Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
LEEWARDS PENSION PLAN FOR HOURLY EMPLOYEES

1b Three-digit plan number (PN) ▶ 015

1c Effective date of plan 06/01/1971

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
MICHAELS STORES, INC.

8000 BENT BRANCH DRIVE
IRVING, TX 75063-9566

2b Employer Identification Number (EIN)
75-1943604

2c Sponsor's telephone number
972-409-1300

2d Business code (see instructions)
451120

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	JEWEL TAYLOR
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
MICHAELS STORES, INC.

8000 BENT BRANCH DRIVE
IRVING, TX 75063-9566

3b Administrator's EIN
75-1943604

3c Administrator's telephone number
972-409-1300

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	396
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	28
b	Retired or separated participants receiving benefits	**6b**	144
c	Other retired or separated participants entitled to future benefits	**6c**	192
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	364
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	6
f	Total. Add lines **6d** and **6e**	**6f**	370
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1B 1G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)		**D** (DFE/Participating Plan Information)
(6)	X	**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
LEEWARDS PENSION PLAN FOR HOURLY EMPLOYEES

B Three-digit plan number (PN) ▶ 015

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
MICHAELS STORES, INC.

D Employer Identification Number (EIN)
75-1943604

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2009

2 Assets:

a	Market value	**2a**	1379462
b	Actuarial value	**2b**	1507779

3 Funding target/participant count breakdown

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	177	773472
b	For terminated vested participants	**3b**	189	1264465
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		88143
	(3) Total active	**3c(3)**	29	88143
d	Total	**3d**	395	2126080

4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	**4a**	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**	

5	Effective interest rate	**5**	6.38 %
6	Target normal cost	**6**	21000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

07/20/2010
Signature of actuary — Date

CHARLES E DEAN, FSA
Type or print name of actuary

08-01249
Most recent enrollment number

DEAN ACTUARIES, LLC
Firm name

214-891-0990
Telephone number (including area code)

5646 MILTON STREET, SUITE 210
DALLAS, TX 75206
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	287091	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	287091	0
10	Interest on item 9 using prior year's actual return of -23.06 %	-66203	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		90820
b	Interest on (a) using prior year's effective rate of 6.02 %		5467
c	Total available at beginning of current plan year to add to prefunding balance		96287
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	220888	
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	70.91 %
15	Adjusted funding target attainment percentage	15	70.92 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	92.02 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
07/12/2010	115223				
			Totals ► 18(b)	115223	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	104798

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.32 %	6.45 %	6.69 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 0

22 Weighted average retirement age — **22**: 65

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	**31**		21000
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		490736	82635
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**		
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	**34**		103635

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	0	0	0

36 Additional cash requirement (item 34 minus item 35)	**36**	103635
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	104798
38 Interest-adjusted excess contributions for current year (see instructions)	**38**	1163
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40 Unpaid minimum required contribution for all years	**40**	0

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan	**B** Three-digit plan number (PN) ▶
LEEWARDS PENSION PLAN FOR HOURLY EMPLOYEES	015

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
MICHAELS STORES, INC.	75-1943604

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

DEAN ACTUARIES, LLC

75-2548006

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARY	21269	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

MERRILL LYNCH TRUST COMPANY

94-0687665

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
24	TRUSTEE	9297	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

MERRLL LYNCH, PIERCE, FENNER SMITH

13-5674085

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33	BROKERAGE	293	Yes [X] No [ ]	Yes [X] No [ ]	3146	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN;
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE G (Form 5500)	Financial Transaction Schedules	OMB No. 1210-0110
Department of Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan:
LEEWARDS PENSION PLAN FOR HOURLY EMPLOYEES

B Three-digit plan number (PN) ▶ 015

C Plan sponsor's name as shown on line 2a of Form 5500
MICHAELS STORES, INC.

D Employer Identification Number (EIN):
75-1943604

Part I Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible

Complete as many entries as needed to report all loans or fixed income obligations in default or classified as uncollectible. Check box (a) if obligor is known to be a party in interest. Attach Overdue Loan Explanation for each loan listed. See Instructions.

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items
☐		

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

(a)	(b) Identity and address of obligor	(c) Detailed description of loan including dates of making and maturity, interest rate, the type and value of collateral, any renegotiation of the loan and the terms of the renegotiation, and other material items

	Amount received during reporting year			Amount overdue	
(d) Original amount of loan	(e) Principal	(f) Interest	(g) Unpaid balance at end of year	(h) Principal	(i) Interest

Part II Schedule of Leases in Default or Classified as Uncollectible

Complete as many entries as needed to report all leases in default or classified as uncollectible. Check box (a) if lessor or lessee is known to be a party in interest. Attach Overdue Lease Explanation for each lease listed. (See instructions)

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

(a)	(b) Identity of lessor/lessee	(c) Relationship to plan, employer, employee organization or other party-in-interest	(d) Terms and description (type of property, location and date it was purchased, terms regarding rent, taxes, insurance, repairs, expenses, renewal options, date property was leased)
☐			

(e) Original cost	(f) Current value at time of lease	(g) Gross rental receipts during the plan year	(h) Expenses paid during the plan year	(i) Net receipts	(j) Amount in arrears

Part III Nonexempt Transactions

Complete as many entries as needed to report all nonexempt transactions. **Caution:** If a nonexempt prohibited transaction occurred with respect to a disqualified person, file Form 5330 with the IRS to pay the excise tax on the transaction.

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transaction including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price
MICHAELS STORES, INC.	PLAN SPONSOR	SPONSOR REIMBURSED TRUST FOR ACTUARIAL FEES PAID FROM THE TRUST.	0

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction
0	0	79445	0	0	0

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

(a) Identity of party involved	(b) Relationship to plan, employer, or other party-in-interest	(c) Description of transactions including maturity date, rate of interest, collateral, par or maturity value	(d) Purchase price

(e) Selling price	(f) Lease rental	(g) Transaction expenses	(h) Cost of asset	(i) Current value of asset	(j) Net gain (or loss) on each transaction

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
LEEWARDS PENSION PLAN FOR HOURLY EMPLOYEES

B Three-digit plan number (PN) ▶ 015

C Plan sponsor's name as shown on line 2a of Form 5500
MICHAELS STORES, INC.

D Employer Identification Number (EIN)
75-1943604

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	100000	115223
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	79445	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	12018	13018
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	1271157	1502228
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	1462620	1630469
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	1462620	1630469

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	115223	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		115223
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	29507	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		29507
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	160714	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	175824	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		-15110

			(a) Amount	(b) Total
2b	(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	240701	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		240701
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c	Other income	2c		
d	Total income. Add all **income** amounts in column (b) and enter total	2d		370321
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	152448	
	(2) To insurance carriers for the provision of benefits	2e(2)		
	(3) Other	2e(3)		
	(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		152448
f	Corrective distributions (see instructions)	2f		
g	Certain deemed distributions of participant loans (see instructions)	2g		
h	Interest expense	2h		
i	Administrative expenses: (1) Professional fees	2i(1)	21269	
	(2) Contract administrator fees	2i(2)		
	(3) Investment advisory and management fees	2i(3)	9297	
	(4) Other	2i(4)	19458	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		50024
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		202472
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		167849
l	Transfers of assets:			
	(1) To this plan	2l(1)		0
	(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG **(2)** EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
LEEWARDS PENSION PLAN FOR HOURLY EMPLOYEES

B Three-digit plan number (PN) ▶ 015

C Plan sponsor's name as shown on line 2a of Form 5500
MICHAELS STORES, INC.

D Employer Identification Number (EIN)
75-1943604

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 22-3513863

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 5

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☒ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Financial Statements and Supplemental Schedules

Leewards Pension Plan for Hourly Employees
Years Ended December 31, 2009 and 2008

Ernst & Young LLP

Ernst & Young

Leewards Pension Plan for Hourly Employees

Financial Statements and Supplemental Schedules

Years Ended December 31, 2009 and 2008

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Report of Independent Auditors

Administrative Committee
Leewards Pension Plan for Hourly Employees

We were engaged to audit the accompanying statements of net assets available for benefits of the Leewards Pension Plan for Hourly Employees as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedules of assets (held at end of year) as of December 31, 2009, and reportable transactions for the year then ended. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 7, which was certified by Bank of America (MLTC) (previously Merrill Lynch Trust Company) and Frank Russell Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that Bank of America (MLTC) (previously Merrill Lynch Trust Company) held the Plan's investment assets and executed investment transactions from February 28, 2008 to December 31, 2009, and Frank Russell Trust Company held the Plan's investment assets and executed investment transactions for the period from January 1, 2008 to February 27, 2008. The plan administrator has obtained certifications from the trustees as of December 31, 2009 and 2008, and for the years then ended, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the investment information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Ernst & Young LLP

October 15, 2010

A member firm of Ernst & Young Global Limited

Leewards Pension Plan for Hourly Employees

Statements of Net Assets Available for Benefits

	December 31	
	2009	**2008**
Assets		
Investments:		
Registered investment companies	**$ 1,502,228**	$ 1,271,157
Money market fund	**13,018**	12,018
	1,515,246	1,283,175
Employer contribution receivable	**115,223**	100,000
Other receivable	**–**	79,445
Total assets	**1,630,469**	1,462,620
Liabilities		
Accrued administrative fees	**24,039**	25,324
Net assets available for benefits	**$ 1,606,430**	$ 1,437,296

See accompanying notes.

Leewards Pension Plan for Hourly Employees

Statements of Changes in Net Assets Available for Benefits

	December 31	
	2009	**2008**
Additions		
Net appreciation (depreciation) in fair value of investments	**$ 225,591**	$ (470,247)
Employer contributions	**115,223**	100,000
Other receipts	**–**	79,445
Dividends and interest income	**29,507**	66,343
Total additions, net of investment gain (loss)	**370,321**	(224,459)
Deductions		
Benefits paid to participants	**152,448**	181,535
Administrative expenses	**48,739**	49,135
Total deductions	**201,187**	230,670
Net increase (decrease)	**169,134**	(455,129)
Net assets available for benefits at beginning of year	**1,437,296**	1,892,425
Net assets available for benefits at end of year	**$ 1,606,430**	$ 1,437,296

See accompanying notes.

Leewards Pension Plan for Hourly Employees

Notes to Financial Statements

December 31, 2009 and 2008

1. Description of Plan

The following description of the Leewards Pension Plan for Hourly Employees (the Plan) provides only general information. Readers should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a noncontributory defined benefit plan for substantially all hourly employees of Leewards Creative Crafts, Inc. (the Company). In July 1994, Michaels Stores, Inc. (the Plan Sponsor) acquired Leewards Creative Crafts, Inc. and, as a result of the acquisition, became the sponsor of the Plan. The Plan is administered by an administrative committee selected by the Board of Directors of the Plan Sponsor. Effective February 28, 2008, Bank of America (MLTC) (previously Merrill Lynch Trust Company) is the custodian and Trustee of the Plan (the Trustee). Prior to February 28, 2008, Frank Russell Trust Company (Frank Russell) served as trustee, and State Street Bank & Trust Company served as custodian. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

In April 1992, as part of a series of cost reductions, the Company altered the terms of the Plan whereby no new participants will be added to the Plan nor will additional benefits accrue to current participants beyond those earned as of the date the Plan was frozen.

Pension Benefits

Hourly employees with one year of eligible service at the Company, as defined by the Plan, and attainment of age 21 prior to May 5, 1992, were eligible to participate in the Plan. Hourly employees with five years of eligible service were eligible for pension benefits upon retirement, disability, death, or termination as follows:

Normal Retirement

The Plan provides for normal retirement benefits upon reaching the age of 65. The basic monthly benefit is computed as follows:

- For participants terminating on or after June 1, 1984, $7.00 multiplied by the total years of eligible service, and is payable for life.

- For participants terminating on or after January 1, 1982, but prior to June 1, 1984, $5.00 multiplied by the total years of eligible service, and is payable for life.

1. Description of Plan (continued)

- For participants terminating prior to January 1, 1982, $4.50 multiplied by the total years of eligible service, and is payable for life.

Early Retirement

Participants with 10 or more years of eligible service and who have reached the age of 55 may elect an early retirement benefit. The monthly benefit is computed the same as for normal retirement reduced by 0.17% for each month during the first three years and 0.33% for each full month thereafter (not to exceed a total of 120 months) that the early retirement benefit payments commence prior to the normal retirement date.

Late Retirement

Eligible participants who retire after the age of 65 are entitled to a late retirement benefit. The amount of the monthly benefit is computed the same as for normal retirement, with years of benefit service computed through May 5, 1992.

Disability

Participants who have been deemed eligible for disability under the provisions of the Social Security Act, as amended, are entitled to disability benefits, computed on the same basis as normal retirement, with benefit service projected to age 65. Benefit payments cease upon recovery from the disability.

Death

Benefits are generally payable to surviving spouses of eligible participants, calculated as 50% of the amount computed under the joint and survivor provisions of the Plan.

Termination

In the event of termination at any age after completion of five years of eligible service, a participant is entitled to benefit payments computed the same as for normal retirement, with years of benefit service computed to the date of termination. If payment commences prior to the normal retirement date, the amount is reduced by 6% for each of the first five years and 4% for each year thereafter that the benefit payments commence prior to the normal retirement date.

Benefits are paid in the form of a life annuity or a joint and survivor annuity.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Plan are presented on the accrual basis of accounting. Benefits paid to participants are recorded upon distribution. Subsequent events have been evaluated through October 15, 2010, the date the financial statements were available to be issued.

Recent Accounting Pronouncements

In April 2009, the Financial Accounting Standards Board (FASB) issued FASB Staff Position 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* (FSP 157-4). FSP 157-4 amended FASB Statement No. 157, codified as Accounting Standards Codification (ASC) 820, to provide additional guidance on estimating fair value when the volume and level of activity for an asset or liability have significantly decreased in relation to its normal market activity. FSP 157-4 also provided additional guidance on circumstances that may indicate that a transaction is not orderly and on defining major categories of debt and equity securities to comply with the disclosure requirements of ASC 820. The Plan adopted the guidance in FSP 157-4 for the reporting period ended December 31, 2009. Adoption of FSP 157-4 did not have a material effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

In May 2009, the FASB issued ASC 855, *Subsequent Events*. ASC 855 is intended to establish general standards of accounting for and disclosure of events that occur after the balance sheet date but before the financial statements are issued or available to be issued. The statement sets forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. ASC 855 is effective for fiscal years and interim periods ending after June 15, 2009. The Plan adopted ASC 855 during fiscal 2009; the impact of the adoption in future periods will depend on the nature and the extent of transactions that occur subsequent to the Plan's annual reporting periods.

2. Summary of Significant Accounting Policies (continued)

In June 2009, the FASB issued ASC 105, *Generally Accepted Accounting Principles*. ASC 105 established the Codification as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernment entities in the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). All guidance contained in the Codification carries an equal level of authority. The U.S. GAAP hierarchy has been modified to include two levels of GAAP: authoritative and nonauthoritative. This statement is effective for financial statements issued for interim and annual periods ended after September 15, 2009. References to authoritative accounting literature are included in accordance with the Codification. There are no other changes to the content of the financial statements of the Plan as a result of the adoption.

In January 2010, the FASB issued ASU 2010-06, which amends ASC 820, *Fair Value Measurements and Disclosures*. This guidance requires new disclosures and provides amendments to clarify existing disclosures. The new requirements include disclosing transfers in and out of Levels 1 and 2 fair value measurements and the reasons for the transfers and further disaggregating activity in Level 3 fair value measurements. The clarification of existing disclosure guidance includes further disaggregation of fair value measurement disclosures for each class of assets and liabilities and providing disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. This guidance is effective for interim and annual reporting periods beginning after December 15, 2009, except for the new disclosures regarding the activity in Level 3 measurements, which will be effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The Plan will adopt this guidance for 2010, except for the new disclosure regarding the activity in Level 3 measurements, which the Plan will adopt in 2011. Plan management is currently evaluating the effect that the provisions of ASU 2010-06 will have on the Plan's financial statements.

Investment Valuation

Investments are valued at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 3 for further discussion of fair value measurements.

2. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Plan Sponsor to make estimates and assumptions that affect the amounts reported in the financial statements, accompanying notes and supplemental schedules. Actual results could differ from those estimates and assumptions.

Administrative Expenses

All fees associated with the administration and maintenance of the Plan and its records may be paid by the Plan or by the Plan Sponsor at the discretion of the Plan Sponsor. Of these fees, a total of $48,739 and $49,135 was paid by the Plan in 2009 and 2008, respectively. The Plan Sponsor paid $25,328 and $15,806 of administrative expenses on behalf of the Plan in 2009 and 2008, respectively. The Plan Sponsor also furnishes the Plan with administrative and clerical services and use of office space and supplies at no charge.

Related-Party Transactions

Michaels Stores, Inc., the Plan Sponsor, paid $25,328 and $15,806 of administrative fees on behalf of the Plan for the years ended December 31, 2009 and 2008, respectively. Additionally, Merrill Lynch & Co., Inc., a wholly owned subsidiary of Bank of America Corporate has an economic interest in BlackRock, Inc. The Plan has an investment in a BlackRock index fund. These transactions are exempt from the prohibited transaction rules.

3. Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, establishes a three-level valuation hierarchy for fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The fair value hierarchy prescribed by ASC 820 is as follows:

Level 1 – Quoted prices for *identical* instruments in active markets;

3. Fair Value Measurements (continued)

Level 2 – Quoted prices for *similar* instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations whose significant inputs are observable; and

Level 3 – Instruments whose significant inputs are *unobservable.*

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation methodology used for investments in registered investment companies measured at fair value is based on published prices, which represent the net asset values of shares held by the Plan on the last business day of the Plan year. The money market fund is valued at cost, which approximates fair value.

The table below sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies:				
Fixed-income	**$ 564,754**	**$ –**	**$ –**	**$ 564,754**
Domestic large company equity	**475,206**	**–**	**–**	**475,206**
International growth	**462,268**	**–**	**–**	**462,267**
Money market fund	**13,018**	**–**	**–**	**13,018**
	$ 1,515,246	**$ –**	**$ –**	**$ 1,515,246**

The table below sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2008:

	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	$ 1,271,157	$ –	$ –	$ 1,271,157
Money market fund	12,018	–	–	12,018
	$ 1,283,175	$	$	$ 1,283,175

4. Other Receivables and Receipts

All actuarial fees incurred in relation to the Plan have historically been paid by the Plan. During 2008, the Plan Sponsor determined that certain of these expenses should have been paid by the Plan Sponsor because they were considered settlor expenses, which require payment by the Plan's sponsor. The Plan Sponsor calculated the total amount of the actuary fees paid from 1995 through 2007 and the lost interest on those fees and reimbursed the Plan $79,445 on July 16, 2009. The Plan Sponsor considered both the quantitative and qualitative aspects of this error and concluded the correction to be appropriately recorded in 2008, as there was no material impact on 2008 or any prior period. This corrective reimbursement is consistent with the correction methodologies described in the DOL's Voluntary Fiduciary Correction Program. In that regard, the lost earnings component was calculated using the online calculator on the DOL's Voluntary Fiduciary Correction Program website, which incorporates an interest amount, calculated using the appropriate Internal Revenue Code Section 6621 underpayment rate. This reimbursement is included as an other receivable on the statement of net assets available for benefits as of December 31, 2008, and as an other receipt on the statement of changes in net assets available for benefits for the year ended December 31, 2008. At no time were any Plan benefits limited during this period of inadvertent payments.

5. Funding Policy

Contributions to provide benefits under the Plan are made solely by the Plan Sponsor. The Plan Sponsor's funding policy is to make contributions to the Plan in amounts computed by the Plan's actuary that are designed to provide sufficient funds to pay benefits as they become payable under the Plan. The Plan Sponsor met the minimum funding requirements of ERISA in 2009 and 2008.

6. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future benefit payments pursuant to the Plan's provisions that are attributable to service that employees have rendered. The actuarial present value of accumulated plan benefits has been determined by an independent actuary, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the benefit information date and the expected payment dates.

6. Actuarial Present Value of Accumulated Plan Benefits (continued)

The significant actuarial assumptions used in determining accumulated plan benefits as of December 31, 2008, are summarized below:

Interest rate	8.0% per year
Average retirement age	62
Mortality	RP2000p

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits is reported based on certain assumptions, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

The actuarial present value of accumulated plan benefits is as follows:

	December 31 2008
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	$ 1,073,329
Other participants	775,232
	1,848,561
Nonvested benefits	–
Total actuarial present value of accumulated plan benefits	$ 1,848,561

The changes in actuarial present value of accumulated plan benefits between December 31, 2007 and 2008, were as follows:

Actuarial present value of plan benefits, December 31, 2007	$ 1,792,191
Benefits paid	(181,535)
Interest due to decrease in discount period	143,375
Benefits accruals and other	94,530
Actuarial present value of plan benefits, December 31, 2008	$ 1,848,561

7. Investments

All investment information disclosed in the accompanying financial statements, accompanying notes, and supplemental schedules, including investments held at December 31, 2009 and 2008, and net appreciation (depreciation) in the fair value of investments and dividend and interest income for the years then ended, were obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the Trustee and Frank Russell.

The Plan provides for investments in various investment securities. Investment securities are exposed to various risks, such as interest rate, credit, and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

The Plan's investments that exceeded 5% of net assets available for benefits as of December 31 are as follows:

	December 31	
	2009	**2008**
Intermediate Bond Fund of America	**$ 564,754**	$ 576,077
BlackRock S&P 500 Index Fund	**475,206**	354,384
New Perspective Fund	**462,268**	340,696

The net appreciation in fair value of investments of $225,591 for the year ended December 31, 2009, relates to the Plan's investments in registered investment companies. The net depreciation in fair value of investments of $470,247 for the year ended December 31, 2008, relates to the Plan's investments in registered investment companies of $396,268 and investments in common collective trusts of $73,979.

8. Plan Termination

The Plan Sponsor has the right under the provisions of the Plan to amend or terminate the Plan at any time. In the event the Plan is terminated, each participant's accrued benefit will be fully vested and nonforfeitable to the extent funded. Net assets will be allocated for payment of plan benefits to the participant in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

8. Plan Termination (continued)

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) in the event the Plan is terminated. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits in the event the Plan is terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

9. Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated April 4, 2002, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and that therefore the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The Plan administrator has indicated that it will take the necessary steps to bring the Plan's operations into compliance with the Code.

10. Reconciliation to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500.

	December 31	
	2009	**2008**
Net assets available for benefits per the financial statements	**$ 1,606,430**	$ 1,437,296
Add: Accrued administrative fees	**24,039**	25,324
Net assets available for benefits per the Form 5500	**$ 1,630,469**	$ 1,462,620

10. Reconciliation to Form 5500 (continued)

The following is a reconciliation of the net increase per the financial statements to the Form 5500:

	December 31 2009
Net increase per the financial statements	$ 169,134
Add: Accrued administrative fees at December 31, 2009	24,039
Less: Accrued administrative fees at December 31, 2008	(25,324)
Net increase per the Form 5500	$ 167,849

The accompanying financial statements present administrative expenses on an accrual basis, whereas the Form 5500 presents administrative expenses on a cash basis.

Supplemental Schedules

Leewards Pension Plan for Hourly Employees

Schedule G; Part III – Nonexempt Transactions

EIN: 75-1943604 Plan: 015

December 31, 2008

(a) Identity of Party Involved	(b) Relationship to Plan, Employer, or Other Party in Interest	(c) Description of Transactions, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Actuarial Fees	Interest	(g) Expenses Incurred in Connection with Transaction
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2007	$ 3,705	$ 663	$ 4,368
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2006	3,610	978	4,588
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2005	4,465	1,561	6,026
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2004	3,605	1,484	5,089
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2003	3,420	1,642	5,062
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2002	3,420	1,955	5,375
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2001	3,325	2,321	5,646
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-2000	3,230	2,757	5,987
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-1999	3,230	3,239	6,469
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-1998	3,135	3,683	6,818
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-1997	3,135	4,325	7,460
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-1996	3,040	4,856	7,896
Michaels Stores, Inc.	Plan Sponsor	Actuarial fees for Sponsor paid by Plan-1995	3,040	5,621	8,661
			$ 44,360	$ 35,085	$ 79,445

Columns (d), (e), and (f) are not applicable.

Leewards Pension Plan for Hourly Employees

Schedule H; Line 4i – Schedule of Assets (Held at End of Year)

EIN: 75-1943604 Plan: 015

December 31, 2009

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
	American Funds	Intermediate Bond Fund of America	$ 549,503	$ 564,754
*	BlackRock Index Funds	BlackRock S&P 500 Index Fund	390,100	475,206
	American Funds	New Perspective Fund	349,129	462,268
*	Merrill Lynch	CMA Money Fund	13,018	13,018
			$ 1,301,750	$ 1,515,246

*Party-in-interest.

Leewards Pension Plan for Hourly Employees

Schedule H; Line 4j – Schedule of Reportable Transactions

EIN: 75-1943604 Plan: 015

Year Ended December 31, 2009

(a) Identity of Party Involved	(b) Description of Investment	(c) Purchase Price	(d) Selling Price	(g) Cost	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (i) – Individual transactions in excess of 5% of beginning Plan assets:						
Merrill Lynch	CMA Money Fund	$ 79,445	$ –	$ 79,445	$ 79,445	$ –
Merrill Lynch	CMA Money Fund	66,445	–	66,445	66,445	–
Merrill Lynch	CMA Money Fund	–	66,445	66,445	66,445	–
Merrill Lynch	CMA Money Fund	88,195	–	88,195	88,195	–
Merrill Lynch	CMA Money Fund	–	88,195	88,195	88,195	–
Merrill Lynch	CMA Money Fund	100,000	–	100,000	100,000	–
Merrill Lynch	CMA Money Fund	–	99,200	99,200	99,200	–
Category (iii) – Series of transaction in excess of 5% of beginning Plan assets:						
Merrill Lynch	CMA Money Fund	–	428,961	428,961	428,961	–
Merrill Lynch	CMA Money Fund	429,961	–	429,961	429,961	–
American Funds	Intermediate Bond Fund of America	78,282	–	78,282	78,282	–
American Funds	Intermediate Bond Fund of America	–	104,827	109,636	104,827	(4,809)
American Funds	New Perspective Fund	–	44,809	53,194	44,809	(8,384)
American Funds	New Perspective Fund	43,017	–	43,017	43,017	–

There were no Category (ii) or (iv) reportable transactions during the year ended December 31, 2009.
Columns (e) and (f) are not applicable.

Ernst & Young LLP

Assurance | Tax | Transactions | Advisory

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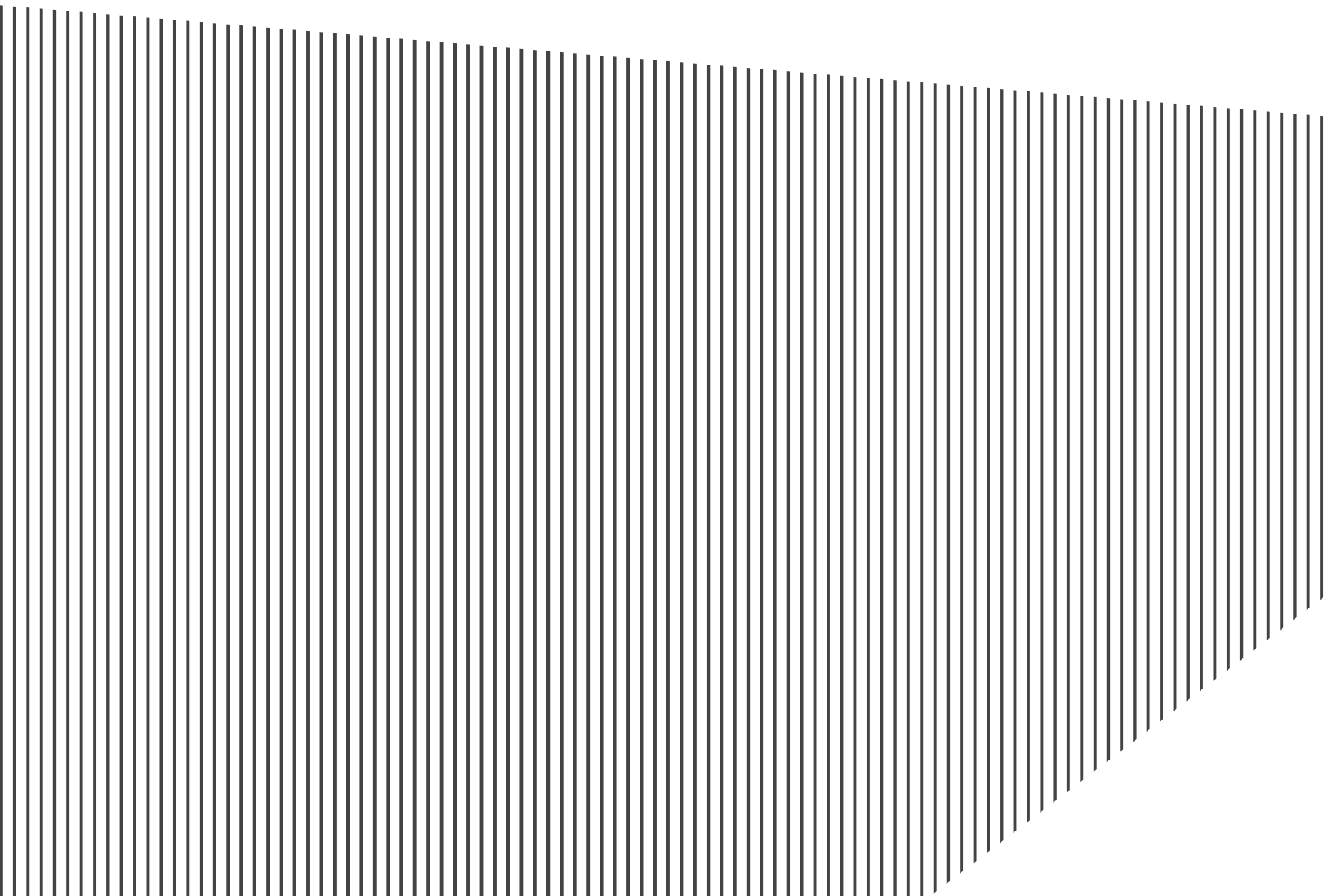

Schedule SB, Part V – Summary of Plan Provisions

SUMMARY OF PLAN PROVISIONS

Eligibility	Hourly employees became plan participants on the first day of the month following completion of 1 year of eligibility service and attainment of age 21. No new participant is allowed on or after May 5, 1992.
Contributions	The employer pays the full cost of the plan.
Service Considered	
	One year is credited for any plan year in which the employee has at least 1,000 hours of service.
Benefits	One year is credited for any plan year in which the employee has at least 1,800 hours of service. A fractional year of credit for service less than 1,800 hours but at least 1,000 hours of service. Benefit service credit was frozen as of May 5, 1992.
Retirement Ages	
Normal	Age 65
Early	Age 55 with at least 10 years of service
Vesting	5 years of vesting service
Death	5 years of vesting service with a surviving spouse
Disability	5 years of vesting service and total and permanent disability
Accrued Benefit Formula	Annual retirement income of $84 for each year of benefit service payable at normal retirement age.
Normal and Late Retirement Benefits	The accrued benefit is payable for retirement on normal retirement age. Actuarial increases apply for late retirement.
Early Retirement Benefit	The accrued benefit reduced by 2% for each year during the first three years and 4% for each year thereafter (not to exceed 10 years) that commencement of payments precedes the participant's normal retirement date.
Vested Retirement Benefit	An accrued benefit payable at 65 or a reduced amount for early retirement. The reduction is 6% for each of the first five years and 4% for each year thereafter.
Pre-Retirement Death Benefit	If a participant dies in service or in deferred vested status with 5 or more years of vesting service, the surviving spouse, if any, receives an amount equal to 50% of the Joint & 50% Survivor option amount as of the date of death (or age 55, if later).

Optional Forms of Payments

The accrued benefit is expressed in the form of a life only annuity payable at normal retirement age. Other forms of payment are available on an actuarially equivalent basis:

life with 10 year certain period
joint and 50%, 100% (or other %) survivor annuity
lump sum payment (if the value is less than $5,000)

A married participant must receive their benefit in the form of a qualified joint and 50% spouse's annuity (with actuarial reduction) unless the participant elects another form of payment and has their spouse's written consent.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan

Leewards Pension Plan for Hourly Employees

B Three-digit plan number (PN) ▶ 015

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Michaels Stores, Inc.

D Employer Identification Number (EIN)

75-1943604

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [X] 101-500 [ ] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2009

2	Assets:			
	a Market value		**2a**	1,379,462
	b Actuarial value		**2b**	1,507,779
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	177	773,472
	b For terminated vested participants	**3b**	189	1,264,465
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		88,143
	(3) Total active	**3c(3)**	29	88,143
	d Total	**3d**	395	2,126,080
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions		**4a**	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor		**4b**	
5	Effective interest rate		**5**	6.38 %
6	Target normal cost		**6**	21,000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Charles E Dean

Signature of actuary

07/20/2010

Date

Charles E Dean, FSA

Type or print name of actuary

08-01249

Most recent enrollment number

Dean Actuaries, LLC

Firm name

(214)891-0990

Telephone number (including area code)

5646 Milton Street, Suite 210

Dallas TX 75206

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	287,091	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8)	287,091	0
10	Interest on item 9 using prior year's actual return of (23.06)%	(66,203)	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		90,820
b	Interest on (a) using prior year's effective rate of 6.02 %		5,467
c	Total available at beginning of current plan year to add to prefunding balance		96,287
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	220,888	
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	70.92 %
15	Adjusted funding target attainment percentage	15	70.92 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	92.02 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
07/12/2010	115,223				
			Totals ▶ 18(b)	115,223	18(c) 0

19	Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	104,798

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
5.32 %	6.45 %	6.69 %	☐ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 0

22 Weighted average retirement age — **22**: 65

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	**31**		21,000
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		490,736	82,635
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**		
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	**34**		103,635

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	0	0	0

36 Additional cash requirement (item 34 minus item 35)	**36**	103,635
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	104,798
38 Interest-adjusted excess contributions for current year (see instructions)	**38**	1,237
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40 Unpaid minimum required contribution for all years	**40**	0

Schedule SB, line 22 – Description of Weighted Average Retirement Age

Age	Retirement Rate	Unretired	Retirements	Age x retmnt
		1		
55	0	1	0	0
56	0	1	0	0
57	0	1	0	0
58	0	1	0	0
59	0	1	0	0
60	0	1	0	0
61	0	1	0	0
62	0	1	0	0
63	0	1	0	0
64	0	1	0	0
65	1	0	1	65
	Average retirement age			65.00

Schedule SB, line 25 – Change in Method

The method for valuing plan assets was changed from market value plus receivable contributions, to a 24 month average of market value plus ***discounted*** receivable contributions, in accordance with the requirements of PPA 2006.

Effective for this valuation, the actuarial value of assets is determined as the average of the fair market value on the valuation date, and the adjusted fair market value for the two previous determination dates. The two previous determination dates are the two previous valuation dates, and the resulting average must be within 10% of the fair market value on the determination date. The fair market value on any date includes the discounted value of any contributions receivable for the prior plan year that were contributed on a timely basis. The discount is based on the effective interest rate for the year to which the contribution was made

Schedule SB, line 26 – Schedule of Active Participant Data

Age Group	Years of Service										
	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40+	All Service
25 - 29											
30 - 34											
35 - 39											
40 - 44											
45 - 49					3	2		1			6
50 - 54					1	3			1		5
55 - 59					4	6		1	1		12
60 - 64					2		1	1			4
65 - 69											
70 - 100					1			1			2
All Ages					**11**	**11**	**1**	**4**	**2**		**29**

Age is in completed years (age last birthday) on the census date
Service is completed years of vesting service on the census date

Schedule SB, line 32 - Schedule of Amortization Bases

Schedule of Amortization Bases as of January 1, 2009

Type of Base (Shortfall or Waiver)	Present Value of Remaining Installments	Date Base Established	Years Remaining in Amortization	Amortization Installment
Shortfall	$ 490,736	January 1, 2009	7	$ 82,635
Shortfall	0	January 1, 2008	6	0
Total	$ 490,736			$ 82,635

Schedule SB, line 23 – Statement of Actuarial Assumptions/Methods

This report assumes the plan will exist as an ongoing entity. All numbers presented are based on this ongoing plan concept.

Discounted Projected Accrued Benefit Cashflows

Under the Pension Protection Act of 2006, all costs are determined by projecting cashflows corresponding to the current accrued benefits, and these cashflows are discounted back to the valuation date using a series of discount rates. The accrued benefits are determined as of the valuation date, and the cashflow projection reflects the probability of each contingency available under the plan (such as turnover, mortality, retirement or disablement). Cashflows for current nonactive participants are similarly determined.

There are three exceptions to the general rule that only benefits accrued as of the valuation date are included in the cashflow projection:

- In determining the target normal cost, the incremental effect on cashflows of benefits expected to accrue during the plan year by active participants is projected.
- In determining the maximum deductible contribution, the incremental effect on cashflows of the effect on expected future pay increase by active participants is projected. For this projection, accrued service on the valuation date is fixed, but pay is projected to the different contingencies. In a final pay plan, this will result in larger "accrued benefits" in the cashflows.
- In determining the premium funding target for PBGC liability determinations, only vested accrued benefits are considered when projecting cashflows. PBGC regulations require the inclusion of the QPSA benefits corresponding to current vested benefits as also being vested for this determination.

None of the exceptions impact the cashflows to current nonactive participants.

Valuation of Liabilities

All active participants included in the valuation are assumed to earn one full year of credited service and one full year of vesting service for each future year while still employed. No liability is held for non-vested, inactive employees regardless of whether or not they have completed a one-year break-in-service. Costs for ancillary benefits provided by the Plan have been determined in the same manner and on the same basis as costs for normal retirement benefits. The Defined Benefit Plan limits of Section 415(b) have been reflected in the valuation.

Valuation of Assets

The actuarial value of assets is determined as the average of the fair market value on the valuation date, and the adjusted fair market value for the two previous determination dates. The two previous determination dates are the two previous valuation dates, and the resulting average must be within 10% of the fair market value on the determination date. The fair market value on any date includes the discounted value of any contributions receivable for the prior plan year that were contributed on a timely basis. The discount is based on the effective interest rate for the year to which the contribution was made, with no discount applied to receivable contributions for the 2007 plan year.

Schedule SB, line 23 – Statement of Actuarial Assumptions/Methods

Interest Rates

Purpose	*Rate*
Funding Target	
short-term rate	5.32%
mid-term rate	6.45%
long-term rate	6.69%
Premium Funding Target	
short-term rate	6.72%
mid-term rate	7.12%
long-term rate	6.36%

Mortality Tables

Not in pay status	RP2000p employee
Healthy annuitants	RP2000p annuitant
Disabled annuitants	RP2000p disabled

Mortality rates are cohort projected.

Pay Increase Assumption

Annual rates of pay increase as shown

Turnover

Age-related rates as shown

Retirement Age

Rates of retirement as shown

Rates are only applied if the employee is eligible to retire.

Form of payment

Mandatory cashouts	Lump sum
Other benefits	Normal form

Other Assumptions

Percent married	100%
Husband/wife age difference	3
Increase in Social Security Wage Base	4.50%

Age	Rates per Thousand				
	Mortality		Turnover	Disability	Retirement
	Male	Female			
20	0.345	0.191	255.00	0.60	0
21	0.357	0.192	252.00	0.60	0
22	0.366	0.194	248.00	0.60	0
23	0.373	0.197	245.00	0.60	0
24	0.376	0.201	241.00	0.60	0
25	0.376	0.207	238.00	0.60	0
26	0.378	0.214	232.10	0.60	0
27	0.382	0.223	226.10	0.60	0
28	0.393	0.235	220.20	0.60	0
29	0.412	0.248	214.30	0.60	0
30	0.444	0.264	208.40	0.60	0
31	0.499	0.307	202.40	0.62	0
32	0.562	0.350	196.50	0.64	0
33	0.631	0.394	190.60	0.66	0
34	0.702	0.435	184.70	0.68	0
35	0.773	0.475	178.70	0.70	0
36	0.841	0.514	172.80	0.76	0
37	0.904	0.554	162.40	0.82	0
38	0.964	0.598	152.00	0.88	0
39	1.021	0.648	145.60	0.94	0
40	1.079	0.706	139.20	1.00	0
41	1.142	0.774	132.80	1.20	0
42	1.215	0.852	126.40	1.40	0
43	1.299	0.937	120.00	1.60	0
44	1.397	1.029	115.80	1.80	0
45	1.508	1.124	111.60	2.00	0
46	1.616	1.223	107.40	2.42	0
47	1.734	1.326	103.20	2.84	0
48	1.860	1.434	99.00	3.26	0
49	1.995	1.550	96.00	3.68	0
50	2.138	1.676	93.00	4.10	0
51	2.288	1.814	90.00	4.66	0
52	2.448	1.967	87.00	5.22	0
53	2.621	2.135	84.00	5.78	0
54	2.812	2.321	84.00	6.34	0
55	3.029	2.526	84.00	6.90	0
56	3.306	2.756	84.00	7.46	0
57	3.628	3.010	84.00	8.02	0
58	3.997	3.291	84.00	8.58	0
59	4.414	3.599	84.00	9.14	0
60	4.878	3.931	84.00	11.80	0
61	5.382	4.285	84.00	9.30	0
62	5.918	4.656	84.00	9.30	0
63	6.472	5.039	84.00	9.30	0
64	7.028	5.429	84.00	9.30	0
65	7.573	5.821	0.00	0.00	1000

Attachment to 2009 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Leewards Pension Plan for Hourly Employees **EIN:** 75-1943604
Plan Sponsor's Name Michaels Stores, Inc. **PN:** 015

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	Blackrock	S&P 500 index fund	550,621	475,206
	American Funds	Intermediate Bond Fund	571,258	564,754
	American Funds	New Perspective Fund	534,512	462,268
*	Bank of America	CMA Money Fund	13,018	13,018

Leewards Pension Plan for Hourly Employees

Schedule H; Line 4j – Schedule of Reportable Transactions

EIN: 75-1943604 Plan: 015

Year Ended December 31, 2009

(a) Identity of Party Involved	(b) Description of Investment	(c) Purchase Price	(d) Selling Price	(g) Cost	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (i) – Individual transactions in excess of 5% of beginning Plan assets:						
Merrill Lynch	CMA Money Fund	$ 79,445	$ –	$ 79,445	$ 79,445	$ –
Merrill Lynch	CMA Money Fund	66,445	–	66,445	66,445	–
Merrill Lynch	CMA Money Fund	–	66,445	66,445	66,445	–
Merrill Lynch	CMA Money Fund	88,195	–	88,195	88,195	–
Merrill Lynch	CMA Money Fund	–	88,195	88,195	88,195	–
Merrill Lynch	CMA Money Fund	100,000	–	100,000	100,000	–
Merrill Lynch	CMA Money Fund	–	99,200	99,200	99,200	–
Category (iii) – Series of transaction in excess of 5% of beginning Plan assets:						
Merrill Lynch	CMA Money Fund	–	428,961	428,961	428,961	–
Merrill Lynch	CMA Money Fund	429,961	–	429,961	429,961	–
American Funds	Intermediate Bond Fund of America	78,282	–	78,282	78,282	–
American Funds	Intermediate Bond Fund of America	–	104,827	109,636	104,827	(4,809)
American Funds	New Perspective Fund	–	44,809	53,194	44,809	(8,384)
American Funds	New Perspective Fund	43,017	–	43,017	43,017	–

There were no Category (ii) or (iv) reportable transactions during the year ended December 31, 2009.
Columns (e) and (f) are not applicable.