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

2008

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

For calendar year 2008, or tax year beginning

, and ending

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

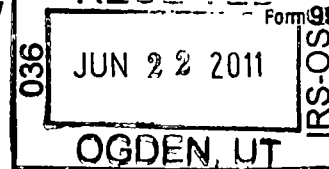
Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE KOVNER FOUNDATION		A Employer identification number 22-3468030
	Number and street (or P.O. box number if mail is not delivered to street address)	Room/suite	B Telephone number (609) 919-7600
	City or town, state, and ZIP code PRINCETON, NJ 08540		C If exemption application is pending, check here ☐
	H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 20,136,338. (Part I, column (d) must be on cash basis.)		J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here ☐
			F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received			N/A	
2	Check ☒ if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	217,296.	217,296.		STATEMENT 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	4,951,069.			
b	Gross sales price for all assets on line 6a	16,702,930.			
7	Capital gain net income (from Part IV, line 2)		4,951,069.		
8	Net short-term capital gain				
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less: Cost of goods sold				
c	Gross profit or (loss)				
11	Other income				
12	Total. Add lines 1 through 11	5,168,365.	5,168,365.		
13	Compensation of officers, directors, trustees, etc.	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees				
c	Other professional fees	8,435.	0.		0.
17	Interest				
18	Taxes	5,775.	0.		0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses	3,760.	0.		0.
24	Total operating and administrative expenses. Add lines 13 through 23	17,970.	0.		0.
25	Contributions, gifts, grants paid	12,074,748.			12,074,748.
26	Total expenses and disbursements. Add lines 24 and 25	12,092,718.	0.		12,074,748.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	<6,924,353.>			
b	Net investment income (if negative, enter -0-)		5,168,365.		
c	Adjusted net income (if negative, enter -0-)				

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

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* Explanation for Amendment. See Statement 16



Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only.

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	305,228.	2,524,277.	2,524,277.
	2 Savings and temporary cash investments	10,311,146.	2,001,147.	2,001,147.
	3 Accounts receivable ▶ 59,153.		59,153.	59,153.
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	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			
	b Investments - corporate stock STMT 6	5,588,165.	12,551,761.	12,551,761.
	c Investments - corporate bonds			
	Liabilities	11 Investments - land, buildings, and equipment basis ▶		
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 7		13,702,931.	0.	0.
14 Land, buildings, and equipment: basis ▶				
Less: accumulated depreciation ▶				
15 Other assets (describe ▶ STATEMENT 8)		6,000,000.	3,000,000.	3,000,000.
16 Total assets (to be completed by all filers)		35,907,470.	20,136,338.	20,136,338.
17 Accounts payable and accrued expenses		163,741.	7,367.	
18 Grants payable				
Net Assets or Fund Balances	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	163,741.	7,367.	
	Foundations that follow SFAS 117, check here ▶ ☐			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☒			
27 Capital stock, trust principal, or current funds	0.	0.		
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	35,743,729.	20,140,451.		
30 Total net assets or fund balances	35,743,729.	20,140,451.		
31 Total liabilities and net assets/fund balances	35,907,470.	20,147,818.		

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	35,743,729.
2 Enter amount from Part I, line 27a	2	<6,924,353.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	28,819,376.
5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 5	5	8,678,925.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	20,140,451.

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 CAXTON EQUITY GROWTH BVI REDEMPTION	P		
b GAIN ON DISPOSITION OF CAXTON SELECT INV.	P		
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 3,000,000.		1,793,266.	1,206,734.
b 13,702,930.		9,958,595.	3,744,335.
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			1,206,734.
b			3,744,335.
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	4,951,069.
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). If (loss), enter -0- in Part I, line 8	3	N/A

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 instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2007	22,150,695.	47,639,921.	.464961
2006	10,640,000.	51,630,805.	.206079
2005	9,058,758.	39,137,882.	.231458
2004	5,843,662.	21,746,063.	.268723
2003	5,787,641.	25,523,857.	.226754

2 Total of line 1, column (d)	2	1.397975
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	.279595
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	25,760,364.
5 Multiply line 4 by line 3	5	7,202,469.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	51,684.
7 Add lines 5 and 6	7	7,254,153.
8 Enter qualifying distributions from Part XII, line 4	8	12,074,748.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ 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 ☒ and enter 1% of Part I, line 27b. _____		1	51,684.
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	51,684.
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	51,684.
6 Credits/Payments:			
a 2008 estimated tax payments and 2007 overpayment credited to 2008	6a	45,261.	
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	45,261.	
8 Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	128.	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed SEE STATEMENT 9	9	6,551.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2009 estimated tax Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) NY, DE		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses.		X

Part VII A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions).	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ▶ N/A				
14	The books are in care of ▶ ACCOUNTANT	Telephone no. ▶ 609-919-7600		
Located at ▶ 731 ALEXANDER RD, BLDG 2, PRINCETON, NJ		ZIP+4 ▶ 08540		
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	N/A	

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? ☐ Yes ☒ No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ 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)? ☐ Yes ☒ 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.) ☐ Yes ☒ 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 20 of the instructions)?	N/A	
Organizations relying on a current notice regarding disaster assistance check here		
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 2008?	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? ☐ Yes ☒ No		
If "Yes," list the years ▶		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No		
b If "Yes," did it have excess business holdings in 2008 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 2008.)	3b	X
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?	4b	X

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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)? ☒ 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 ☒ Nob 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 instructions)? ☐ Yes ☒ NoOrganizations 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? ☒ 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 ☒ Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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 ☒ Nob If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

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

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

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

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. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services 0**Part IX-A** Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	17,821,132.
b	Average of monthly cash balances	1b	7,956,522.
c	Fair market value of all other assets	1c	375,000.
d	Total (add lines 1a, b, and c)	1d	26,152,654.
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	26,152,654.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	392,290.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	25,760,364.
6	Minimum investment return. Enter 5% of line 5	6	1,288,018.

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

1	Minimum investment return from Part X, line 6	1	1,288,018.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	51,684.
b	Income tax for 2008. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	51,684.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,236,334.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,236,334.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,236,334.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	12,074,748.
b	Program-related investments - total from Part IX-B	1b	0.
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	12,074,748.
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	5	51,684.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	12,023,064.

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

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				1,236,334.
2 Undistributed income, if any, as of the end of 2007:				
a Enter amount for 2007 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2008:				
a From 2003	4,659,854.			
b From 2004	4,797,637.			
c From 2005	7,294,348.			
d From 2006	8,398,931.			
e From 2007	19,991,071.			
f Total of lines 3a through e	45,141,841.			
4 Qualifying distributions for 2008 from Part XII, line 4: ▶ \$ 12,074,748.				
a Applied to 2007, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2008 distributable amount				1,236,334.
e Remaining amount distributed out of corpus	10,838,414.			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	55,980,255.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2003 not applied on line 5 or line 7	4,659,854.			
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	51,320,401.			
10 Analysis of line 9:				
a Excess from 2004	4,797,637.			
b Excess from 2005	7,294,348.			
c Excess from 2006	8,398,931.			
d Excess from 2007	19,991,071.			
e Excess from 2008	10,838,414.			

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, 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)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005
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 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).)

BRUCE S. KOVNER

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

NONE

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 instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE STATEMENT 13				
Total			3a	12074748.
b Approved for future payment				
NONE				
Total			3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount		
1 Program service revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
f _____						
g Fees and contracts from government agencies						
2 Membership dues and assessments						
3 Interest on savings and temporary cash investments						
4 Dividends and interest from securities			14	217,296.		
5 Net rental income or (loss) from real estate:						
a Debt-financed property						
b Not debt-financed property						
6 Net rental income or (loss) from personal property						
7 Other investment income						
8 Gain or (loss) from sales of assets other than inventory			18	4,951,069.		
9 Net income or (loss) from special events						
10 Gross profit or (loss) from sales of inventory						
11 Other revenue:						
a _____						
b _____						
c _____						
d _____						
e _____						
12 Subtotal. Add columns (b), (d), and (e)		0.		5,168,365.		0.
13 Total. Add line 12, columns (b), (d), and (e)						5,168,365.

(See worksheet in line 13 instructions to verify calculations.)

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

[illegible]

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

- | 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | Yes | No |
|--|--|-----|----|
| a Transfers from the reporting foundation to a noncharitable exempt organization of | | | |
| (1) Cash | | | X |
| (2) Other assets | | | X |
| b Other transactions: | | | |
| (1) Sales of assets to a noncharitable exempt organization | | | X |
| (2) Purchases of assets from a noncharitable exempt organization | | | X |
| (3) Rental of facilities, equipment, or other assets | | | X |
| (4) Reimbursement arrangements | | | X |
| (5) Loans or loan guarantees | | | X |
| (6) Performance of services or membership or fundraising solicitations | | | X |
| c Sharing of facilities, equipment, mailing lists, other assets, or paid employees | | | X |
| d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | | |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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

Signature of officer or trustee _____ Date 6/13/11 **CONTROLLER**
Title _____

Sign Here	 Signature of officer or trustee		6/15/11 Date	CONTROLLER Title
	Paid Preparer's Use Only	Preparer's signature 	Date	Check if self-employed ☐
		Firm's name (or yours if self-employed), address, and ZIP code 	Preparer's identifying number (see Signature on page 30 of the instructions)	
			EIN 	Phone no

FORM 990-PF	INTEREST AND PENALTIES	STATEMENT	9
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FORM 990-PF	LATE PAYMENT PENALTY	STATEMENT	10
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LATE PAYMENT PENALTY

FORM 990-PF	LATE PAYMENT INTEREST	STATEMENT	11
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FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BROWN BROTHERS HARRIMAN	217,296.	0.	217,296.
TOTAL TO FM 990-PF, PART I, LN 4	217,296.	0.	217,296.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	2
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	8,435.	0.		0.
TO FORM 990-PF, PG 1, LN 16C	8,435.	0.		0.

FORM 990-PF	TAXES	STATEMENT	3
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
2008 990-PF ESTIMATED PAYMENT	5,000.	0.		0.
2007 NEW YORK FILING FEE	750.	0.		0.
2007 DELAWARE FILING FEE	25.	0.		0.
TO FORM 990-PF, PG 1, LN 18	5,775.	0.		0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	4
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE EXPENSE	3,760.	0.		0.
TO FORM 990-PF, PG 1, LN 23	3,760.	0.		0.

FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	5
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DESCRIPTION	AMOUNT
CHANGE IN UNREALIZED LOSS ON INVESTMENTS	3,739,335.
TAX GAIN ON REDEMPTIONS NOT RECORDED ON BOOKS	4,939,590.
TOTAL TO FORM 990-PF, PART III, LINE 5	8,678,925.

FORM 990-PF	CORPORATE STOCK	STATEMENT	6
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAXTON SELECT (BVI) LTD.	10,358,639.	10,358,639.
CAXTON EQUITY GROWTH (BVI) LTD. CLASS A SERIES 3	2,193,122.	2,193,122.
TOTAL TO FORM 990-PF, PART II, LINE 10B	12,551,761.	12,551,761.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT	7
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENT IN LLC'S	COST	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 13		0.	0.

FORM 990-PF	OTHER ASSETS	STATEMENT	8
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
REDEMPTION RECEIVABLE	6,000,000.	3,000,000.	3,000,000.
TO FORM 990-PF, PART II, LINE 15	6,000,000.	3,000,000.	3,000,000.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 12
TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT
BRUCE S. KOVNER 1130 FIFTH AVENUE NEW YORK, NY 10128	DIRECTOR & PRESIDENT TIME DEVOTED AS NEEDED	0.	0. 0.
PETER P. D'ANGELO 90 THIRD STREET GARDEN CITY, NY 11530	DIRECTOR & TREASURER TIME DEVOTED AS NEEDED	0.	0. 0.
SCOTT B. BERNSTEIN 465 WEST END AVENUE NEW YORK, NY 10021	SECRETARY TIME DEVOTED AS NEEDED	0.	0. 0.
FRANK WOHL C/O LANKLER SIFFERT & WOHL 500 FIFTH AVENUE, 33RD FLOOR NEW YORK, NY 10110	DIRECTOR TIME DEVOTED AS NEEDED	0.	0. 0.
KAREN CROSS 1085 CREAMERY ROAD NEWTON, PA 18940	CONTROLLER TIME DEVOTED AS NEEDED	0.	0. 0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0. 0.

FORM 990-PF GRANTS AND CONTRIBUTIONS STATEMENT 13
PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
THOMAS B. FORDHAM INSTITUTE 1016 16TH STREET NW, 8TH FLOOR, WASHINGTON, DC 20036	EDUCATION	PUBLIC CHARITY	150,000.
AMERICAN ENTERPRISE INSTITUTE 1150 SEVENTEENTH STREET NW, WASHINGTON, DC 20036	PUBLIC POLICY RESEARCH	PUBLIC CHARITY	1300000.

THE KOVNER FOUNDATION		22-3468030
CARNEGIE HALL CORPORATION 881 SEVENTH AVENUE, NEW YORK, NY 10019-3210	PERFORMING ARTS	PUBLIC CHARITY 166,667.
LINCOLN CENTER FOR THE PERFORMING ARTS 70 LINCOLN CENTER PLAZA, NEW YORK, NY 10023-6583	PERFORMING ARTS	PUBLIC CHARITY 2666667.
THE METROPOLITAN OPERA LINCOLN CENTER, NEW YORK, NY 10023	PERFORMING ARTS	PUBLIC CHARITY 1500000.
FOUNDATION FOR EDUCATION REFORM AND ACCOUNTABILITY 4 CHELSEA PARK, 2ND FLOOR, CLIFTON PARK, NY 12065	EDUCATION REFORM	PRIVATE OPERATING FOUNDATION 200,000.
NEW WORLD SYMPHONY, INC. 541 LINCOLN ROAD, MIAMI BEACH, FL 33139	PERFORMING ARTS	PUBLIC CHARITY 500,000.
BROOKLYN ACADEMY OF MUSIC 30 LAFAYETTE AVENUE, BROOKLYN, NY 11217-1486	EDUCATION	PUBLIC CHARITY 500,000.
INSTITUTE FOR JUSTICE 1717 PENNSYLVANIA AVENUE, NW, SUITE 200, WASHINGTON, DC 20006	SOCIAL REFORM	PUBLIC CHARITY 150,000.
CHILDREN'S PROGRESS UNLIMITED, INC. ONE BETHANY ROAD, SUITE 72, HAZLET, NJ 07730	HELPING DISADVANTAGED PRESCHOOLERS	PUBLIC CHARITY 100,000.
THE JUILLIARD SCHOOL 60 LINCOLN CENTER PLAZA, NEW YORK, NY 10023-6588	EDUCATION - FINE ARTS	PUBLIC CHARITY 3000000.
ROYAL SHAKESPEARE COMPANY THE COURTYARD THEATER, SOUTHERN LANE, STAFFORD-UPON-AVON, WARWICKSHIRE CV37	PERFORMING ARTS	FOREIGN CHARITY 488,875.

THE KOVNER FOUNDATION

22-3468030

THE MORGAN LIBRARY AND MUSEUM 225 MADISON AVENUE, NEW YORK, NY 10016-3405	MUSEUM ACQUISITIONS	PUBLIC CHARITY	252,539.
STUDENT SPONSOR PARTNERSHIP, INC. 21 EAST 40TH STREET, SUITE 1601, NEW YORK, NY 10016	EDUCATION	PUBLIC CHARITY	200,000.
BROWN UNIVERSITY ONE PROSPECT STREET, PROVIDENCE, RI 02912	EDUCATION	PUBLIC CHARITY	475,000.
BRIGHTER CHOICE FOUNDATION 116 NORTH LAKE AVENUE, ALBANY, NY 12206	IMPROVE PUBLIC EDUCATION	PUBLIC CHARITY	250,000.
AMERICAN FRIENDS OF THE ISRAEL MUSEUM 500 FIFTH AVENUE, SUITE 2540, NEW YORK, NY 10110	MUSEUM ACQUISITIONS	PUBLIC CHARITY	100,000.
CENTURION MINISTRIES 221 WITHERSPOON STREET, PRINCETON, NJ 08542	FREE WRONGFULLY IMPRISONED INMATES	PUBLIC CHARITY	75,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

12,074,748.

FORM 990-PF

PAGE 6, PART VII-B, LINE 5c

The Kovner Foundation maintained expenditure responsibility for the following grant. The following information is required by Regulations Section 53.4945-5(d):

- [1] (i) The name and address of the grantee:
Grantee: Royal Shakespeare Company
Address: Southern Lane, Stratford-upon-Avon, Warwickshire CV37 6BB
- (ii) The date and amount of the grant:
Date: June 18, 2008.
Amount: 250,000 British Pounds
- (iii) The purpose of the grant:
Purpose: To support the Ensemble and Artists' Development Programme
- (iv) Amounts expended by the grantee:
Amount: 250,000 British Pounds
- (v) Whether the grantee has diverted any portion of the funds from the purpose of the grant:
The Kovner Foundation is not aware of Royal Shakespeare Company diverting any portion of the funds from the purpose of the grant.
- (vi) The dates of any reports received from the grantee:
An annual report was received in May, 2009.
- (vii) The date and results of any verification of the grantee's reports:
The Kovner Foundation verified that the Royal Shakespeare Company has complied with the grant agreement dated May 10, 2007 in June, 2009.

THE KOVNER FOUNDATION
22-3468030
RESPONSE TO: Part VII-B-5(c)
TAX YEAR: 2008

The Kovner Foundation (the "Foundation") claims exemption from the tax because it maintained expenditure responsibility and hereby provides the statement required by Treas. Reg. § 53.4945-5(d).

1. The grant recipient is: Foundation for Education Reform and Accountability, a United States organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and classified as a private operating foundation pursuant to Code section 4942(j)(3);
2. The date and amount of each grant was as follows:

January 14, 2008	\$100,000
June 25, 2008	\$100,000
3. The exclusively charitable and educational purposes of the grant are to provide general support for the charitable and educational activities of the Foundation for Education Reform and Accountability.
4. The amount expended by the grant recipient towards accomplishment of those purposes is \$200,000 (based on the most recent report received from the grant recipient);
5. To the best of the Foundation's knowledge, the grant recipient has not diverted any portion of the funds (or any income therefrom) from the purpose of the grant;
6. The Foundation has received reports from the grant recipient for the grant recipient's 2008 fiscal year. The date of the report received from the grant recipient is October 2009; and
7. The Foundation has not undertaken an investigation of the grant recipient's reports because the Foundation has no reason to believe that those reports are of dubious accuracy or reliability.

THE KOVNER FOUNDATION
22-3468030
REASON FOR AMENDMENT
TAX YEAR: 2008

The Foundation is amending this return to include an expenditure responsibility report regarding a private operating foundation, the Foundation for Education Reform and Accountability, which was inadvertently omitted from the Foundation's original return.