



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Amended Copy

(3)

NO STATUTE ISSUE
Kathy M Gallegos
043655883
JAN 2 2 2013
POSTMARK DATE JAN U 9 7

Form **990-PF**

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

OMB No 1545-0052

2007

Department of the Treasury
Internal Revenue Service

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

For calendar year 2007, or tax year beginning 7/01/07, and ending 6/30/08

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

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

Name of foundation: **THE KETTERING FUND**
C/O JP MORGAN SERVICES INC.

Number and street (or P O box number if mail is not delivered to street address) Room/suite:
P.O. BOX 6089

City or town, state, and ZIP code:
NEWARK DE 19714-6089

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 74,948,010** J Accounting method: Cash Accrual Other (specify)

A Employer identification number: **31-6027115**
 B Telephone number (see page 10 of the instructions): **215-640-3522**
 C If exemption application is pending, check here
 D 1. Foreign organizations, check here
 2. Foreign organizations meeting the 85% test, check here and attach computation
 E If private foundation status was terminated under section 507(b)(1)(A), check here
 F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see pg 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	2,395,920	2,377,998		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	4,454,125			
	b Gross sales price for all assets on line 6a 80144517				
	7 Capital gain net income (from Part IV, line 2)		4,454,125		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule) STMT 1	270	270			
12 Total. Add lines 1 through 11	6,850,315	6,832,393	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	213,697	160,273		53,424
	14 Other employee salaries and wages	64,117			64,117
	15 Pension plans, employee benefits	31,486			31,486
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) STMT 2	35,034	33,226		1,808
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy OGDEN	25,269			25,269
	21 Travel, conferences, and meetings				
	22 Printing and publications	141			141
	23 Other expenses (att. sch) STMT 3 STMT 4	440,401	414,669		25,175
	24 Total operating and administrative expenses. Add lines 13 through 23	810,145	608,168		201,420
	25 Contributions, gifts, grants paid	7,595,250			7,595,250
26 Total expenses and disbursements. Add lines 24 and 25	8,405,395	608,168	0	7,796,670	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-1,555,080				
b Net investment income (if negative, enter -0-)		6,224,225			
c Adjusted net income (if negative, enter -0-)			0		

RECEIVED
MAY 18 2009
OGDEN, UT
IRSOCS

RECEIVED
JAN 18 2013
TPP BRANCH
OGDEN

SCANNED MAY 20 2009
Operating and Administrative Expenses
01016

\$11

Part II	Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year		End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash—non-interest-bearing	152	160	160	
	2	Savings and temporary cash investments	2,860,706	9,290,388	9,291,606	
	3	Accounts receivable ▶	13,212			
		Less allowance for doubtful accounts ▶		13,212	13,212	
	4	Pledges receivable ▶				
		Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)				
	7	Other notes and loans receivable (att. schedule) ▶				
		Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments—U S. and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule) SEE STMT 5	57,707,092	33,657,893	33,478,662	
	c	Investments—corporate bonds (attach schedule) SEE STMT 6	16,043,737	18,633,077	18,581,434	
	11	Investments—land, buildings, and equipment basis ▶				
	Less accumulated depreciation (attach sch.) ▶					
12	Investments—mortgage loans					
13	Investments—other (attach schedule) SEE STATEMENT 7		13,500,000	13,500,000		
14	Land, buildings, and equipment basis ▶					
	Less accumulated depreciation (attach sch.) ▶					
15	Other assets (describe ▶ SEE STATEMENT 8)	828,781	792,535	82,936		
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	77,440,468	75,887,265	74,948,010		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
	23	Total liabilities (add lines 17 through 22)		0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds	77,440,468	75,887,265		
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see page 17 of the instructions)	77,440,468	75,887,265		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	77,440,468	75,887,265			

Part III	Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	77,440,468
2	Enter amount from Part I, line 27a	2	-1,555,080
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	1,877
4	Add lines 1, 2, and 3	4	75,887,265
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	75,887,265 ✓

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE WORKSHEET				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (Col (h) gain minus col (k), but not less than -0- or Losses (from col (h)))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		[If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]		2 4,454,125
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		[If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8]		3 3,970,549

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

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

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of nonchangible-use assets	(d) Distribution ratio (col (b) divided by col (c))
2006	7,583,054	84,000,721	0.090274
2005	7,204,021	84,912,203	0.084841
2004	5,177,205	85,595,849	0.060484
2003	4,409,478	84,658,868	0.052085
2002	4,352,182	76,047,026	0.057230

2 Total of line 1, column (d)	2 0.344914
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3 0.068983
4 Enter the net value of nonchangible-use assets for 2007 from Part X, line 5	4 79,585,037
5 Multiply line 4 by line 3	5 5,490,015
6 Enter 1% of net investment income (1% of Part I, line 27b)	6 62,242
7 Add lines 5 and 6	7 5,552,257
8 Enter qualifying distributions from Part XII, line 4	8 7,796,670

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling letter (attach copy of ruling letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	62,242
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0
3	Add lines 1 and 2	3	62,242
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	62,242
6	Credits/Payments		
a	2007 estimated tax payments and 2006 overpayment credited to 2007	6a	220,000
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments Add lines 6a through 6d	7	220,000
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	157,758
11	Enter the amount of line 10 to be Credited to 2008 estimated tax <input type="checkbox"/> 60,000 Refunded <input type="checkbox"/>	11	97,758

Part VII-A Statements Regarding Activities

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

Part VII-A Statements Regarding Activities (continued)

11a	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11a		X
b	If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?	N/A	11b	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ JP MORGAN SERVICES, INC. Telephone no ▶ 302-634-2931			
	Located at ▶ PO BOX 6089, NEWARK, DE ZIP+4 ▶ 19714-6089			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041— Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ 15			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007? N/A	1c	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a	At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20 , 20 , 20 , 20		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007.) N/A	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007?	4b	X

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? N/A **5b**

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A Yes No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No **6b** **X**

If you answered "Yes" to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No **7b** **N/A**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 23 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JPMORGAN CHASE BANK, NA 345 PARK AVE NEW YORK NY 10154	TRUSTEE 10	213,697	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JUDITH THOMPSON 1480 KETTERING TOWER, DAYTON OH 47169	DIRECTOR 20	64,117	0	0

Total number of other employees paid over \$50,000 **0**

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

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

Table with 3 columns: (a) Name and address of each person paid more than \$50,000, (b) Type of service, (c) Compensation. Row 1 contains 'NONE'.

Total number of others receiving over \$50,000 for professional services

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Table with 2 columns: Description of activities, Expenses. Rows 1-4 are present, with row 1 containing 'N/A'.

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Table with 2 columns: Description of investments, Amount. Rows 1-3 are present, with row 1 containing 'N/A'.

Total. Add lines 1 through 3

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	73,545,299
b	Average of monthly cash balances	1b	7,251,693
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	80,796,992
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	80,796,992
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	1,211,955
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	79,585,037
6	Minimum investment return. Enter 5% of line 5	6	3,979,252

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	3,979,252
2a	Tax on investment income for 2007 from Part VI, line 5	2a	62,242
b	Income tax for 2007. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	62,242
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	3,917,010
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	3,917,010
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	3,917,010

Part XII Qualifying Distributions (see page 26 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	7,796,670
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	7,796,670
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	62,242
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	7,734,428

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

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributions for 2007 from Part XI, line 7				3,917,010
2 Undistributed income, if any, as of the end of 2006				
a Enter amount for 2006 only				
b Total for prior years 20__ 20__ 20__				
3 Excess distributions carryover, if any, to 2007.				
a From 2002	607,986			
b From 2003	252,000			
c From 2004	982,885			
d From 2005	3,063,062			
e From 2006	3,782,322			
f Total of lines 3a through e	8,688,255			
4 Qualifying distributions for 2007 from Part XII, line 4: ▶ \$ 7,796,670				
a Applied to 2006, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 27 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 27 of the instructions)				
d Applied to 2007 distributable amount				3,917,010
e Remaining amount distributed out of corpus	3,879,660			
5 Excess distributions carryover applied to 2007 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:	12567915			
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e Undistributed income for 2006. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f Undistributed income for 2007. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2008				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see page 27 of the instructions)	607,986			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	11959929			
10 Analysis of line 9.				
a Excess from 2003	252,000			
b Excess from 2004	982,885			
c Excess from 2005	3,063,062			
d Excess from 2006	3,782,322			
e Excess from 2007	3,879,660			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2007, enter the date of the ruling ▶

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

	Tax year				(e) Total
	(a) 2007	(b) 2006	Prior 3 years		
			(c) 2005	(d) 2004	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

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

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest
N/A

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

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed:
**JUDITH THOMPSON, EXECUTIVE DIRECTOR 937-228-1021
1480 KETTERING TOWER, DAYTON, OH 45423**

b The form in which applications should be submitted and information and materials they should include
SEE STATEMENT 10

c Any submission deadlines:
MARCH 15 AND SEPTEMBER 15 OF EACH YEAR

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
FUNDS MUST BE USED IN THE STATE OF OHIO

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED				7,595,250
Total				7,595,250
b Approved for future payment N/A				
Total				3b

Capital Gains and Losses for Tax on Investment Income

Form **990-PF** | For calendar year 2007, or tax year beginning **7/01/07**, and ending **6/30/08** | **2007**

Name: **THE KETTERING FUND**
C/O JP MORGAN SERVICES INC.

Employer Identification Number: **31-6027115**

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
(1) P91467004	P	VARIOUS	VARIOUS
(2) P91467202	P	VARIOUS	VARIOUS
(3) P91467301	P	VARIOUS	VARIOUS
(4) P91467400	P	VARIOUS	VARIOUS
(5) P91467509	P	VARIOUS	VARIOUS
(6) P91467608	P	VARIOUS	VARIOUS
(7) CAPITAL LOSS MIAMI VALLEY	P	VARIOUS	VARIOUS
(8) LONG TERM CAP GAIN DIV			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1) 4,215,000		3,142,951	1,072,049
(2) 23,391,832		18,423,366	4,968,466
(3) 14,768,927		14,807,296	-38,369
(4) 25,187,828		27,997,066	-2,809,238
(5) 9,455,805		9,193,145	262,660
(6) 2,641,549		2,089,534	552,015
(7)		37,034	-37,034
(8) 483,576			483,576
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)			1,072,049
(2)			4,968,466
(3)			-38,369
(4)			-2,809,238
(5)			262,660
(6)			552,015
(7)			-37,034
(8)			483,576
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
MIAMI VALLEY VENT. ORD. INC DISTRIBUTION FROM LAZARD	\$ 135 135	\$ 135 135	\$
TOTAL	\$ 270	\$ 270	\$ 0

Statement 2 - Form 990-PF, Part I, Line 18 - Taxes

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
FOREIGN TAXES	\$ 33,226	\$ 33,226	\$	\$
OHIO AG FILING FEE	200			200
PAYROLL TAX EXPENSE	1,608			1,608
TOTAL	<u>\$ 35,034</u>	<u>\$ 33,226</u>	<u>\$ 0</u>	<u>\$ 1,808</u>

Federal Statements

Statement 3 - Form 990-PF, Part I, Line 23 - Amortization

Desc	Date Acquired	Cost Basis	PY Amort	Life	CY Amort	Net Investment Income	Adj Net Income	COGS
AMORTIZATION		\$	\$		\$ 557	\$	\$	
TOTAL		\$ 0	\$ 0		\$ 557	\$ 0	\$ 0	0

Statement 4 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	\$	\$	\$	\$
EXPENSES				
INVESTMENT MANAGEMENT FEES	413,954	413,954		
PORTFOLIO DED - MIAMI VALLEY	715	715		
MISC OFFICE EXPENSE	3,287			3,287
PARKING	1,230			1,230
DUES	10,500			10,500
INSURANCE	7,920			7,920
SUPPLIES	2,238			2,238
TOTAL	\$ 439,844	\$ 414,669	\$ 0	\$ 25,175

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
SEE ATTACHED SCHEDULE P91467004	\$11,906,144	\$13,604,833	COST	\$14,198,596
SEE ATTACHED SCHEDULE P91467202	14,876,998		COST	
SEE ATTACHED SCHEDULE P91467400	18,963,251	14,856,780	COST	13,810,000
SEE ATTACHED SCHEDULE P91467509	5,997,921		COST	
SEE ATTACHED SCHEDULE P91467608	5,962,778	5,196,280	COST	5,470,066
TOTAL	\$57,707,092	\$33,657,893		\$33,478,662

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
SEE ATTACHED SCHEDULE	\$16,043,737	\$18,633,077	COST	\$18,581,434
TOTAL	\$16,043,737	\$18,633,077		\$18,581,434

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
HEDGE FUNDS AND OTHER ASSETS	\$	\$13,500,000	COST	\$13,500,000
TOTAL	\$ 0	\$13,500,000		\$13,500,000

Statement 8 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
MIAMI VALLEY VENTURE FD LP	\$ 828,781	\$ 792,535	\$ 82,936
TOTAL	\$ 828,781	\$ 792,535	\$ 82,936

Statement 9 - Form 990-PF, Part III, Line 3 - Other Increases

<u>Description</u>	<u>Amount</u>
ADJUSTMENT TO BEGINNING BASIS	\$ 1,877
TOTAL	\$ <u>1,877</u>

Statement 10 - Form 990-PF, Part XV, Line 2b - Application Format and Required ContentsDescription

A LETTER IS REQUIRED THAT SHOULD STATE THE AMOUNT BEING REQUESTED, THE REASON FOR THE REQUEST, IF KETTERING HAS SUPPORTED THE ORGANIZATION BEFORE, AND THE NAME OF OTHER FUNDS THAT MAY BE PROVIDING SUPPORT.

Form 990-PF, Part XV, Line 2c - Submission DeadlinesDescription

MARCH 15 AND SEPTEMBER 15 OF EACH YEAR

Form 990-PF, Part XV, Line 2d - Award Restrictions or LimitationsDescription

FUNDS MUST BE USED IN THE STATE OF OHIO

Recipient Name	City	State	Status	Purpose of Grant	Relationship	Amount
ASHLAND UNIVERSITY	Dayton	OH	Public	CF KETTERING SCIENCE CENTER RENOVATION	None	50,000
CHILDRENS MEDICAL CENTER OF DAYTON	Dayton	OH	Public	GRANT FOR CRITICAL	None	100,000
CHILDRENS RESEARCH INSTITUTE	Dayton	OH	Public	UREA CYCLE DISORDERS CLINICAL RESEARCH	None	400,000
CINCINNATI ZOO AND BOTANTICAL GARDEN	Cincinnati	OH	Public	FOR CAPITAL CAMPAIGN PER	None	1,000,000
CITYFOLK	Dayton	OH	Public	FOR CULTURE BUILDS COMMUNITY	None	12,500
CITYFOLK	Dayton	OH	Public	FOR CULTURE BUILDS COMMUNITY	None	12,500
CONTEMPORARY ARTS CENTER	Dayton	OH	Public	FOR CAPITAL CAMPAIGN	None	75,000
DAYBREAK	Dayton	OH	Public	FOR CAPITAL CAMPAIGN	None	250,000
DAYTON ART INSTITUTE	Dayton	OH	Public	FOR KETTERING ASIAN ART FUND	None	600,000
DAYTON BALLET ASSOCIATION	Dayton	OH	Public	PMT FOR LONG RANGE PLANNING	None	150,000
DAYTON HISTORY	Dayton	OH	Public	MASTER PLAN RENOVATION OF EDUC CTR	None	100,000
DAYTON URBAN LEAGUE	Dayton	OH	Public	FOR THE CAREER DEVELOPMENT CENTER	None	75,000
GIRL SCOUTS OF WESTERN OHIO	Dayton	OH	Public	FROM BUCKEYE TRAILS COUNCIL SUPPORT	None	20,000
GREATER DAYTON PUBLIC	Dayton	OH	Public	FOR EDUC TV RESOURCE GUIDE	None	25,000
HATHAWAY BROWN	Shaker Heights	OH	Public	DIRECTOR OF STUDENT RESEARCH ENDOW	None	200,000
HOSPICE OF DAYTON FOUNDATION	Dayton	OH	Public	FOR FOCUSED CARE	None	50,000
JUNIOR ACHIEVEMENT OF OKI	Chester	OH	Public	FOR GENERAL OPERATING SUPPORT	None	16,500
KENYON COLLEGE	Gambier	OH	Public	FOR GENERAL OPERATING SUPPORT	None	25,000
KETTERING MEDICAL CENTER FOUNDATION	Dayton	OH	Public	FOR SCHUSTER HEART HOSPITAL	None	1,000,000
KETTERING MEDICAL CENTER FOUNDATION	Dayton	OH	Public	FOR SCHUSTER HEART HOSPITAL	None	500,000
KETTERING UNIVERSITY	Flint	MI	Public	FOR CARDIOVASCULAR	None	1,000,000
LITTLE MIAMI INC	Milford	OH	Public	C F KETTERING MERIT SCHOLARSHIP ENDOW	None	5,000
LOUDONVILLE AGRICULTURAL	Loudonville	OH	Public	FOR OPERATING SUPPORT	None	5,000
NATIONAL UNDERGROUND RR FREEDOM CTR	Cincinnati	OH	Public	KETTERING SCHOLARSHIPS AND AWARDS	None	50,000
OHIO ARTS COUNCIL	Columbus	OH	Public	FOR CHILDREN'S EXHIBITS PER	None	40,000
OHIO FOUNDATION OF INDEPENDENT COLLEGES	Columbus	OH	Public	FOR CEC ARTSLINK RESIDENCIES	None	13,500
OHIO GRANTMAKERS FORUM	Columbus	OH	Public	FOR SCHOLARSHIPS PER	None	5,000
SALVATION ARMY OF GREATER DAYTON	Dayton	OH	Public	FOR GENERAL OPERATING SUPPORT	None	100,000
SINCLAIR COMMUNITY COLLEGE FOUNDATION	Dayton	OH	Public	FOR THE KROC COMMUNITY	None	15,000
SKIDMORE COLLEGE	Saratoga Springs	OH	Public	FOR PROJECT READ	None	1,000,000
THE DAYTON FOUNDATION	Dayton	OH	Public	SKIDMORE OHIO STUDENT ACHIEVEMENT PROG	None	500,000
THE FOUNDATION CENTER CLEVELAND	Cleveland	OH	Public	FOR GENERAL OPERATING SUPPORT	None	5,250
UNIVERSITY OF DAYTON	Dayton	OH	Public	FOR GENERAL OPERATING SUPPORT	None	100,000
VICTORIA THEATRE	Dayton	OH	Public	FOR SCHOLARSHIPS	None	60,000
YWCA OF DAYTON	Dayton	OH	Public	FOR WINTERGARDEN WONDERLAND FESTIVAL	None	35,000
				FOR REGIONAL DUES AND LEADERSHIP TRNG	None	

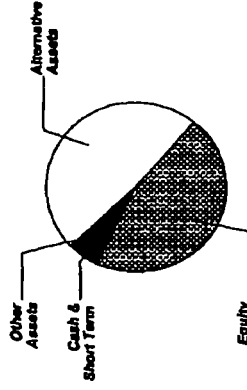
7,595,250

Account Summary

PRINCIPAL

Asset Allocation	Ending Market Value	Estimated Annual Income	Current Allocation
Equity	14,198,595.60	233,764.38	50%
Alternative Assets	13,500,000.00		48%
Cash & Short Term	106,192.75	1,843.51	1%
Other Assets	97,583.99		1%
Market Value	\$27,902,372.34		100%

Asset Allocation



INCOME

Cash Position	Ending Market Value
Cash Balance	122,076.21
Accruals	29,967.34
Market Value	\$152,043.55

THE KETTERING FUND ACCT. P91467004
For the Period 6/1/08 to 6/30/08

Account Summary CONTINUED

Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions	78,273.57	631,329.60
Interest Income	2,813.11	29,543.72
Taxable Income	\$81,086.68	\$660,873.32

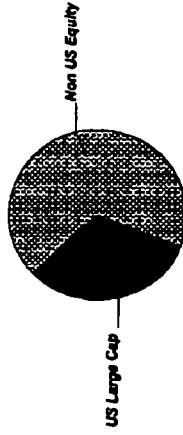
	Current Period Value	Year-to-Date Value
LT Capital Gain Distributions		480,943.79
ST Realized Gain/Loss		4,214,989.97
Realized Gain/Loss		\$4,695,943.76

Unrealized Gain/Loss	To-Date Value
	(\$235,923.03)

Equity Summary

Asset Categories	Ending Market Value	Current Allocation
US Large Cap	4,611,861.00	17%
Non US Equity	9,586,734.60	33%
Total Value	\$14,198,595.60	50%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	14,198,595.60
Tax Cost	3,302,794.63 3,604,833.37
Unrealized Gain/Loss	(235,923.03)
Estimated Annual Income	233,764.38
Accrued Dividends	24,091.92
Yield	1.65%

Equity Detail

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Large Cap							
GENERAL MOTORS CORP 370442-10-5 GM	100,000	11.50	1,150.00	3,968.35	(2,818.35)	100.00	8.70 %
J P MORGAN CHASE & CO 46625H-10-0 JPM	100,000	34.31	3,431.00	2,175.68	1,255.32	152.00	4.43 %
SPDR TRUST SERIES 1 79462F-10-3 SPY	36,000,000	127.98	4,607,280.00	4,841,640.00	(234,360.00)	96,372.00 24,091.92	2.09 %
Total US Large Cap			\$4,811,861.00	\$4,847,784.03	(\$235,923.03)	\$96,624.00 \$24,091.92	2.10 %
Non US Equity							
THORNBURG INTL VALUE FD 885215-56-6 TGVIX	327,304,015	29.29	9,586,734.60		N/A	137,140.38	1.43 %
			8,757,049.³⁴				



THE KETTERING FUND ACCT. P91467004
For the Period 6/1/08 to 6/30/08

Alternative Assets Summary

Asset Categories	Ending Estimated Value	Current Allocation
Hedge Funds	13,500,000.00	40%

Asset Categories



Alternative Assets Detail

	Quantity	Price	Estimated Value	Cost
Hedge Funds				
AVENUE INTERNATIONAL, LTD. 06-08 (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 053791-92-7	100.000	10,000.00 5/30/08	1,000,000.00	1,000,000.00
BLACKSTONE PARTNERS OFFSHORE FUND LTD CLASS H2 06-08 (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 092191-92-3	5,500,000	1,000.00 5/30/08	5,500,000.00	5,500,000.00
BW PRIVATE INVESTORS OFFSHORE, LTD.- 07-08 (NON SELF-DEALING FIDUCIARY INVESTORS) N/O Client 161791-91-8	1,500,000	1,000.00 5/30/08	1,500,000.00	1,500,000.00



THE KETTERING FUND ACCT. P91467004
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Estimated Value	Cost
Hedge Funds				
CHILTON DIVERSIFIED OFFSHORE FUND, CLASS D - (NON-SELF-DEALING FIDUCIARY INVESTORS - NEW ISSUES INELIGIBLE) 06-08 N/O Client 168191-92-2	100,000	10,000.00 5/30/08	1,000,000.00	1,000,000.00
COATUE OFFSHORE FUND, LTD. CLASS D 06-08 (NON-SELF-DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 190791-93-9	10,000,000	100.00 5/30/08	1,000,000.00	1,000,000.00
GALLEON OFFSHORE, SPC LTD C-X (NON-US & US TAX EXEMPTS - NEW ISSUES INELIGIBLE - NON-SELF DEALING FIDUCIARY) 06-08 N/O Client 365891-91-0	1,000,000	1,000.00 5/30/08	1,000,000.00	1,000,000.00
GOLDENTREE OFFSHORE LTD. 06-08 (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 387891-93-8	1,500,000	1,000.00 5/30/08	1,500,000.00	1,500,000.00
YORK CREDIT OPPORTUNITIES UNIT TRUST (OFFSHORE NON SELF-DEALING FIDUCIARY INVESTORS) CLASS A - 06-08 N/O Client 984591-93-3	1,000,000	1,000.00 5/30/08	1,000,000.00	1,000,000.00
Total Hedge Funds			\$13,500,000.00	\$13,500,000.00

Cash & Short Term Summary

Asset Categories	Ending Market Value	Current Allocation
Cash	106,192.75	1%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	106,192.75 ✓
Tax Cost	106,192.75 ✓
Estimated Annual Income	1,843.51
Accrued Interest	5,875.42
Yield	1.75%

Cash & Short Term Detail

Cash	Quantity	Price	Market Value	Tax Cost		Unrealized Gain/Loss	Estimated Annual Income	Yield
				Adjusted Original	Accrued Interest			
US DOLLAR PRINCIPAL	106,192.75	1.00	106,192.75	106,192.75	1,843.51	5,875.42	1.75%	

Other Assets Summary

Asset Categories	Ending Estimated Value	Current Allocation	Asset Categories
Other	97,583.99	1%	 Other Assets

Other Assets Detail

Other	Quantity	Price	Estimated Value	Cost	Estimated Gain/Loss
MIAMI VALLEY VENTURE FUND LP Assets Held Elsewhere 998759-96-2	1.902	51,305.99 12/31/07	97,583.99	805,294.00	N/A

Account Summary

PRINCIPAL

Asset Allocation	Ending Market Value	Estimated Annual Income	Current Allocation
Cash & Short Term	288,875.28	5,014.87	100%
Market Value	\$288,875.28		100%

INCOME

Cash Position	Ending Market Value
Cash Balance	338,582.90
Accruals	849.04
Market Value	\$339,431.94



THE KETTERING FUND-BRISTOL ACCT P91467202
 For the Period 6/1/08 to 6/30/08

Account Summary CONTINUED

Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions	15,548 69	237,647 23
Foreign Dividends	7,591 42	66,482 20
Interest Income	2,058 90	27,773 17
Taxable Income	\$25,199.01	\$331,902.60

	Current Period Value	Year-to-Date Value
ST Realized Gain/Loss		17,289 65
LT Realized Gain/Loss		4,902,952 06
Realized Gain/Loss		\$4,920,241.71



THE KETTERING FUND-BRISTOL ACCT P91467202
For the Period 6/1/08 to 6/30/08

Cash & Short Term Summary

Asset Categories	Ending Market Value	Current Allocation
Cash	288,875 28	100%

Market Value/Cost	Current Period Value
Market Value	288,875 28
Tax Cost	288,875 28
Estimated Annual Income	5,014 87
Accrued Interest	849 04
Yield	1.75%

Cash & Short Term Detail

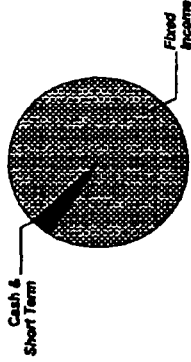
Cash	Quantity	Price	Market Value	Tax Cost		Estimated		Yield
				Adjusted	Original	Annual Income	Accrued Interest	
US DOLLAR PRINCIPAL	288,875 28	1 00	288,875 28	288,875 28	288,875 28	5,014 87	849 04	1.75%

Account Summary

PRINCIPAL

Asset Allocation	Ending Market Value	Estimated Annual Income	Current Allocation
Cash & Short Term	844,187.16	41,250.47	4%
Fixed Income	18,581,433.85	663,071.58	96%
Market Value	\$19,425,621.01		100%

Asset Allocation



INCOME

Cash Position	Ending Market Value
Cash Balance	1,055,228.58
Accruals	113,175.75
Market Value	\$1,168,404.33



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

Account Summary CONTINUED

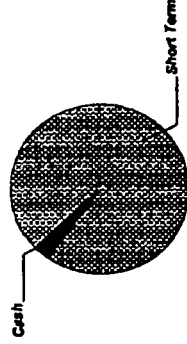
Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions	162.42	4,237.78
Interest Income	36,946.15	926,537.10
Ordinary Income	11.18	14.32
Taxable Income	\$37,119.75	\$930,789.20
Tax-Exempt Income	2,846.25	1,006.25
Bond Premium Amortization	(564.89)	(564.89)
Tax-Exempt Income	\$2,281.36	\$441.36

	Current Period Value	Year-to-Date Value
ST Realized Gain/Loss	(2,486.71)	2,438,545.64
LT Realized Gain/Loss	400,478.17	4,573,186.97
Realized Gain/Loss	\$397,989.46	\$7,011,742.61
Unrealized Gain/Loss		To-Date Value (\$121,177.89)

Cash & Short Term Summary

Asset Categories	Ending Market Value	Current Allocation
Cash	23,739.23	1%
Short Term	820,447.93	3%
Total Value	\$844,187.16	4%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	844,187.16
Tax Cost	239,876.23
Unrealized Gain/Loss	29.98
Estimated Annual Income	41,250.47
Accrued Interest	10,379.68
Yield	2.19%

- 847,004.78



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

Cash & Short Term Summary CONTINUED

SUMMARY BY MATURITY

Short Term	Market Value
Less than 3 months	74,237.78
3-6 months	106,148.70
6-12 months	640,061.45
Total Value	\$820,447.93

SUMMARY BY TYPE

Short Term	Market Value	% of Bond Portfolio
Corporate Bonds	700,061.45	85%
Government and Agency Bonds	106,148.70	13%
Mutual Funds	14,237.78	2%
Total Value	\$820,447.93	100%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

Note: P Indicates position adjusted for Pending Trade Activity

Cash & Short Term Detail

	Quantity	Price	Market Value	Tax Cost		Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
				Adjusted	Original			
Cash								
COST OF PENDING PURCHASES	(261,899.22)	1.00	(261,899.22)	(261,899.22)			(4,546.57)	1.75 %
PROCEEDS FROM PENDING SALES	110,541.41	1.00	110,541.41	110,541.41			1,919.00	1.75 %
US DOLLAR PRINCIPAL	175,097.04	1.00	175,097.04	175,097.04			3,039.68	1.75 %
Total Cash			\$23,739.23	\$23,739.23		\$0.00	\$412.11	0.15 %
							\$2,083.47	
Short Term								
JPMORGAN PRIME MONEY MARKET FUND INSTITUTIONAL SHARE CLASS FUND 828 7-Day Annualized Yield: 2.65% 4812A2-60-3	14,237.78	1.00	14,237.78	14,237.78			398.65 29.98	2.80 %
CONSOLIDATED EDISON CO OF NY 6.150% JUL 1 2008 - DTD 6/25/1896 209111-CZ-4 A-1A1	60,000.00	100.00	60,000.00	61,093.80		N/A	3,680.00	5.97 %
FEDERAL HOME LOAN BANK 5.43% NOV 17 2008 DTD 11/17/88 3133M6-JC-3 NA /AAA	105,000.00	101.09	106,148.70	108,076.50		N/A	5,701.50 696.78	2.49 %



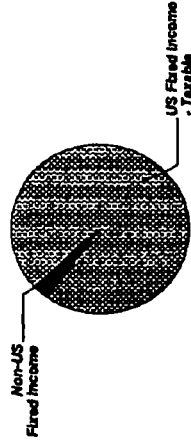
THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
Short Term							
IBM CORP MEDIUM TERM NOTES 5.39% JAN 22 2009 DTD 1/22/1999 45920Q-BY-9 A+ /A1	100,000.00	101.01	101,005.00	101,132	N/A	5,390.00 2,380.50	3.55%
HOUSEHOLD FINANCE CORP SR NOTES 5 7/8% FEB 1 2009 DTD 2/5/98 441812-GE-8 AA- /AA3	50,000.00	100.70	50,347.50	47,519.00	N/A	2,937.50 1,223.95	4.65%
BANKAMERICA CORP SUB NOTES 7 1/8% MAR 1 2009 DTD 3/4/87 086050-CP-8 AA- /AA3	100,000.00	101.54	101,544.00	105,229.00	N/A	7,125.00 2,375.00	4.73%
INTERNATIONAL FINANCE CORP NOTES 6 3/8% MAR 15 2009 DTD 3/8/2002 459745-EZ-4 A+ /A1	75,000.00	99.52	74,637.75	74,228.25	N/A	4,781.25 1,407.75	7.07%
IBM CORPORATION MEDIUM TERM NOTES 4 3/8% JUN 1 2009 DTD 5/25/2004 45920Q-ES-9 A+ /A1	50,000.00	101.20	50,598.00	49,850.00	N/A	2,187.50 182.25	3.04%
P U S A BILLS 3 1/2% MAY 31 2013 DTD 06/02/2008 812828-JB-7 NA /AAA	260,000.00	100.74	261,929.20	261,899.22	29.98	8,626.96	
Total Short Term			\$820,447.93	823,265.55 823,265.55	\$29.98	\$40,838.36 \$8,296.21	2.90%

Fixed Income Summary

Asset Categories	Ending Market Value	Current Allocation
US Fixed Income - Taxable	18,305,592.35	95%
US Fixed Income - Non Taxable	0.00	
Non-US Fixed Income	275,841.50	1%
Total Value	\$18,581,433.85	96%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	18,581,433.85
Tax Cost	18,581,433.85
Unrealized Gain/Loss	(121,207.87)
Estimated Annual Income	663,071.58
Accrued Interest	102,796.07
Yield	3.37%

18,633,076.74



Fixed Income Summary CONTINUED

SUMMARY BY MATURITY

Fixed Income	Market Value	% of Bond Portfolio
Less than 5 years ¹	14,782,888.12	79%
5-10 years ¹	2,381,698.63	13%
10+ years ¹	1,416,847.10	8%
Total Value	\$18,581,433.85	100%

SUMMARY BY TYPE

Fixed Income	Market Value	% of Bond Portfolio
Corporate Bonds	1,716,970.46	9%
Government and Agency Bonds	12,676,306.91	70%
International Bonds	275,841.50	1%
Mortgage and Asset Backed Bonds	3,712,314.98	20%
Total Value	\$18,581,433.85	100%

¹The years indicate the number of years until the bond is scheduled to mature based on the statement end date. Some bonds may be called, or paid in full, before their stated maturity.



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

Note: P Indicates position adjusted for Pending Trade Activity

Fixed Income Detail

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
ASSOCIATES CORP NORTH AMERICA 8.55% JUL 15 2009 DTD 7/15/09 046003-DC-0 AA- /AA3	50,000.000	103.97	51,985.00	56,393.50	N/A	4,275.00 1,971.25	4.59 %
DAIMLERCHRYSLER NORTH AMERICAN HOLDING CORP 7.20% SEP 1 2009 DTD 8/24/09 233835-AA-5 A- /A3	75,000.000	102.86	77,142.00	85,077.00	N/A	5,400.00 1,800.00	4.65 %
CATERPILLAR INC 7 1/4% SEP 15 2009 DTD 9/17/09 149123-BG-5 A /A2	25,000.000	104.07	26,017.00	27,320.50	N/A	1,812.50 533.67	3.76 %
SBC COMMUNICATIONS NOTES 4 1/8% SEP 15 2009 DTD 11/3/2004 78387G-AN-3 A /A2	200,000.000	100.12	200,234.00	201,200.00	(966.00)	8,250.00 2,429.00	4.02 %
BANK OF AMERICA CORP SUB NOTES 7.80% FEB 15 2010 DTD 2/14/2000 060505-AD-6 AA- /AA3	75,000.000	104.37	78,278.25	83,876.65	N/A	5,850.00 2,209.95	4.96 %



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
BELLSOUTH CAPITAL FUNDING NOTES 7 3/4% FEB 15 2010 DTD 2/16/2000 079857-AG-3 A /A2	100,000,000	105.12	105,117.00	108,951.00	N/A	7,750.00 2,927.70	4.44%
FIRST UNION NATIONAL BANK MEDIUM TERM SUB BANK NOTES 7 7/8% FEB 15 2010 DTD 2/11/2000 TRANCHE NO SB 00004 BOOK ENTRY 33738M-AD-3 AA- /AA2	50,000,000	104.47	52,235.00	55,279.50	N/A	3,937.50 1,487.50	4.97%
U S A NOTES 1 3/4% MAR 31 2010 DTD 03/31/2008 912828-HU-7 AAA /AAA	7,395,000,000	98.71	7,289,878.45	7,396,183.13	(96,504.68)	128,412.50 32,523.21	2.51%
FREDDIE MAC NOTES 2 3/8% MAY 28 2010 DTD 03/14/2008 3137EA-BH-1 AAA /AAA	300,000,000	98.53	295,593.00	286,511.90	(918.90)	7,125.00 653.10	3.17%
FEDERAL HOME LOAN BANK 2 3/4% JUN 18 2010 DTD 04/18/2008 3133XQ-U2-6 AAA /AAA	285,000,000	98.09	282,327.30	283,538.28	(1,210.98)	8,112.50 292.93	3.23%
U S A NOTES 2 7/8% JUN 30 2010 DTD 06/30/2008 912828-JC-5 NA /AAA	95,000,000	100.49	95,467.40	94,900.00	567.40	2,731.25 7.41	2.62%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
GOLDMAN SACHS GROUP INC							
NOTES 6 7/8% JAN 15 2011	100,000,000	103.81	103,809.00		N/A	6,875.00	5.25%
DTD 1/16/2001						3,170.10	
38141G-AZ-7 AA-/AA3				99,145.00			
WAL-MART STORES							
NOTES 4 1/8% FEB 15 2011	150,000,000	100.88	151,026.00	152,581.50	(1,555.50)	6,187.50	3.85%
DTD 2/19/2004						2,337.45	
931142-BV-4 AA /AA2							
MORGAN STANLEY DEAN WITTER							
6 3/4% APR 15 2011	50,000,000	102.58	51,288.50	50,055.50	N/A	3,375.00	5.73%
DTD 4/23/2001						712.50	
617446-GM-5 A+ /AA3							
FEDERAL NATIONAL MORTGAGE ASSN							
NOTS 6% MAY 15 2011 DTD 5/28/2001	220,000,000	106.50	234,300.00	236,485.04	(2,185.04)	13,200.00	3.60%
31359M-JH-7 AAA /AAA						1,686.52	
U S A NOTES							
4 7/8% MAY 31 2011	895,000,000	105.53	944,502.45	944,984.14	(491.69)	43,631.25	2.88%
DTD 5/31/2006						3,695.45	
912828-FH-8 AAA /AAA							
FANNIE MAE							
6% JUN 1 2011 DTD 5/1/01	0.114	101.85	0.12	0.12			4.39%
POOL NO 253873							
31371J-6J-8							
PRINCIPAL LIFE INC FDG							
MEDIUM TERM NOTE 5.15% JUN 17 2011	100,000,000	100.60	100,596.00	99,934.00	662.00	5,150.00	4.93%
DTD 06/18/2008						185.90	
74254P-ZC-9 AA /AA2							



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST SER 2006-BG CL A3 5.21% OCT 6 2011 DTD 9/26/2006 03062X-AC-0 BBB /BAA	54,479.160	99.55	54,234.42	54,462.13	(227.71)	2,838.36 143.17	6.33%
CREDIT SUISSE FB USA INC NOTES 6 1/8% NOV 15 2011 DTD 11/6/2001 22541L-AB-9 AA- /AA1	150,000.000	102.67	154,000.50	146,715.00	N/A	9,187.50 1,173.90	5.25%
FREDDIE MAC 6.48% DEC 5 2011 DTD 12/5/86 3134A1-GH-7 AAA /AAA	50,000.000	108.44	54,219.00	56,705.00	N/A	3,240.00 234.00	3.83%
AMERICAN EXPRESS CREDIT ACCOUNT MASTER TRUST SER 2004-3 CL A 4.35% DEC 15 2011 DTD 6/2/2004 02582J-CX-6 AAA /AAA	50,000.000	100.81	50,406.24	49,911.67	N/A	2,175.00 96.65	3.39%
FEDERAL HOME LOAN BANK 5.5/8% FEB 15 2012 DTD 3/04/02 3133MM-5D-1 AAA /AAA	50,000.000	105.81	52,906.50	54,137.00	N/A	2,812.50 1,062.50	3.89%
FEDERAL FARM CREDIT BANK 6.01% APR 11 2012 DTD 4/11/02 31331L-G9-3 AAA /AAA	50,000.000	107.31	53,656.50	54,955.00	N/A	3,005.00 667.75	3.91%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
U S A NOTES 4 3/4% MAY 31 2012 DTD 05/31/2007 912828-GU-8 AAA /AAA	2,340,000.000	105.74	2,474,362.80	2,504,193.75	(29,830.95)	111,150.00 9,413.82	3.18%
HOUSEHOLD CREDIT CARD MASTER NOTE TRUST I SER 2008-1 CL A 5.1% JUN 15 2012 DTD 09/15/2006 44328C-AA-3 AAA /AAA	100,000.000	100.95	100,946.58	<i>99,985.04</i>	N/A	5,100.00 226.60	4.33%
CITIGROUP INC SUB NOTES 5 5/8% AUG 27 2012 DTD 8/28/2002 172967-BP-5 A+ /A1	50,000.000	98.38	49,190.50	<i>52,113.50</i>	N/A	2,812.50 968.75	6.07%
FANNIE MAE 5% OCT 1 2012 DTD 9/1/02 POOL NO 254506 31371K-U7-4	0.014	100.67	0.01	0.01			4.49%
FANNIE MAE 5% OCT 1 2012 DTD 10/1/2002 POOL NO 639907 31389Y-3Q-2	0.025	100.73	0.03	0	N/A		4.44%
CONOCOPHILLIPS 4 3/4% OCT 15 2012 DTD 10/9/2002 20825C-AE-4 A /A1	100,000.000	100.42	100,416.00	<i>102,397.00</i>	N/A	4,750.00 1,002.70	4.64%

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE 5% NOV 1 2012 DTD 10/01/2002 POOL NO 254508 31371K-U9-0	0.053	100.66	0.05	0.05			4.49%
FREDDIE MAC GOLD PARTIC CTF 6.50% DEC 01 2012 DTD 11/01/1997 POOL NO G10764 31283J-Z5-3	0.004	104.06		0	N/A		3.99%
FANNIE MAE 4.5% DEC 1 2012 DTD 11/1/2002 POOL NO 254618 31371K-YP-0	0.027	99.76	0.03	0.03			4.57%
FANNIE MAE 4.5% JAN 1 2013 DTD 12/1/2002 POOL NO 254646 31371K-ZK-0	0.056	99.73	0.06	0	N/A		4.59%
FANNIE MAE 5% FEB 1 2013 DTD 1/1/2003 POOL NO 254663 31371K-Z4-6	0.003	100.61		0	N/A		4.57%
GENERAL ELECTRIC COMPANY NOTES 5% FEB 1 2013 DTD 1/28/2003 369604-AY-9 AAA /AAA	50,000.000	100.72	50,360.00	50,220.00	N/A	2,500.00 1,041.65	4.82%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
U S A BONDS 3 7/8% FEB 15 2013 DTD 2/15/2003 912828-AU-4 AAA /AAA	915,000,000	102.50	937,875.00	896,113.83	N/A	35,456.25 13,344.36	3.29%
MORGAN STANLEY NOTES 5.30% MAR 1 2013 DTD 2/26/2003 617446-HR-3 A+ /AA3	50,000,000	96.36	48,178.00	50,113.00	N/A	2,650.00 883.30	6.21%
ALLSTATE LF GLB FN TRST MEDIUM TERM NOTES 5 3/8% APR 30 2013 DTD 04/30/2008 02003M-BQ-6 AA /AA2	85,000,000	99.61	84,666.80	84,915.00	(248.20)	4,568.75 774.09	5.47%
FANNIE MAE 5.50% MAY 1 2013 DTD 5/1/2003 POOL NO 254827 31371L-A4-1	0.016	101.50	0.02	0	N/A		4.59%
BANK OF AMERICA NA NOTES 4.90% MAY 01 2013 DTD 05/02/2008 06051G-DW-6 AA /AA2	85,000,000	96.51	82,030.10	84,765.40	(2,735.30)	4,165.00 694.11	5.74%
FANNIE MAE 4.50% JUN 1 2013 DTD 05/01/2003 POOL NO 254756 31371K-ST-4	0.009	99.60	0.01	0.01			4.66%
FANNIE MAE 5.50% JUL 1 2013 DTD 07/01/2003 POOL NO 254895 31371L-C8-0	0.004	101.50		0	N/A		4.60%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
TIME WARNER CABLE INC 6.2% JUL 01 2013 DTD 06/18/2008 88732J-AK-4 BBB /BAA	45,000.000	101.69	45,759.15	44,904.60	854.55	2,790.00	5.81%
FANNIE MAE 4% AUG 1 2013 DTD 7/01/2003 POOL NO 254863 31371L-88-1	0.010	98.53	0.01	0	N/A		4.76%
FANNIE MAE 4.50% AUG 1 2013 DTD 7/01/2003 POOL NO 254864 31371L-89-9	0.033	99.55	0.03	0	N/A		4.69%
FANNIE MAE 4.50% SEP 1 2013 DTD 8/01/2003 POOL NO 254814 31371L-DT-3	0.012	99.52	0.01	0	N/A		4.70%
GNMA 6.50% SEP 15 2013 DTD 09/01/1998 POOL NO 780852 36225A-5M-8	21,058.420	104.52	22,009.63	21,176.87	832.76	1,368.79 3.43	4.10%
FANNIE MAE 5.50% OCT 01 2013 DTD 10/01/2003 POOL NO 255017 31371L-G2-9	0.038	101.53	0.04	0	N/A		4.58%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FEDERAL FARM CREDIT BANK MEDIUM TERM NOTE 5.45% DEC 11 2013 DTD 12/11/1998 31331R-P9-0 AAA /AAA	100,000,000	105.88	105,878.00	105,990.00	N/A	5,450.00 302.70	4.23%
FANNIE MAE 5.50% JAN 1 2014 DTD 1/01/1999 POOL NO 482513 31382H-AN-5	0.054	101.72	0.05	0	N/A		4.56%
FANNIE MAE 4.50% SER- 2003-128 CL KE JAN 25 2014 DTD 12/01/2003 31393J-YP-2	75,000,000	100.29	75,219.59	75,937.50	N/A	3,375.00 56.25	4.29%
FANNIE MAE 5% FEB 1 2014 DTD 1/01/2004 POOL NO 255117 31371L-K6-5	0.010	100.49	0.01	0	N/A		4.70%
GNMA 6% APR 15 2014 DTD 04/01/1999 POOL NO 508818 36211C-G3-0	41,623.140	103.20	42,955.08	40,840.28	2,014.80	2,497.38 13.19	4.47%
FANNIE MAE 5.5% SER 2003-83 CL VA AUG 25 2014 DTD 08/01/2003 31393E-ST-7	78,261.200	102.29	80,054.42	80,755.79	(701.37)	4,304.36 52.51	4.33%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FEDERAL FARM CREDIT BANK 7.01% OCT 20 2014 DTD 10/20/99 31331H-YW-1 AAA /AAA	75,000,000	114.81	86,109.75	87,592.50	N/A	5,257.50 1,036.87	4.30%
FANNIE MAE 4.5% SER 2003-83 CL TG NOV 25 2014 DTD 08/01/2003 31393E-TA-7	125,000,000	100.74	125,926.31	125,468.25	N/A	5,625.00 93.75	4.10%
FEDERAL FARM CREDIT BANK 4.55% DEC 15 2014 DTD 12/15/04 31331S-JQ-7 AAA /AAA	100,000,000	101.00	101,000.00	97,628.25	N/A	4,550.00 202.20	4.37%
FEDERAL FARM CREDIT BANKS CONS 7% SEP 1 2015 DTD 9/01/2000 31331H-2N-6 AAA /AAA	125,000,000	115.22	144,023.75	143,580.00	N/A	8,750.00 2,916.62	4.49%
FREDDIE MAC 5.50% SER 2488 CL TD OCT 15 2015 DTD 07/01/2002 31392R-S2-8	2,757,410	99.97	2,756.55	2,810.40	(53.85)	151.65 0.36	5.28%
FANNIE MAE 5% SER 2002-74 CL PD NOV 25 2015 DTD 10/01/2002 31392F-PN-1 NR /NR	50,000,000	101.06	50,528.64	50,718.25	N/A	2,500.00 41.65	4.49%
FREDDIE MAC 5.5% SER-2355 CL V MAY 15 2016 DTD 09/01/2001 3133TV-GB-6 NR /NR	54,061,910	102.23	55,269.20	54,695.48	573.72	2,973.40 84.01	4.40%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC							
6% SER-2344 CL QG	55,710,900	104.02	57,948.56	57,817.47	131.09	3,342.65	4.20%
AUG 15 2016 DTD 8/01/01						55.15	
313399-AJ-6							
FREDDIE MAC							
6 5% SER-2345 CL PQ	59,412,150	105.11	62,447.34	59,235.77	3,211.57	3,861.78	4.27%
AUG 15 2016 DTD 8/01/01						67.96	
313398-TA-5 NR/NR							
FREDDIE MAC							
6% SER 2363 CL PF SEP 15 2016	16,145,160	103.95	16,763.42	17,305.59	(522.17)	968.70	4.23%
DTD 09/01/2001						19.85	
3133TJ-RU-4							
FREDDIE MAC							
6% SER 2368 CL TG OCT 15 2016	39,409,670	104.00	40,984.38	41,146.17	(161.79)	2,364.58	4.21%
DTD 10/01/2001						41.38	
31339G-T5-0							
FREDDIE MAC							
5% SER 2562 CL PE OCT 15 2016	100,000,000	100.90	100,904.71	104,937.50	N/A	5,000.00	4.87%
DTD 1/1/2003						222.20	
31393H-LM-2							
FANNIE MAE							
5% SER 2003-16 CL PD	150,000,000	101.47	152,200.55	143,601.56	N/A	7,500.00	4.40%
OCT 25 2016 DTD 02/01/2003						124.95	
31392J-PF-0							
FREDDIE MAC							
SER-2871 CL GB 5% NOV 15 2016	125,000,000	102.09	127,810.11	124,531.25	N/A	6,250.00	4.70%
DTD 5/01/2005						277.75	
31395U-GP-0							

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE 6% SER 2002-3 CL OG FEB 25 2017 DTD 1/01/2002 31392B-VK-9	91,827.350	103.87	95,383.58	97,608.60	(2,226.02)	5,509.64 91.82	4.47%
FREDDIE MAC 6% SER 2425 CL OB MAR 15 2017 DTD 03/01/2002 31339N-TA-4	27,529.260	104.09	28,656.53	29,404.68	(748.15)	1,651.75 31.08	4.26%
FREDDIE MAC SER-2931 CL DB 4% APR 15 2017 DTD 2/01/2005 31395M-Z3-6	125,000.000	99.39	124,239.60	115,644.53	N/A	5,000.00 222.12	4.08%
FANNIE MAE 6% SER 2002-19 CL PE APR 25 2017 DTD 3/01/2002 31392C-FB-5	58,326.250	103.88	60,589.01	61,825.82	(1,236.81)	3,499.57 45.72	4.49%
FANNIE MAE SER 2002-18 CL PC 5.5% APR 25 2017 DTD 3/1/2002 31392C-HD-9	100,000.000	102.46	102,458.22	102,593.75	N/A	5,500.00 91.60	4.40%
FREDDIE MAC SER-2648 CL AC 3.5% AUG 15 2017 DTD 7/01/03 31393V-YG-0	87,518.490	97.97	85,743.81	81,010.29	4,733.52	3,063.14 55.39	4.12%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC							
SER-2781 CL BN 5% NOV 15 2017	25,913.870	100.90	26,148.05	26,580.95	(432.90)	1,295.69	4.50%
DTD 4/01/2004						29.82	
31394X-6Q-4							
FANNIE MAE							
5% SER 2002-73 CL OE	150,000,000	99.53	149,300.90	141,351.56	N/A	7,500.00	5.15%
NOV 25 2017						124.95	
DTD 10/01/2002							
31392F-JG-3 NR /NR							
FREDDIE MAC							
SER-2763 CL PD 4.5% DEC 15 2017	125,000,000	98.23	124,035.18	117,304.69	N/A	5,625.00	4.60%
DTD 03/01/2004						250.00	
31394T-LH-6							
GNMA							
4.50% JAN 15 2018 DTD 01/01/2003	0.040	98.23	0.04	0	N/A		5.09%
POOL NO S87779							
36201M-6Q-0							
FREDDIE MAC							
4% SER 2645 CL BC FEB 15 2018	90,822.560	97.96	88,774.40	84,760.42	4,013.98	3,624.90	4.59%
DTD 07/01/2003						64.88	
31393W-QC-6							
FREDDIE MAC							
GOLD PARTIC CTF 4.50% MAR 01 2018	0.003	97.80		0	N/A		5.14%
DTD 03/01/2003							
POOL NO E01323							
31294K-PG-4							



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE 5% JUN 1 2018 DTD 6/01/2003 POOL NO 720560 31401W-QIM-4	0.018	98.91	0.02	0	N/A		5.01%
FANNIE MAE 4.50% JUL 1 2018 DTD 7/01/2003 POOL NO 720393 31401W-KE-8	0.018	97.79	0.02	0	N/A		5.29%
FANNIE MAE 5% AUG 1 2018 DTD 7/01/2003 POOL NO 555882 31385X-J3-2	0.007	98.89	0.01	0	N/A		5.02%
FANNIE MAE 4% AUG 1 2018 DTD 8/01/2003 POOL NO 736066 31402R-W3-9	0.011	95.08	0.01	0	N/A		5.83%
FANNIE MAE 4% OCT 1 2018 DTD 10/1/2003 POOL NO 734741 31402Q-HS-3	0.043	95.08	0.04	0	N/A		5.83%
FANNIE MAE 6% NOV 01 2018 DTD 10/01/1988 POOL NO 252103 31371H-AC-2	0.004	102.37		0	N/A		5.12%

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE							
5% NOV 1 2018	0.036	99.87	0.04	0	N/A		5.02%
DTD 10/1/2003							
POOL NO 740462							
31402W-TT-5							
FANNIE MAE							
4% DEC 1 2018	0.033	95.08	0.03	0	N/A		5.78%
DTD 4/01/2005							
POOL NO 735522							
31402R-D3-0							
FANNIE MAE							
4.25% SER 2004-93 CL DG	86,205.190	98.52	84,933.23	81,733.30	3,199.93	3,663.72	4.75%
APR 25 2018 DTD 11/01/2004						41.20	
31394B-KS-2							
FREDDIE MAC							
SER 2686 CL GB 5% MAY 15 2020	60,688.470	101.35	61,505.08	61,143.63	361.45	3,034.42	4.41%
DTD 10/01/2003						109.11	
31394K-M5-0							
FANNIE MAE							
SERIES 2003-120 CL DB	140,953.060	100.83	142,118.64	137,561.38	4,557.26	7,047.65	4.38%
5% JUL 25 2020						117.41	
DTD 11/1/2003							
31393U-HN-6							
FANNIE MAE							
4.25% SER 2003-60 CL DA	24,033.440	98.90	23,769.63	22,433.71	1,335.92	1,021.42	4.59%
JUN 25 2021 DTD 05/01/2003						8.50	
31393B-2K-0							



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE 7.50% SER 1982-188 CL PZ OCT 25 2022 DTD 10/01/1992 31358Q-4G-7 NR /NR	18,727.630	106.17	19,882.44	19,723.50	158.94	1,404.57 12 19	5.29%
FREDDIE MAC 5% SER 2626 CL NA JUN 15 2023 DTD 08/01/2003 31393V-HJ-3	140,986.460	101.33	142,860.17	146,978.32	(4,118.15)	7,049.32 220.78	4.47%
FANNIE MAE 5% SER 2005-10 CL TB AUG 25 2023 DTD 02/01/2005 31394C-PT-3	100,000.000	99.98	99,976.56	97,781.25	N/A	5,000.00 83.30	5.00%
FREDDIE MAC SER-2756 CL NA 5% FEB 15 2024 DTD 2/01/2004 31384P-XG-3	0.001	98.77		0	N/A		5.11%
FANNIE MAE 4% JUN 1 2024 DTD 7/01/2004 POOL NO 255404 31371L-US-6	0.005	91.75		0	N/A		6.63%
FREDDIE MAC SER-2844 CL PB 5% JUN 15 2027 DTD 08/01/2004 31395E-WC-7	75,000.000	101.41	76,054.74	73,125.00	N/A	3,750.00 166.65	4.89%



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC							
SER- 2857 CL MC 5% AUG 15 2027 DTD 09/01/2004 31395F-T4-6	75,000,000	101.42	76,068.19	73,089.84	N/A	3,750.00 166.65	4.89%
GNMA							
6.50% MAR 15 2028 DTD 03/01/1998 POOL NO 780734 36225A-Y7-9	0.002	103.91		0	N/A		5.56%
FREDDIE MAC							
GOLD PARTIC CTF 6% JUL 01 2028 DTD 06/01/1998 POOL NO G00943 31283H-8L-8	0.007	101.97	0.01	0	N/A		5.56%
FEDERAL NATIONAL MORTGAGE ASSN							
GTD MTGE PASS THRU CTF 6% JAN 1 2029 DTD 1/1/99 POOL NO 481427 31382F-YY-9	0.004	101.84		0	N/A		5.49%
GNMA							
5% FEB 20 2029 DTD 11/01/2003 36374E-TS-6	100,000,000	101.31	101,308.10	103,750.00	N/A	5,000.00 152.70	4.69%
FANNIE MAE							
4.5% SER 2004-8 CL GC APR 25 2029 DTD 02/01/2004 31393X-DT-1	110,000,000	98.94	108,831.51	102,265.63	N/A	4,950.00 82.50	4.78%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income	Yield
US Fixed Income - Taxable							
FREDDIE MAC GOLD PARTIC CTF 6.5% JUN 01 2028 DTD 05/01/1998 POOL NO C27081 31293Q-2Y-8	0.002	104.19		0	N/A		5.40 %
FANNIE MAE 5.5% SER 2005-58 CL PC MAR 25 2031 DTD 08/01/2005 31394E-SL-3	125,000 000	100.87	126,088.25	121,269.53	N/A	6,875 00 114.50	5.28 %
FANNIE MAE 3.5% SER 2003-73 CL GA MAY 25 2031 DTD 07/01/2003 31393D-ZD-8	55,641.050	95.27	53,007.65	53,050.25	(42.60)	1,947.43 21.70	4.78 %
FREDDIE MAC GOLD PARTIC CTF 6.5% JUL 1 2031 DTD 7/01/2001 POOL NO C01197 31292H-KJ-2	0.016	104.00	0.02	0	N/A		5.48 %
FEDERAL NATIONAL MORTGAGE ASSN CTF 5 1/2% JUL 1 2033 DTD 6/01/2003 POOL NO 555591 31385X-F8-5	0.006	99.15	0.01	0	N/A		5.73 %
FANNIE MAE 4% AUG 1 2033 DTD 8/01/2003 POOL NO 726912 31402E-R8-1	0.051	90.74	0.05	0	N/A		6.63 %



THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC GOLD PARTIC CTF 4% NOV 01 2033 DTD 03/01/2004 POOL NO G01877 31283H-2J-3	0.067	90.78	0.06	0	N/A		5.51%
FREDDIE MAC SER-3047 CL OB 5 5% DEC 15 2033 DTD 10/1/2005 31396C-JR-2	125,000.000	102.44	128,047.73	126,425.78	N/A	6,875.00 305.50	5.32%
FANNIE MAE 5.50% JAN 1 2034 DTD 1/01/2004 POOL NO 759424 31403V-VR-7	0.010	99.15	0.01	0	N/A		5.73%
FANNIE MAE 5.50% APR 1 2034 DTD 3/01/2004 POOL NO 773629 31404N-PN-0	0.005	98.97		0	N/A		5.78%
FANNIE MAE 5.50% SER 2005-68 CL PG AUG 25 2035 DTD 07/01/2005 31394E-7B-8	150,000.000	101.40	152,099.37	152,513.67	N/A	8,250.00 137.40	5.14%
FHLMC STRUCTURED PASS THROUGH SECURITIES 6.50% SER T-54 CL 2A FEB 25 2043 DTD 2/01/03 31393L-FK-4	19,776.370	102.63	20,295.50	20,947.50	(652.00)	1,285.46 4.23	5.14%
Total US Fixed Income - Taxable			\$18,305,592.35	\$13,799,246.26 18,356,782.74	(\$120,561.87)	\$651,540.33 \$98,715.47	3.37%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 6/1/08 to 6/30/08

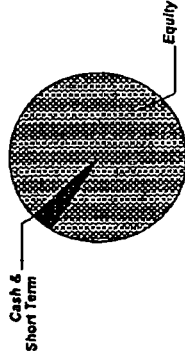
	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
Non-US Fixed Income							
ROYAL BANK OF CANADA NOTES 4 1/8% JAN 26 2010 DTD 1/28/2005 780085-CN-4 AA- /AAA	200,000.000	100.38	200,762.00	201,408.00	(646.00)	8,250.00 3,552.00	3.87%
DIAGEO CAPITAL PLC 4 3/8% MAY 3 2010 DTD 5/3/2005 25243Y-AG-4 A- /A3	75,000.000	100.11	75,079.50	74,886.00	N/A	3,281.25 528.60	4.31%
Total Non-US Fixed Income			\$275,841.50	\$201,408.00 276,294	(\$646.00)	\$11,531.25 \$4,080.60	3.99%

Account Summary

PRINCIPAL

Asset Allocation	Ending Market Value	Estimated Annual Income	Current Allocation
Equity	13,810,000.00	392,000.00	96%
Cash & Short Term	506,749.78	8,797.18	4%
Market Value	\$14,316,749.78		100%

Asset Allocation



INCOME

Cash Position	Ending Market Value
Cash Balance	151,333.41
Accruals	936.42
Market Value	\$152,269.83



THE KETTERING FUND-HIGH POINTE ACCT. P91467400
For the Period 6/1/08 to 6/30/08

Account Summary CONTINUED

Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions		205,257.37
Foreign Dividends		37,793.90
Interest Income	966.21	20,782.92
Taxable Income	\$966.21	\$263,834.19

	Current Period Value	Year-to-Date Value
ST Realized Gain/Loss		(444,952.84)
LT Realized Gain/Loss		(1,417,108.99)
Realized Gain/Loss		(\$1,862,061.83)

Unrealized Gain/Loss	To-Date Value
	(\$1,046,780.00)



THE KETTERING FUND-HIGH POINTE ACCT. P91467400
For the Period 6/1/08 to 6/30/08

Equity Summary


Asset Categories	Ending Market Value	Current Allocation	Asset Categories
US Large Cap	13,810,000.00	96%	Equity

Market Value/Cost	Current Period Value
Market Value	13,810,000 00
Tax Cost	14,856,780 00
Unrealized Gain/Loss	(1,046,780 00)
Estimated Annual Income	392,000 00
Yield	2.84 %

Equity Detail

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Yield
US Large Cap							
ISHARES RUSSELL 1000 VALUE INDEX FUND	200,000 000	69 05	13,810,000 00	14,856,780 00	(1,046,780 00)	392,000 00	2.84 %
464287-59-8 IWD							

Cash & Short Term Summary

Asset Categories	Ending Market Value	Current Allocation	Asset Categories
Cash	506,749.78	4%	 Cash & Short Term

Market Value/Cost	Current Period Value
Market Value	506,749.78
Tax Cost	506,749.78
Estimated Annual Income	8,797.18
Accrued Interest	936.42
Yield	1.75%

Cash & Short Term Detail

Cash	Quantity	Price	Market Value	Tax Cost		Unrealized Gain/Loss	Estimated Annual Income	Yield
				Adjusted	Original			
US DOLLAR PRINCIPAL	506,749.78	1.00	506,749.78	506,749.78	506,749.78	8,797.18	1.75%	
						936.42		



THE KETTERING FUND-LUTHER KING ACCT P91467509
 For the Period 6/1/08 to 6/30/08

Account Summary

PRINCIPAL

Asset Allocation	Ending Market Value	Estimated Annual Income	Current Allocation
Cash & Short Term	5,688,132.94	98,745.99	100%
Market Value	\$5,688,132.94		100%

INCOME

Cash Position	Ending Market Value
Cash Balance	28,927.70
Accruals	8,128.15
Market Value	\$37,055.85



THE KETTERING FUND-LUTHER KING ACCT P91467509
For the Period 6/1/08 to 6/30/08

Account Summary CONTINUED

Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Disinbutions	680 75	42,814 05
Foreign Dividends		715 50
Interest Income	1,380 35	9,285 77
Taxable Income	\$2,061.10	\$52,815.32
Partnership/All Asset Distributions		135 00
Other Income & Receipts		\$135.00

	Current Period Value	Year-to-Date Value
ST Realized Gain/Loss		78,267.21
LT Realized Gain/Loss		633,034 64
Realized Gain/Loss		\$711,301.85

Cash & Short Term Summary

Asset Categories	Ending Market Value	Current Allocation
Cash	5,688,132.94	100%

Market Value/Cost	Current Period Value
Market Value	5,688,132.94
Tax Cost	5,688,132.94
Estimated Annual Income	98,745.99
Accrued Interest	8,128.15
Yield	1.75%

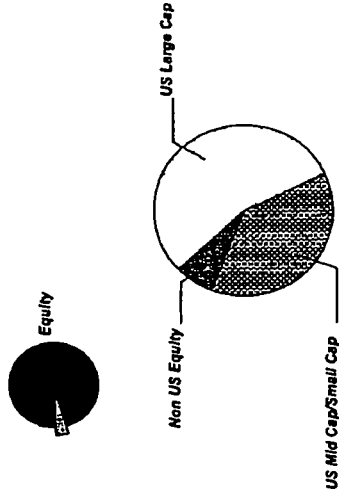
Cash & Short Term Detail

Cash	Quantity	Price	Market Value	Tax Cost		Unrealized Gain/Loss	Estimated Annual Income	Yield
				Adjusted	Original			
US DOLLAR PRINCIPAL	5,688,132.94	1.00	5,688,132.94	5,688,132.94	5,688,132.94		98,745.99	1.75%
							8,128.15	

Equity Summary

Asset Categories	Ending Market Value	Current Allocation
US Large Cap	2,994,026 00	54%
US Mid Cap/Small Cap	2,080,534 00	37%
Non US Equity	395,506 00	7%
Total Value	\$5,470,066.00	98%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	5,470,066 00
Tax Cost	519,684 05
Unrealized Gain/Loss	..
Estimated Annual Income	97,758 50
Accrued Dividends	2,683 14
Yield	1.79%



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08

Equity Detail

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Large Cap							
ARROW ELECTRONICS INC 042735-10-0 ARW	2,300,000	30.72	70,656.00	62,170.00	8,486.00		
AVNET INC 053807-10-3 AVT	2,100,000	27.28	57,288.00	37,628.00	19,659.00		
BILL BARRETT CORP 06846N-10-4 BBG	800,000	59.41	47,528.00	46,411.36	1,116.64		
BJ SERVICES CO 055482-10-3 BJS	4,700,000	31.94	150,118.00	153,846.72	(3,728.72)	940.00 235.00	0.63%
BUCYRUS INTERNATIONAL INC CL A 118759-10-9 BUCY	2,000,000	73.02	146,040.00	53,523.01	92,516.99	200.00	0.14%
CABLEVISION SYSTEMS CORP CL A NY 12686C-10-8 CVC	4,500,000	22.60	101,700.00	101,292.90	407.10		
CADENCE DESIGN SYSTEMS INC 127387-10-8 CDNS	3,400,000	10.10	34,340.00	56,204.26	(21,864.26)		
CUMMINS INC 231021-10-6 CMI	2,600,000	65.52	170,352.00	77,388.25	92,963.75	1,300.00	0.76%
DISCOVERY HOLDING CO-A 25468Y-10-7 DISC A	3,500,000	21.96	76,860.00	49,001.64	27,858.36		
GILEAD SCIENCES INC 375558-10-3 GILD	2,800,000	52.95	148,260.00	88,162.52	60,097.48		



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income		Yield
						Accrued Dividends		
US Large Cap								
GOODRICH CORP 382388-10-8 GR	2,400,000	47.46	113,904.00	93,109.45	20,794.55	2,160.00	540.00	1.90%
HELMERICH & PAYNE INC 423452-10-1 HP	3,200,000	72.02	230,464.00	79,734.50	150,729.50	640.00		0.28%
KLA-TENCOR CORP 482480-10-0 KLAC	1,200,000	40.71	48,852.00	51,976.49	(3,124.49)	720.00		1.47%
LAM RESEARCH CORP 512807-10-8 LRCX	2,500,000	36.15	90,375.00	102,939.72	(12,564.72)			
MEADWESTVACO CORP 583334-10-7 MWV	2,500,000	23.84	59,600.00	65,837.09	(6,237.09)	2,300.00		3.86%
MOSAIC CO/THE 61945A-10-7 MOS	1,700,000	144.70	245,990.00	26,685.75	219,304.25			
MYRIAD GENETICS INC 62855J-10-4 MYGN	3,700,000	45.52	168,424.00	95,855.90	72,568.10			
NEW YORK TIMES CO A 650111-10-7 NYT	2,700,000	15.39	41,553.00	55,698.57	(14,145.57)	2,484.00		5.98%
NOVELLUS SYSTEMS INC 670008-10-1 NVLS	3,500,000	21.19	74,165.00	90,471.35	(16,306.35)	525.00		0.71%
OSI PHARMACEUTICALS INC 671040-10-3 OSIP	2,300,000	41.32	95,036.00	86,023.99	9,012.01			
PALL CORP 696429-30-7 PLL	3,100,000	39.68	123,008.00	82,481.31	40,526.69	1,612.00		1.31%
PRECISION CASTPARTS CORP 740189-10-5 PCP	2,000,000	96.37	192,740.00	119,957.16	72,782.84	240.00		0.12%



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Large Cap							
ROBERT HALF INTERNATIONAL INC 770323-10-3 RHI	2,300,000	23.97	55,131.00	74,177.12	(19,046.12)	1,012.00	1.84%
ROWAN COMPANIES 779382-10-0 RDC	1,800,000	46.75	84,150.00	59,817.55	24,332.45	720.00	0.86%
SUNOCO INC 86764P-10-9 SUN	2,100,000	40.69	85,449.00	144,639.36	(59,190.36)	2,520.00	2.95%
TW TELECOM INC 87311L-10-4 TWTC	3,400,000	16.03	54,502.00	71,209.94	(16,707.94)		
UNITED STATES CELLULAR CORP 911684-10-8 USM	1,600,000	56.55	90,480.00	97,120.57	(6,640.57)		
UNITED STATES STEEL CORP 912909-10-8 X	300,000	184.78	55,434.00	17,379.00	38,055.00	300.00	0.54%
WHIRLPOOL CORP 963320-10-6 WHR	700,000	61.73	43,211.00	53,941.00	(10,730.00)	1,204.00	2.79%
XM SATELLITE RADIO HOLDINGS INC CL A 963759-10-1 XMSR	4,900,000	7.84	38,416.00	68,125.09	(29,709.09)		
Total US Large Cap			\$2,994,026.00	\$2,262,810.57	\$731,215.43	\$18,877.00	0.63%
						\$775.00	
US Mid Cap/Small Cap							
AFFYMETRIX INC 00826T-10-8 AFFX	3,000,000	10.29	30,870.00	67,606.44	(36,736.44)		



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Mid Cap/Small Cap							
AMR CORP DEL 001765-10-6 AMR	5,800,000	5.12	29,696.00	55,306.48	(25,610.48)		
ATMEL CORP 049513-10-4 ATML	12,000,000	3.48	41,760.00	64,180.80	(22,420.80)		
BROOKS AUTOMATION INC 114340-10-2 BRKS	4,300,000	8.27	35,561.00	58,562.22	(23,001.22)		
CENTENNIAL COMMUNICATIONS CORP 15133V-20-8 CYCL	10,400,000	6.99	72,696.00	53,897.12	18,798.88		
CINCINNATI BELL INC 171871-10-6 CBB	17,500,000	3.98	69,650.00	83,115.85	(13,465.85)		
CNET NETWORKS INC 12613R-10-4 ZZZZ	5,600,000	11.49	64,344.00	45,529.26	18,814.74		
COGNEX CORP 192422-10-3 CGNX	3,000,000	23.05	69,150.00	70,026.48	(876.48)	1,020.00	1.48%
CROWN MEDIA HOLDINGS INC CL A 228411-10-4 CRWN	2,800,000	4.74	13,272.00	10,366.24	2,905.76		
FLUSHING FINANCIAL CORP 343873-10-5 FFIC	3,100,000	18.95	58,745.00	53,247.13	5,497.87	1,612.00	2.74%
GENCORP INC 368682-10-0 GY	4,800,000	7.16	34,368.00	64,161.88	(29,793.88)	576.00	1.68%
GRAY TELEVISION INC 388375-10-6 GTN	3,500,000	2.87	10,045.00	21,746.25	(11,701.25)	420.00 105.00	4.18%
HARMONIC INC 41316D-10-2 HLT	11,900,000	9.51	113,169.00	83,605.26	29,563.74		



THE KETTERING FUND-PINNACLE ACCT P91467608
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Mid Cap/Small Cap							
HEIDRICK & STRUGGLES INTERNATIONAL INC 422819-10-2 HSI	1,300,000	27.64	35,932.00	43,814.60	(7,882.60)	676.00	1.88%
HEXCEL CORP 428281-10-8 HXL	4,300,000	19.30	82,980.00	89552.98			
HUMAN GENOME SCIENCES INC 444903-10-8 HGS	6,400,000	5.21	33,344.00	73,442.00	(40,098.00)		
INTERMEC INC 458786-10-0 IN	2,700,000	21.08	56,916.00	63547.73			
ION GEOPHYSICAL CORP 462044-10-8 IO	6,300,000	17.45	109,935.00	96,473.95	13,461.05		
ISIS PHARMACEUTICALS INC 464330-10-9 ISIS	4,600,000	13.63	62,698.00	58,651.20	4,046.80		
KB HOME 48666K-10-9 KBH	1,700,000	16.93	28,781.00	30,382.57	(1,601.57)	1,700.00	5.91%
L-1 IDENTITY SOLUTIONS INC 50212A-10-6 ID	2,600,000	13.32	34,632.00	37,407.65	(2,775.65)		
LAKES GAMING INC 51206P-10-9 LACO	3,100,000	6.58	20,398.00	30,578.09	(10,180.09)		
LIN TV CORP CL A 532774-10-6 TVL	6,600,000	5.96	39,336.00	46,997.46	(7,661.46)		
LODGENET INTERACTIVE CORP 540211-10-9 LNET	5,300,000	4.91	26,023.00	84,988.59	(58,965.59)		



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Yield
						Accrued Dividends	
US Mid Cap/Small Cap							
LONGS DRUG STORES CORP 543162-10-1 LDG	1,600,000	42.11	67,376.00	69,708.04	(2,332.04)	896.00 140.00	1.33%
MEDAREX INC 583916-10-1 MEDX	6,300,000	6.61	41,643.00	60,259.80	(18,616.80)		
OPENTV CORP G67543-10-1 OPTV	12,400,000	1.31	16,244.00	30,592.64	(14,348.64)		
PALM INC 696643-10-5 PALM	5,500,000	5.39	29,645.00	<i>60941.21</i>		49,500.00	166.98%
PDL BIOPHARMA INC 69329Y-10-4 PDLI	5,400,000	10.62	57,348.00	95,455.50	(38,107.50)		
PHOTRONICS INC 719405-10-2 PLAB	3,800,000	7.04	26,752.00	53,214.66	(26,462.66)		
REGENERON PHARMACEUTICALS INC 75886F-10-7 REGN	3,700,000	14.44	53,428.00	54,632.68	(1,204.68)		
RF MICRO DEVICES INC 749941-10-0 RFMD	10,300,000	2.90	29,870.00	66,140.00	(36,270.00)		
RTI INTERNATIONAL METALS INC 74973W-10-7 RTI	2,200,000	35.62	78,364.00	94,020.03	(15,656.03)		
SAKS INC 79377W-10-8 SKS	5,900,000	10.98	64,782.00	76,811.67	(12,029.67)	14,101.00	21.77%
SEACHANGE INTERNATIONAL INC 811699-10-7 SEAC	6,200,000	7.16	44,392.00	48,856.98	(4,464.98)		
SINCLAIR BROADCAST GROUP INC CLA 829226-10-9 SBGI	4,500,000	7.60	34,200.00	37,795.89	(3,595.89)	3,600.00 900.00	10.53%



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08


	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Mid Cap/Small Cap							
STILLWATER MINING CO 86074Q-10-2 SWC	7,900,000	11.83	93,457.00	74,716.15	18,740.85		
THERAVANCE INC 88338T-10-4 THRX	3,400,000	11.87	40,358.00	84342.89			
TRIGUANT SEMICONDUCTOR INC 89674K-10-3 TGNT	11,500,000	6.06	69,690.00	50,480.00	19,210.00		
UNIFI INC 904677-10-1 UFI	7,000,000	2.52	17,640.00	17,620.50	19.50		
VALSPAR CORP 920355-10-4 VAL	3,100,000	18.91	58,621.00	80,912.00	(22,291.00)	1,736.00 434.00	2.96%
VISHAY INTERTECHNOLOGY INC 928298-10-8 VSH	6,700,000	8.87	59,429.00	93,334.29	(33,905.29)		
XOMA LTD G9829R-10-7 XOMA	13,600,000	1.69	22,984.00	42,475.52	(19,491.52)		
Total US Mid Cap/Small Cap			\$2,080,534.00			\$75,837.00 \$1,578.00	3.65%
Non US Equity							
CAE INC 124765-10-8 CGT	8,400,000	11.29	94,836.00	70,868.10	23,967.90	1,008.00	1.06%
CAMECO CORP 13321L-10-8 CCJ	5,500,000	42.87	235,785.00	213,745.75	22,039.25	1,314.50 329.14	0.56%



THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 6/1/08 to 6/30/08

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income		Yield
						Accrued Dividends		
Non US Equity								
LAZARD LIMITED-CL A G54050-10-2 LAZ	1,900,000	34.15	64,885.00	69,356.35	(4,471.35)	722.00		1.11%
Total Non US Equity			\$395,506.00	\$353,970.20	\$41,535.80	\$3,044.50	\$329.14	0.77%

Cash & Short Term Summary

Asset Categories	Ending Market Value	Current Allocation	Asset Categories
Cash	110,283.58	2%	 Cash & Short Term

Market Value/Cost	Current Period Value
Market Value	110,283.58
Tax Cost	110,283.58
Estimated Annual Income	1,914.52
Accrued Interest	282.83
Yield	1.75%

Cash & Short Term Detail

Cash	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US DOLLAR PRINCIPAL	110,283.58	1.00	110,283.58	110,283.58		1,914.52 282.83	1.75%

TRUST YEAR ENDING 06/30/2008

TAX PREPARER: JBA
 TRUST ADMINISTRATOR: DL2
 INVESTMENT OFFICER: NS3

LEGEND: F - FEDERAL S - STATE I - INHERITED
 E - EXEMPT FROM STATE U - ACQ COST UNKNOWN

PROPERTY DESCRIPTION	SHARES	DATE	SALES PRICE	COST BASIS	GAIN/LOSS	TERM
0000 FORESTAR GROUP INC - 346233109						
SOLD		01/25/2008	13.34			
ACQ	0000		13.34	0.00	13.34	LT15
CHANGED 01/28/08 AW4						
0000 GUARANTY FINANCIAL GROUP INC - 40108N106						
SOLD		01/25/2008	8.01			
ACQ	0000		8.01	0.00	8.01	LT15
CHANGED 01/28/08 AW4						
900 0000 HARRAHS ENTERTAINMENT INC - 413619107 - MINOR = 31000						
SOLD		01/29/2008	81000.00			
ACQ	900 0000	08/15/2006	81000.00	55332.00	25668.00	LT15
400 0000 MOSAIC CO/THE - 61945A107 - MINOR = 31000						
SOLD		02/15/2008	40868.43			
ACQ	400.0000	08/16/2006	40868.43	6416.84	34451.59	LT15
800 0000 MCCLATCHY CO - 579489105 - MINOR = 31001						
SOLD		02/20/2008	7914.23			
ACQ	100 0000	08/15/2006	989.28	4239.00	-3249.72	LT15
	700.0000	08/16/2006	6924.95	29442.00	-22517.05	LT15
2000.0000 MEDIA GENERAL INC A - 584404107 - MINOR = 31001						
SOLD		02/20/2008	38443.77			
ACQ	1400.0000	01/09/2007	26910.64	51518.46	-24607.82	LT15
	600 0000	07/10/2007	11533.13	20302.92	-8769.79	ST
366.0000 GUARANTY FINANCIAL GROUP INC - 40108N106						
SOLD		02/22/2008	5596.07			
ACQ	233.0000	08/15/2006	3562.53	4685.45	-1122.92	LT15
	133 0000	08/17/2006	2033.54	2785.39	-751.85	LT15
366.0000 FORESTAR GROUP INC - 346233109						
SOLD		02/26/2008	9411.58			
ACQ	233 0000	08/15/2006	5991.52	7572.42	-1580.90	LT15
	133 0000	08/17/2006	3420.06	4501.63	-1081.57	LT15
800.0000 R H DONNELLEY CORP - 74955W307 - MINOR = 31000						
SOLD		03/20/2008	3740.51			
ACQ	700 0000	08/15/2006	3272.95	36553.02	-33280.07	LT15
	100.0000	08/16/2006	467.56	5264.00	-4796.44	LT15
400.0000 MOSAIC CO/THE - 61945A107 - MINOR = 31000						
SOLD		04/03/2008	42253.76			
ACQ	400 0000	08/16/2006	42253.76	6416.84	35836.92	LT15
500.0000 MYRIAD GENETICS INC - 62855J104 - MINOR = 31000						
SOLD		04/09/2008	20528.23			
ACQ	300 0000	08/15/2006	12316.94	7772.10	4544.84	LT15
	200 0000	08/16/2006	8211.29	5202.88	3008.41	LT15
300.0000 UNITED STATES STEEL CORP - 912909108 - MINOR = 31000						
SOLD		05/01/2008	44902.03			
ACQ	200 0000	08/15/2006	29934.69	11586.00	18348.69	LT15
	100 0000	08/16/2006	14967.34	6129.92	8837.42	LT15
6200 0000 MILLENNIUM PHARMACEUTICALS INC - 599902103 - MINOR = 31000						
SOLD		05/28/2008	155000.00			
ACQ	3000 0000	08/15/2006	75000.00	30117.00	44883.00	LT15
	1600 0000	08/16/2006	40000.00	16496.00	23504.00	LT15
	1600 0000	10/17/2007	40000.00	18051.52	21948.48	ST
400.0000 MOSAIC CO/THE - 61945A107 - MINOR = 31000						
SOLD		06/25/2008	58255.63			
ACQ	300 0000	08/15/2006	43691.72	4709.25	38982.47	LT15
	100 0000	08/16/2006	14563.91	1604.21	12959.70	LT15
TOTALS			2641548.86	2089534.69		

SUMMARY OF CAPITAL GAINS/LOSSES

FEDERAL	SHORT TERM	LONG TERM 28%	LONG TERM 15%	ST WASH SALE	LT WASH SALE	1250 GAIN
SUBTOTAL FROM ABOVE	13178.69	0.00	538835.48	0.00	0.00	0.00*
COMMON TRUST FUND	0.00	0.00	0.00			0.00
CAPITAL GAIN DIVIDENDS	0.00	0.00	0.00			0.00
	13178.69	0.00	538835.48	0.00	0.00	0.00
STATE						
SUBTOTAL FROM ABOVE	13178.69	0.00	538835.48	0.00	0.00	0.00*
COMMON TRUST FUND	0.00	0.00	0.00			0.00
CAPITAL GAIN DIVIDENDS	0.00	0.00	0.00			0.00
	13178.69	0.00	538835.48	0.00	0.00	0.00

* - 1250 GAIN DETAILED ON TRANS PAGES, NOT ABOVE

Form 8868 (Rev 4-2008)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**
- Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization THE KETTERING FUND	Employer identification number 31-6027115
	Number, street, and room or suite no. If a P.O. box, see instructions. C/O JP MORGAN SERVICES, PO BOX 6089	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. NEWARK DE 19714-6089	

Check type of return to be filed (File a separate application for each return):

- | | | | |
|--------------------------------------|---|--------------------------------------|------------------------------------|
| <input type="checkbox"/> Form 990 | <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8870 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 5227 | |

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **JP MORGAN SERVICES, INC.**
Telephone No. **302-634-2931** FAX No
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for

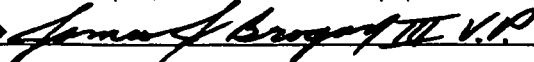
- I request an additional 3-month extension of time until **5/15/09**.
- For calendar year _____, or other tax year beginning **7/01/07**, and ending **6/30/08**
- If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

State in detail why you need the extension
ADDITIONAL TIME IS REQUIRED TO COMPILE ALL THE DATA NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a	\$	165,000
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$	220,000
8c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	\$	0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature  Title **VICE PRESIDENT** Date **2/04/09**
Form 8868 (Rev 4-2008)

DAA 