1997	10/16/2006
							625.00	
100,000.00		102,780.00					11/21/2001	12/04/2006
							-2,780.00	
TOTAL GAIN(LOSS)							437,406.	
							=====	

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

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
DIVIDEND & INTEREST	286,627.	286,539.
TOTAL	----- 286,627. -----	----- 286,539. -----

FORM 990PF, PART I - OTHER INCOME
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----
DEFERRED INCOME	-1,170.

TOTALS	-1,170.
	=====

FORM 990PF, PART I - TAXES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
EXCISE TAX PAID	8,195.	
ESTIMATED TAX	14,700.	
FOREIGN TAX	3,000.	3,000.
	-----	-----
TOTALS	25,895.	3,000.
	=====	=====

FORM 990PF, PART I - OTHER EXPENSES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
-----	-----	-----
OFFICE EXPENSES	5,400.	5,400.
TOTALS	5,400.	5,400.
	=====	=====

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

=====

DESCRIPTION

SEE ATTACHED SCHEDULE

TOTALS

FORM 990PF, PART II - CORPORATE STOCK
=====

DESCRIPTION

SEE ATTACHED SCHEDULE

TOTALS

FORM 990PF, PART II - CORPORATE BONDS
=====

DESCRIPTION

SEE ATTACHED SCHEDULE

TOTALS

STATE(S) WHERE THE FOUNDATION IS REGISTERED
=====

FL

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

OFFICER NAME:

NORTHERN TRUST N.A.

ADDRESS:

NAPLES, FLORIDA,

TITLE:

TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION 16,989.

OFFICER NAME:

DOROTHY BLAIR

ADDRESS:

NAPLES, FLORIDA,

TITLE:

ADVISOR

OFFICER NAME:

JOHN GRAHAM

ADDRESS:

ONTARIO, CANADA,

TITLE:

ADVISOR

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION 36,000.

OFFICER NAME:

ROBERT RIEMAN MD

ADDRESS:

NAPLES, FLORIDA,

TITLE:

ADVISOR

TOTAL COMPENSATION: 52,989.

=====

RECIPIENT NAME:

SEE ATTACHED SCHEDULE

RELATIONSHIP:

N/A

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

P

AMOUNT OF GRANT PAID 437,200.

RECIPIENT NAME:

JOHN GRAHAM

ADDRESS:

PO BOX 668

NAPLES, FL 34106-0668

RECIPIENT NAME:

JOHN GRAHAM

ADDRESS:

PO BOX 668

NAPLES, FL 34106-0668

TOTAL GRANTS PAID:

437,200.

=====

Blair Fdn 2006Grants EIN:65-6572905

Organization	City	State	Amount
Avery County Humane Society	Newland	NC	4,000
Cannon- Sloop Healthcare Foundation	Linville	NC	4,750
Care Club of Collier County	Naples	FL	2,750
Case Western Reserve University	Cleveland	OH	7,750
Center for Immigration Studies	Washington	DC	3,750
Conservancy of Southwest Florida	Naples	FL	3,750
Duke University Comprehensive Cancer Ctr	Durham	NC	3,000
Engender Health	New York	NY	3,000
Federation of American Immigration Reform	Washington	DC	9,000
Fraser Institute	Vancouver	BC, Canada	500
Grandfather Home for Children	Banner Elk	NC	6,750
Hospice of Avery County	Newland	NC	8,000
Hospice of Naples	Naples	FL	4,000
Humane Society of Collier County	Naples	FL	2,750
Immokalee Child Care Center	Naples	FL	1,500
Lees-McRae College	Banner Elk	NC	3,750
Linville Foundation	Linville	NC	2,500
Major Robertson Doughty III Memorial Fdn	Onley	VA	13,500
Mystic Seaport Museum	Mystic	CT	8,000
Nara Foundation	Washington	DC	4,500
Nature Conservancy	Arlington	VA	2,500
Negative Population Growth	Alexandria	VA	7,500
Planned Parenthood of Collier County	Naples	FL	5,000
Planned Parenthood Federation of America	New York	NY	6,500
Population Action Interantional	Washington	DC	3,750
Population Connection	Washington	DC	3,000
Population Institute	Washington	DC	5,500
Religious Coalition for Reproductive Choice Educational Fund	Washington	DC	3,750
Religious Institute on Sexual Morality, Justice & Healing	Norwalk	CT	1,750
Senior Friendship Center of SW Florida	Sarasota	FL	3,500
SIECUS	New York	NY	3,500
University of Wisconsin, Green Bay	Green Bay	WI	3,000
American Red Cross	Naples	FL	2,500
Avery County Humane Society	Newland	NC	5,000
Boy Scouts of America - SW FL Council, Ft Myers	Ft Myers	FL	3,000

Boys & Girls Clubs of America	Atlanta	GA	3,800
Cannon- Sloop Healthcare Foundation	Linville	NC	8,800
Case Western Reserve University	Cleveland	OH	9,000
Catholics for a Free Choice	Washington	DC	5,500
Center for Immigration Studies	Washington	DC	5,000
Collier County Audubon Society	Naples	FL	3,000
Collier County Education Foundation	Naples	FL	5,000
Community Foundation of Collier County	Naples	FL	50,000
Conservancy of Southwest Florida	Naples	FL	5,000
Corkscrew Swamp Sanctuary (Education Fund)	Naples	FL	5,000
Emory University, Atlanta	Atlanta	GA	5,000
Engender Health	New York	NY	5,000
Federation of American Immigration Reform	Washington	DC	11,500
Florida Audubon Society	Miami	FL	5,000
FORUM of Lees McRae College	Banner Elk	NC	2,000
Fraser Institute, Vancouver BC	Vancouver	BC, Canada	600
Funtime Nursery	Naples	FL	3,000
Girl Scouts of the Gulf Coast Florida, Inc	Sarasota	FL	4,500
Goodwill of Southwest Florida, Ft Myers	Ft Myers	FL	3,500
Grandfather Home for Children	Banner Elk	NC	6,000
Hospice of Avery County	Newland	NC	4,000
Hospice of Naples	Naples	FL	4,500
Humane Society of Collier County	Naples	FL	5,000
Immokalee Child Care Center	Naples	FL	3,500
Lees-McRae College	Banner Elk	NC	5,000
Library of American Broadcasting	College Park	MD	5,000
Mental Health Association of Collier County	Naples	FL	3,000
Museum of Television and Radio	New York	NY	4,000
Naples Community Hospital (Sterilization Fund)	Naples	FL	7,500
Naples Players Guild (Endowment Fund)	Naples	FL	3,000
Naral Foundation	Washington	DC	8,000
National Wildlife Federation	Reston	VA	3,000
Nature Conservancy	Arlington	VA	6,000
Negative Population Growth	Alexandria	VA	6,500
1000 Friends of Florida	Tallahassee	FL	3,500
Planned Parenthood of Collier County	Naples	FL	8,000
Planned Parenthood Federation of America	New York	NY	10,000
Population Action Interantional	Washington	DC	4,000
Population Connection	Washington	DC	5,000
Population-Environment Balance	Washington	DC	4,500
Population Institute	Washington	DC	8,000
Religious Coalition for Reproductive Choice Educational Fund	Washington	DC	4,000
Religious Institute on Sexual Morality, Justice & Healing	Norwalk	CT	2,500
Salvation Army	Naples	FL	4,000
SIECUS	New York	NY	4,250
University of Wisconsin, Green Bay	Green Bay	WI	4,000
Youth Haven	Naples	FL	4,000

437,200

asset detail

Account number 0243714

31 DEC 06

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◆ Asset Detail - Base Currency

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		Total
					Market	Translation	
<i>Equity Securities</i>							
Common stock							
Canada - USD							
ENCANA CORP COM NPV CUSIP 292505104							
2,000,000	45.95	0.00	91,900.00	31,731.30	60,168.70	0.00	60,168.70
Total USD		0.00	91,900.00	31,731.30	60,168.70	0.00	60,168.70
Total Canada		0.00	91,900.00	31,731.30	60,168.70	0.00	60,168.70
Germany - USD							
ADR SAP AKTIENGESELLSCHAFT SPONSORED ADR CUSIP 803054204							
800,000	53.10	0.00	42,480.00	41,232.56	1,247.44	0.00	1,247.44
Total USD		0.00	42,480.00	41,232.56	1,247.44	0.00	1,247.44
Total Germany		0.00	42,480.00	41,232.56	1,247.44	0.00	1,247.44
North America Region - USD							
ADR TEVA PHARMACEUTICAL INDS CUSIP 881624209							
2,400,000	31.08	0.00	74,592.00	75,310.44	-718.44	0.00	-718.44
Total USD		0.00	74,592.00	75,310.44	-718.44	0.00	-718.44
Total North America Region		0.00	74,592.00	75,310.44	-718.44	0.00	-718.44
Switzerland - USD							
ADR NOVARTIS AG CUSIP 66987V109							
1,000,000	57.44	0.00	57,440.00	55,619.60	1,820.40	0.00	1,820.40
Total USD		0.00	57,440.00	55,619.60	1,820.40	0.00	1,820.40
Total Switzerland		0.00	57,440.00	55,619.60	1,820.40	0.00	1,820.40
United Kingdom - USD							
ADR BP P L C SPONSORED ADR CUSIP 055622104							
2,500,000	67.10	0.00	167,750.00	119,146.10	48,603.90	0.00	48,603.90
Total USD		0.00	167,750.00	119,146.10	48,603.90	0.00	48,603.90

asset detail

Account number 0243714

31 DEC 06

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		Total
					Market	Translation	
<i>Equity Securities</i>							
Common stock							
Total United Kingdom		0 00	167,750 00	119,146 10	48,603 90	0 00	48,603 90
United States - USD							
3M CO COM CUSIP 88579Y101							
800 000	77 93	0 00	62,344 00	48,865 76	13,478 24	0 00	13,478 24
ACCENTURE LTD BERMUDA CLS A COM CUSIP G1150G111							
2 400 000	36 93	0 00	88,632 00	59,030 08	29,601 92	0 00	29,601 92
AFLAC INC COM CUSIP 001055102							
1,000 000	46 00	0 00	46,000 00	31,348 95	14 651 05	0 00	14,651 05
ALCOA INC COM STK CUSIP 013817101							
1 400 000	30 01	0 00	42,014 00	43,872 50	-1 858 50	0 00	-1,858 50
AMERN INTL GROUP INC COM CUSIP 026874107							
1,000 000	71 66	0 00	71,660 00	13,803 45	57,856 55	0 00	57,856 55
AMGEN INC COM CUSIP 031 62100							
1,000 000	68 31	0 00	68 310 00	39,518 00	28 792 00	0 00	28,792 00
APACHE CORP COM CUSIP 037411105							
600 000	66 51	0 00	39 906 00	12,612 99	27,293 01	0 00	27,293 01
BANK AMER CORP COM CUSIP 060505104							
2 500 000	53 39	0 00	133,475 00	111,815 00	21,660 00	0 00	21,660 00
CISCO SYS INC COM CUSIP 17275R102							
5 000 000	27 33	0 00	136,650 00	55,043 89	81,606 11	0 00	81,606 11
CITIGROUP INC COM CUSIP 172967101							
1 000 000	55 70	0 00	55,700 00	39 082 99	16,617 01	0 00	16,617 01
COSTCO WHSL CORP NEW COM CUSIP 22160K105							
1 500 000	52 87	0 00	79 305 00	59,253 45	20,051 55	0 00	20,051 55
DISNEY WALT CO COM CUSIP 254687106							
2 800 000	34 27	868 00	95,956 00	67,533 50	28,422 50	0 00	28 422 50

asset detail

Account number 0243714

31 DEC 06

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total
<i>Equity Securities</i>							
Common stock							
United States - USD							
DU PONT E I DE NEMOURS & CO COM STK CUSIP 263534109							
1 000 000	48 71	0 00	48,710 00	29 487 50	19,222 50	0 00	19,222 50
EXPEDITORS INTL WASH INC COM CUSIP 302130109							
1,800 000	40 50	0 00	72,900 00	34 665 66	38,234 34	0 00	38 234 34
EXXON MOBIL CORP COM CUSIP 30231G102							
1,000 000	76 63	0 00	76,630 00	3,891 87	72,738 13	0 00	72,738 13
FASTENAL CO COM CUSIP 311900104							
1,600 000	35 88	0 00	57,408 00	25,701 68	31,706 32	0 00	31,706 32
FEDEX CORP COM CUSIP 31428X106							
600 000	108 62	54 00	65 172 00	57,142 20	8,029 80	0 00	8,029 80
FIRST DATA CORP COM CUSIP 319963104							
1,000 000	25 52	30 00	25,520 00	17,805 44	7 714 56	0 00	7,714 56
FISERV INC COM CUSIP 337738108							
1 200 000	52 42	0 00	62,904 00	25,592 50	37 311 50	0 00	37 311 50
GENERAL ELEC CO COM CUSIP 369604103							
6 000 000	37 21	1,680 00	223,260 00	48 994 02	174,265 98	0 00	174 265 98
GOLDMAN SACHS GROUP INC COM CUSIP 38141G104							
700 000	199 35	0 00	139,545 00	105 630 81	33,914 19	0 00	33,914 19
HEWLETT PACKARD CO COM CUSIP 428236103							
2,000 000	41 19	160 00	82,380 00	6,569 99	75 810 01	0 00	75,810 01
JOHNSON & JOHNSON COM CUSIP 478160104							
2,000 000	66 02	0 00	132 040 00	5,920 00	126,120 00	0 00	126,120 00
JPMORGAN CHASE & CO COM CUSIP 46625H100							
1,000 000	48 30	0 00	48,300 00	15 049 74	33 250 26	0 00	33,250 26
LEGG MASON INC COM CUSIP 524901105							
300 000	95 05	63 00	28,515 00	37 932 93	-9 417 93	0 00	-9,417 93

Northern Trust

*Generated by Northern Trust from reviewed periodic data on 5 Mar 07 B003

asset detail

Account number 0243714

31 DEC 06

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		Total
					Market	Translation	
<i>Equity Securities</i>							
Common stock							
United States - USD							
LINEAR TECH CORP DEL CUSIP 535678106							
1,000,000	30.32	0.00	30,320.00	39,500.00	-9,180.00	0.00	-9,180.00
MEDTRONIC INC COM CUSIP 585055106							
1,800,000	53.51	0.00	96,318.00	87,367.43	8,950.57	0.00	8,950.57
MELLON FINL CORP COM CUSIP 58551A108							
1,500,000	42.15	0.00	63,225.00	45,690.00	17,535.00	0.00	17,535.00
MICROSOFT CORP COM CUSIP 594918104							
3,800,000	29.86	0.00	113,468.00	105,760.00	7,708.00	0.00	7,708.00
PFIZER INC COM STK \$ 11 1/9 PAR CUSIP 717081103							
2,000,000	25.90	0.00	51,800.00	2,775.00	49,025.00	0.00	49,025.00
PRINCIPAL FINL GROUP INC COM STK CUSIP 74251V102							
1,000,000	58.70	0.00	58,700.00	28,148.70	30,551.30	0.00	30,551.30
PROCTER & GAMBLE CO COM CUSIP 742718109							
3,000,000	64.27	0.00	192,810.00	13,987.73	178,822.27	0.00	178,822.27
QUALCOMM INC COM CUSIP 747525103							
1,400,000	37.79	168.00	52,906.00	54,586.00	-1,680.00	0.00	-1,680.00
SCHLUMBERGER LTD COM STK CUSIP 806857108							
2,000,000	63.16	250.00	126,320.00	72,000.00	54,320.00	0.00	54,320.00
SEI INVTS CO COM CUSIP 784117103							
1,200,000	59.56	144.00	71,472.00	42,451.80	29,020.20	0.00	29,020.20
STAPLES INC COM CUSIP 855030102							
3,750,000	26.70	0.00	100,125.00	50,698.00	49,427.00	0.00	49,427.00
STATE STR CORP COM CUSIP 857477103							
3,000,000	67.44	630.00	202,320.00	137,102.10	65,217.90	0.00	65,217.90
TARGET CORP COM CUSIP E7612E106							
1,500,000	57.05	0.00	85,575.00	63,792.00	21,783.00	0.00	21,783.00

asset detail

Account number 0243714

31 DEC 06

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		Total
					Market	Translation	
<i>Equity Securities</i>							
Common stock							
United States - USD							
TEXAS INSTRS INC COM CUSIP 882508104							
3,000 000	28 80	0 00	86,400 00	68,204 00	18,196 00	0 00	18,196 00
TRANSOCEAN INC CUSIP G90078109							
600 000	80 89	0 00	48,534 00	29,579 94	18,954 06	0 00	18,954 06
UNITED TECHNOLOGIES CORP COM CUSIP 913017109							
2,000 000	62 52	0 00	125,040 00	95,210 00	29,830 00	0 00	29,830 00
VIACOM INC NEW CL B CUSIP 92553P201							
1,100 000	41 03	0 00	45,133 00	57,704 20	-12,571 20	0 00	-12,571 20
WALGREEN CO COM CUSIP 931422109							
3,000 000	45 89	0 00	137,670 00	45,260 00	92,410 00	0 00	92,410 00
WESTERN UN CO COM STK CUSIP 959802109							
1,000 000	22 42	0 00	22,420 00	14,940 56	7,479 44	0 00	7,479 44
ZIMMER HLDGS INC COM CUSIP 98956P102							
1,000 000	78 38	0 00	78,380 00	79,611 82	-1,231 82	0 00	-1,231 82
Total USD		4,047 00	3,772,172 00	2,130,534 18	1,641,637 82	0 00	1,641,637 82
Total United States		4,047 00	3,772,172 00	2,130,534 18	1,641,637 82	0 00	1,641,637 82
Total Common Stock		4,047.00	4,206,334.00	2,453,574.18	1,752,759 82	0.00	1,752,759.82
Equity funds							
Emerging Markets Region - USD							
MFC ISHARES TR MSCI EMERGING MKTS INDEX FD CUSIP 464287234							
1,200 000	114 17	0 00	137,004 00	82,820 00	54,184 00	0 00	54,184 00
Total USD		0 00	137,004 00	82,820 00	54,184 00	0 00	54,184 00
Total Emerging Markets Region		0 00	137,004 00	82,820 00	54,184 00	0 00	54,184 00

Northern Trust

*Generated by Northern Trust from reviewed periodic data on 5 Mar 07 B003

asset detail

Account number 0243714

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		Total
					Market	Translation	
<i>Equity Securities</i>							
Equity funds							
International Region - USD							
MFB NORTHN INTL EQTY INDEX FD CUSIP 665130209							
88 839 330	13 37	0 00	1,187,781 84	926,230 83	261,551 01	0 00	261,551 01
Total USD		0 00	1,187,781 84	926,230 83	261,551 01	0 00	261,551 01
Total International Region		0 00	1,187,781 84	926,230 83	261,551 01	0 00	261,551 01
United States - USD							
MFB NORTHN FDS SMALL CAP INDEX FD CUSIP 665162723							
39 612 560	10 72	0 00	424,646 64	325 686 11	98,960 53	0 00	98 960 53
MFC BIOTECH HOLDERS TR DEPOSITARY RCPTS CUSIP 09067D201							
500 000	183 84	0 00	91 920 00	94,810 95	-2,890 95	0 00	-2,890 95
MFC MIDCAP SPDR TR UNIT SER 1 STD & POORS CUSIP 595635103							
2 500 000	146 60	1,497 12	366,500 00	230,775 00	135,725 00	0 00	135,725 00
MFC SELECT SECTOR SPDR TR SHS BEN INT-MATERIALS CUSIP 81369Y100							
1 500 000	34 88	0 00	52,320 00	46,305 00	6,015 00	0 00	6,015 00
MFO CREDIT SUISSE COMMODITY-RETURN PLUS STRATEGY FD COM CL CUSIP 22544R305							
4 354 410	10 92	0 00	47,550 15	48,900 00	-1 349 85	0 00	-1 349 85
Total USD		1,497 12	982,936 79	746,477 06	236,459 73	0 00	236,459 73
Total United States		1,497 12	982,936 79	746,477 06	236,459 73	0 00	236,459 73
Total Equity Funds		1,497 12	2,307,722.63	1,755,527.89	552,194.74	0 00	552,194.74
Total Equity Securities		5,544 12	6,514,056 63	4,209,102 07	2,304,954.56	0 00	2,304,954 56

Fixed Income Securities

asset detail

31 DEC 06

◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total
Fixed Income Securities							
Government and agency issues							
United States - USD							
FHLB 5 875 11-15-2007 CUSIP 3133MCPG4							
100,000 000	100 531	750 69	100,531 00	104 420 00	-3,889 00	0 00	-3,889 00
Issue Date 21 Dec 00	Rate 5 875%	Yield to Maturity 5 289%	Maturity Date 15 Nov 07				
FHLB PREASSIGN 00368 5 125 06-01-2007 CUSIP 3133XFRH1							
150,000 000	99 9691	640 62	149 953 65	150,000 00	-46 35	0 00	-46 35
Issue Date 01 Jun 06	Rate 5 125%	Yield to Maturity 5 351%	Maturity Date 01 Jun 07				
FNMA 5 75 NT DUE 2-15-2008 BEO CUSIP 31359MDJ9							
200,000 000	100 5911	4 344 44	201,182 20	202,439 00	-1,256 80	0 00	-1,256 80
Issue Date 05 Feb 98	Rate 5 75%	Yield to Maturity 5 272%	Maturity Date 15 Feb 08				
FNMA 6 625 DUE 10-15-2007 REG CUSIP 31359MGH0							
200,000 000	101 031	2,797 22	202,062 00	204,567 40	-2,505 40	0 00	-2,505 40
Issue Date 13 Oct 00	Rate 6 625%	Yield to Maturity 5 285%	Maturity Date 15 Oct 07				
MFC ISHARES TR U S TREAS INFLATION PROTECTED SECS FD CUSIP 464287176							
2,600 000	98 80	0 00	256,880 00	265,117 00	-8 237 00	0 00	-8,237 00
Issue Date 07 Nov 06							
US TREAS NTS DTD 05/15/1997 6 625 DUE 05-15-2007 REG CUSIP 9128272U5							
125,000 000	100 5586	1,075 19	125,698 25	123,632 82	2,065 43	0 00	2,065 43
Issue Date 15 May 97	Rate 6 625%	Yield to Maturity 5 105%	Maturity Date 15 May 07				
Total USD		9,608 16	1,036,307 10	1,050,176 22	-13,869 12	0 00	-13,869 12
Total United States		9,608 16	1,036,307 10	1,050,176 22	-13,869 12	0 00	-13,869 12
Total Government and Agency Issues		9,608 16	1,036,307.10	1,050,176.22	-13,869 12	0 00	-13,869.12

Corporate issues

United States - USD

asset detail

Account number 0243714

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total
Fixed Income Securities							
Corporate issues							
United States - USD							
ABBOTT LABS NT 5 4% DUE 09 15-2008 BEO CUSIP 002824AK6							
75,000 000	100 31	1,192 50	75,232 50	74,850 75	381 75	0 00	381 75
Issue Date 15 Sep 98	Rate 5 40%	Yield to Maturity 5 281%	Maturity Date 15 Sep 08				
BK 1 CORP NT 6 DUE 08-01-2008 BEO CUSIP 06423AAN3							
100,000 000	101 2366	2,500 00	101,236 60	101 604 00	-367 40	0 00	-367 40
Issue Date 08 Aug 01	Rate 6 00%	Yield to Maturity 5 286%	Maturity Date 01 Aug 08				
GEN ELEC CAP CORP 8 30 8D DUE 9-20-09 REG CUSIP 369622CB9							
100,000 000	107 801	2,328 61	107,801 00	111,952 00	-4,151 00	0 00	-4,151 00
Issue Date 20 Sep 89	Rate 8 30%	Yield to Maturity 5 275%	Maturity Date 20 Sep 09				
INTL LEASE FIN CORP INTL LEASE FIN CO NT5 6250000 20070601 5 625 6-01-2007 BEO CUSIP 459745FA8							
100,000 000	100 067	468 75	100,067 00	100,253 00	-186 00	0 00	-186 00
Issue Date 29 May 02	Rate 5 625%	Yield to Maturity 5 388%	Maturity Date 01 Jun 07				
LILLY ELI & CO NT 6% DUE 03-15-2012 BEO CUSIP 532457AU2							
50,000 000	103 5475	883 33	51,773 75	49 863 00	1,910 75	0 00	1,910 75
Issue Date 18 Mar 02	Rate 6 00%	Yield to Maturity 5 181%	Maturity Date 15 Mar 12				
MORGAN STANLEY DEAN WITTER & CO 5 8 DUE 04-01-2007 BEO CUSIP 617446HB8							
100 000 000	100 0664	1 450 00	100,066 40	100,425 00	-358 60	0 00	-358 60
Issue Date 03 Apr 02	Rate 5 80%	Yield to Maturity 5 447%	Maturity Date 01 Apr 07				
NATL RURAL UTILS COOP FIN CORP 6 2 DUE 02-01-2008 REG CUSIP 637432CA1							
75,000 000	100 9482	1 937 49	75,711 15	75,422 25	288 90	0 00	288 90
Issue Date 06 Feb 98	Rate 6 20%	Yield to Maturity 5 388%	Maturity Date 01 Feb 08				
NORWEST FINL INC 7 2 DUE 05-01-2007 REG CUSIP 669383DH1							
75,000 000	100 514	900 00	75,385 50	74 836 50	549 00	0 00	549 00
Issue Date 05 May 97	Rate 7 20%	Yield to Maturity 5 591%	Maturity Date 01 May 07				
PEPSICO INC MEDIUM TERM NTS BOOK ENTRY 5 75 DUE 01-15-2008 CUSIP 71345LEC8							
75 000 000	100 5881	1,988 54	75 441 07	75 477 75	-36 68	0 00	-36 68

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Account number 0243714

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total
<i>Fixed Income Securities</i>							
Corporate issues							
United States - USD							
Issue Date 14 Jan 98 Rate 5.75% Yield to Maturity 5.312% Maturity Date 15 Jan 08							
TOYOTA MTR CR CORP MEDIUM TERM NTS BOOK TRANCHE # TR 00285 5 65 DUE 01-15-2007 CUSIP 89233PMW3							
100 000 000	100 0214	2,605 27	100 021 40	99,576 00	445 40	0 00	445 40
Issue Date 05 Jul 01 Rate 5.65% Maturity Date 15 Jan 07							
Total USD		16,254 49	862,736 37	864,260 25	-1,523 88	0 00	-1,523 88
Total United States		16,254 49	862,736 37	864,260 25	-1,523 88	0 00	-1,523 88
Total Corporate Issues		16,254.49	862,736.37	864,260.25	-1,523.88	0 00	-1,523 88
850,000.000							
Total Fixed Income Securities		25,862 65	1,899,043 47	1,914,436 47	-15,393.00	0.00	-15,393 00
1,627,600.000							
<i>Other Assets</i>							
Other							
Canada - USD							
BC PROV CDA NT DTD 10/29/1998 5 375 DUE 10-29-2008 BEO CUSIP 110709EQ1							
75,000 000	100 6514	706 84	75 488 55	73 812 75	1 675 80	0 00	1,675 80
Total USD		706 84	75,488 55	73,812 75	1,675 80	0 00	1,675 80
Total Canada		706 84	75,488 55	73,812 75	1,675 80	0 00	1,675 80
Total Other		706 84	75,488 55	73,812 75	1,675.80	0.00	1,675 80
75,000 000							
Total Other Assets		706 84	75,488.55	73,812 75	1,675.80	0.00	1,675.80
75,000.000							

asset detail

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◆ **Asset Detail - Base Currency**

Description / Asset ID Shares/PAR value	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Unrealized gain/loss		
					Market	Translation	Total
<i>Cash and Short Term Investments</i>							
Short term							
USD - United States dollar							
	1.00	5,310.88	1,136,127.21	1,136,127.21	0.00	0.00	0.00
Total short term - all currencies		5,310.88	1,136,127.21	1,136,127.21	0.00	0.00	0.00
Total short term - all countries		5,310.88	1,136,127.21	1,136,127.21	0.00	0.00	0.00
Total Short Term		5,310.88	1,136,127.21	1,136,127.21	0.00	0.00	0.00
Total Cash and Short Term Investments		5,310.88	1,136,127.21	1,136,127.21	0.00	0.00	0.00
Total		37,424.49	9,624,715.86	7,333,478.50	2,291,237.36	0.00	2,291,237.36

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