NP

Form **990-PF**

Department of the Treasury
Internal Revenue Service (77)

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

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

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning 10-01 **, 2008, and ending** 09-30 **, 2009**

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: DISCOVERERS FUND, INC.

A Employer identification number: 39-6048588

Number and street (or P O box number if mail is not delivered to street address): 5025 SHEBOYGAN AVE. Room/suite: 312

B Telephone number (see page 10 of the instructions): (608) 238-3257

City or town, state, and ZIP code: MADISON, WI 53705

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 504,371

J Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis.)*

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	1,000			
	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 ST. 7	16,933	16,933	16,933	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-82,550			
	b Gross sales price for all assets on line 6a 206,857				
	7 Capital gain net income (from Part IV, line 2)		-0-		
	8 Net short-term capital gain ST. 6			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)				
	12 **Total.** Add lines 1 through 11	-64,617	16,933	16,933	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	-0-			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule) ST. 1	200			
	b Accounting fees (attach schedule) ST. 2	1000			
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions) ST. 3	433	175		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) ST. 4	259			
	24 **Total operating and administrative expenses.** Add lines 13 through 23	1892	175		
	25 Contributions, gifts, grants paid	21,843			21,843
	26 **Total expenses and disbursements.** Add lines 24 and 25	23,735	175	-0-	21,843
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-88,352			
	b **Net investment income** (if negative, enter -0-)		16,758		
	c **Adjusted net income** (if negative, enter -0-)			16,933	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	50,852	43,401	43,401
	2 Savings and temporary cash investments ACCRUED INT.		427	427
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U S and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)	439,336	126,779	168,668
	c Investments—corporate bonds (attach schedule)		7065	7350
	11 Investments—land, buildings, and equipment. basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule) MUT. FUNDS		273,295	259,201
	14 Land, buildings, and equipment. basis ▶			
	Less. accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶ FROM SCHWAB STATEMENT)		22,671	25,623
	16 **Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	490,188	473,638	504,370
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 ▶ ☐ 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 ▶ ☑ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	490,188	473,638	
	30 **Total net assets or fund balances** (see page 17 of the instructions)	490,188	473,638	
	31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)	490,188	473,638	

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	561,750
2 Enter amount from Part I, line 27a PART I; LINE 1	2	-88,352
3 Other increases not included in line 2 (itemize) ▶ PART I-LINE 1 OFFICER CONTRIBUTION	3	1,000
4 Add lines 1, 2, and 3	4	474,398
5 Decreases not included in line 2 (itemize) ▶	5	0
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	474 398

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				
b	SEE STATEMENT 6			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

	(i) 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	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
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	- 82,550
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 . . . ST. 6	3	-0-

*

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 noncharitable-use assets	(d) Distribution ratio (col (b) divided by col. (c))
2007	26,000	586,177	0.044356
2006	35,027	634,508	0.055203
2005	20,000	446,687	0.044774
2004	19,848	305,941	0.064875
2003	15,000	275,701	0.054407

2 **Total** of line 1, column (d)	2	0.263615
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	0.052723
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	431,648
5 Multiply line 4 by line 3	5	22,758
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	168
7 Add lines 5 and 6	7	22,926
8 Enter qualifying distributions from Part XII, line 4	8	21,843

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.

* DISCOVERERS FUND IS A NONOPERATING FOUNDATION

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 ▶ ☐ 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	335
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	335
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	335
6	Credits/Payments:		
a	2008 estimated tax payments and 2007 overpayment credited to 2008 — 6a		
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	-0-
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ 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	335
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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*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*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		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.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	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.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ WISCONSIN			
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*	8b	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 on page 27)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
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 page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? N/A	12		
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NONE

14 The books are in care of ▶ C. W. FERRARI Telephone no. ▶ 1-8-238-3257

Located at ▶ 5025 SHEBOYGAN AVE., MADISON, WI ZIP+4 ▶ 53705-2815

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here N/A. ▶ ☐ 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? ☐ 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	1b		
	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 ▶ 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 20 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? ☐ 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.)* 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 2008?	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)? **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? ☐ 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? **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? **7b**

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 22 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
SCOTT FIRARI REEDSBURG, WI	PRESIDENT .25	-0-	-0-	-0-
PHILIP HARRIS MADISON, WI	V. PRESIDENT .01	-0-	-0-	-0-
RANDALL LUEDERS COLUMBUS, WI	DIRECTOR -0-	-0-	-0-	-0-
C. W. FIRARI MADISON, WI	SEC./TREAS. 1 - 2	-0-	-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
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 (see page 23 of the instructions). If none, enter "NONE."

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

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** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	
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	315,657
b	Average of monthly cash balances	1b	122,564
c	Fair market value of all other assets (see page 24 of the instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	438,221
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	438,221
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 25 of the instructions)	4	6573
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	431,648
6	**Minimum investment return.** Enter 5% of line 5	6	21,582

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	21,582
2a	Tax on investment income for 2008 from Part VI, line 5 — 2a: 335		
b	Income tax for 2008. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	335
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	21,247
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	21,247
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	21,247

Part XII Qualifying Distributions (see page 25 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	21,843
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	21,843
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	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	21,843

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.

NOTE. ALL ASSETS IN SCHWAB ACCT 5063-3767.

RELEVANT PAGES OF TAX YEAR ENDING 09-30-09

STATEMENT ATTACHED.

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

		(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1	Distributable amount for 2008 from Part XI, line 7				21,247
2	Undistributed income, if any, as of the end of 2007				
a	Enter amount for 2007 only			503	
b	Total for prior years 20____,20____,20____		-0-		
3	Excess distributions carryover, if any, to 2008:				
a	From 2003				
b	From 2004				
c	From 2005				
d	From 2006				
e	From 2007				
f	**Total** of lines 3a through e	-0-			
4	Qualifying distributions for 2008 from Part XII, line 4: ▶ $ 21,843				
a	Applied to 2007, but not more than line 2a			503	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		-0-		
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions)	-0-			
d	Applied to 2008 distributable amount				21,340
e	Remaining amount distributed out of corpus	93			
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	93			
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 page 27 of the instructions		-0-		
e	Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			-0-	
f	Undistributed income for 2008. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				N/A
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)	-0-			
8	Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)	-0-			
9	**Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a	93			
10	Analysis of line 9:				
a	Excess from 2004				
b	Excess from 2005				
c	Excess from 2006				
d	Excess from 2007				
e	Excess from 2008 93				

ALTERNATE (SIMPLIFIED)
PART XIII
(THIS RETURN)

QUALIFYING DIST. 21,843
DISTR. AMT. 21,247
2007 UNDIS. 503 21,750

TO LINE 10e 93

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 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)

	Tax year	Prior 3 years			(e) Total
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	
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 ⅔ 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 27 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. N/A

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

C.W. FIRARI; 5025 SHEBOYGAN AVE., #312; MADISON, WI 53705

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

INDIVIDUALS GENERALLY NEED RECOMENDATION FROM SCHOOL OR LIKE ENTITY AS TO NEED AND QUALIFICATIONS.

c Any submission deadlines: NONE

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

NONE

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				
FROM SEPARATE SHEET ATTACHED				19,500-
GOODMAN COMM. CENTER 149 WAUBESA ST. MADISON, WI 53704				500-
SOCIETY OF ST. VINCENT DE PAUL 2033 FISH HATCHERY RD. MADISON, WI 53725				1,843-
Total			▶ 3a	21,843-
***b** Approved for future payment*				
Total			▶ 3b	

PART XV

UNIV. OF WISCONSIN FOUNDATION - CANCER RESEARCH 1848 UNIVERSITY AVE, MADISON, WI	2 000 -
UNIV. OF WISC 4-H FOUNDATION 1848 UNIVERSITY AVE., MADISON, WI	8 000 -
WORLD VISION P.O. BOX 70102; TACOMA, WA	500 -
KID'S KORNER DAY CARE 833 THIRD ST., REEDSBURG, WI	1 000 -
LCMS WORLD RELIEF + HUMAN CARE 1333 S. KIRKWOOD ROAD; ST. LOUIS, MO	5 000 -
FOOD FOR THE HUNGRY PHOENIX, AZ	1,000 -
FREEDOM FROM HUNGER DAVIS, CA	500 -
FINCA INTL. WASHINGTON, DC	500 -
OXFAM BOSTON, MA	1000 -
	19,500 -

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See page 28 of the instructions)
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	16,933	
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	-82,550	
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)				-64,617	

13 Total. Add line 12, columns (b), (d), and (e) . . . . . . 13 -64,617

(See worksheet in line 13 instructions on page 28 to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 28 of the instructions.)

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	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		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

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

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

Sign Here

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] 01-21-2011 Sec./Treas.

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ► ☐ | Preparer's identifying number (see **Signature** on page 30 of the instructions)

Firm's name (or yours if self-employed), address, and ZIP code | EIN ► | Phone no ( )

DISCOVERERS FUND, INC 39-6048558

STATEMENT 6

Gains and Losses

	(a) Description of property (Example 100 sh XYZ Co)	(b) Date acquired (Mo, day, yr)	(c) Date sold (Mo, day, yr)	(d) Sales price (see page D-7 of the instructions)	(e) Cost or other basis (see page D-7 of the instructions)	(f) Gain or (loss) Subtract (e) from (d)
	1113.750 ALLIANCE BERNSTEIN	12-14-06	10-10-08	12,058	25,065	< 13,007 >
	484 093 CALAMOS GROWTH	MULTIPLE	10-10 08	15,213	27,836	< 12,623 >
	562,560 CRM MID CAP	"	10-10-08	10,743	16,058	< 5315 >
	561,424 DODGE & COX	"	10-10 08	13,793	21,313	< 7520 >
	651 734 FIRST AM	"	10-10-08	7765	12,046	< 4281 >
	549-894 FORWARD SMALL CAP	"	10 10-08	8187	11,704	< 3777 >
	764,413 FPA CAPITAL	"	10-10-08	20,437	34,182	< 13,745 >
L T	1485-181 HARBOR SMALL CAP	"	10 10 08	19,757	31,145	< 11,388 >
	354,877 RS GLOBAL	6-15-07	10-10 08	6709	13,443	< 6734 >
	271 076 SATUIT	MULTIPLE	10-10-08	3971	5868	< 1897 >
	1848.564 TOUCHSTONE SANDS	"	10-10-08	13,845	20,943	< 7098 >
	2088,355 WELLS FARGO	"	10-10-08	14,356	20,810	< 6454 >
	1642,331 WESTERN ASSET	9 29-05	10-10-08	14,496	17,500	< 3004 >
0 · *	C SCHWAB BROKERAGE ADJUSTMENT		11-13-08	200		200
849 · −	72.633 ALLIANCE BERNSTEIN	12/26/07	10/10/08	786	1635	< 849 >
1 676 · −	64 434 CALAMOS GROWTH	11/19/07	10/10/08	2020	3696	< 1676 >
363 · −	55,268 FIRST AM.	12/21/07	10/10/08	659	1022	< 363 >
422 · −	67,066 FORWARD SMALL CAP	MULTIPLE	10/10/08	915	1337	< 422 >
1 346 · −	75,308 FPA CAPITAL	"	10/10/08	2000	3346	< 1346 >
706 · −	91,4690 HARBOR SMALL CAP	12 21-07	10/10/08	1223	1929	< 706 >
491 · −	75,814 RS GLOBAL	MULTIPLE	10/10/08	488	979	< 491 >
88 · −	11,122 SATUIT	01-02-08	10/10/08	183	271	< 88 >
0 698 · +	506 DAIMLER	02-23-09	08/10/09	22,711	12,013	10,698
5 724 · +	500 HARTFORD FINL	02-17 09	09-01-09	10,730	5006	5724
0 481 · *	L T CAP GAINS	12/2008	—	3612	-0-	3612
(5T)						
				206,857	289,407	< 82,550 >

DISCOVERERS FUND, INC. 39-6048588

FOR FORM 990-PF TAX YEAR ENDING 09-30-09

STATEMENT 1 - PART I (16a) LEGAL FEES

RE. PROHIBITED TRANSACTIONS, ETC. 200-

STATEMENT 2 - PART I (16b) ACC'T FEES

TAX PREPARATION 1000-

STATEMENT 3 - PART I - 18 TAXES

U S TREASURY	258-	
FOREIGN - WITHHELD ON DIVS	175-	433

STATEMENT 4 - PART I - 23 OTHER EXP

MISC OUT-OF-POCKET EXP. FOR 5+		
YEARS - PAST PRESIDENT/CEO.	225-	
WISCONSIN CORP. REPORT	10-	
U. S. POSTAGE	24-	259

DISCOVERERS FUND, INC.   39-6048588

DIVIDENDS + INTEREST   STATEMENT 7

FOR. TAX WH	DIVIDENDS:	ORDINARY	L T CAP GAINS
	PIMCO	6239.45	1004 17
	TOUCHSTONE		537.03
4 60	NEW FLYER	30.68	
	WESTERN ASSET	2760.39	
	AR710	1111.33	
	CBS	50 28	
	JANUS-PERKINS	286 79	681.60
	WELLS FARGO		533.74
	CRM	160.03	
	DODGE + COX	562.00	855.36
	I-SHARES-REM	721.22	
	METLIFE PFD.	389.13	
	GE	144.00	
	COHEN + STEERS	977.61	
	HARTFORD FIN.	100.30	
105.05	DAIMLER	398.30	
	PFIZER	160.87	
	DUKE	473.85	
	SOUTHERN	440.81	
	ELI LILLY	493.48	
65.60	REPSOL	364.45	
	DU PONT	413.18	
175.25		16,278.15	3611.90

	INTEREST:	
	SCHWAB - MONEY MARKET	936 68
	NEW FLYER - CORP.	60.00
	TEXAS COMP ELECT. ACCRUED AT PURCHACE	< 341 67 >
		16,932 63

charles SCHWAB

G000075500207

charles SCHWAB

Schwab One® Account of
DISCOVERERS FUND INC

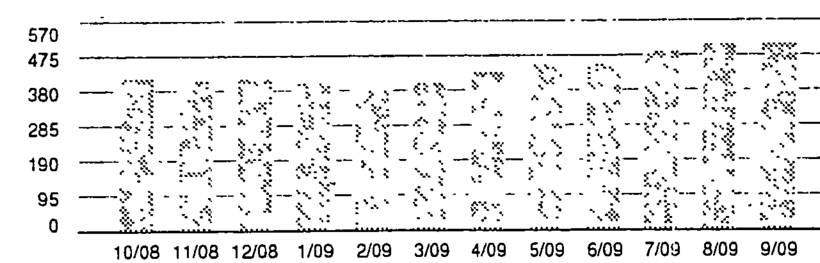
Account Number
5063-3767

Statement Period
September 1-30, 2009

Change in Account Value

	This Period	Year to Date
Starting Value	**$ 504,111.55**	**$ 412,779.37**
Cash Value of Purchases & Sales	4,960.72	(157,089.85)
Investments Purchased/Sold	(4,960.72)	157,089.85
Deposits & Withdrawals	(17,500.00)	(19,824.71)
Dividends & Interest	2,208.09	10,453.59
Fees & Charges	0.00	0.00
Transfers	0.00	7.32
Income Reinvested	(1,709.11)	(9,026.32)
Change in Value of Investments	16,832.94	109,554.22
Ending Value on 09/30/2009	**$ 503,943.47**	**$ 503,943.47**
Accrued Interest	*427.08*	
Ending Value with Accrued Interest	***$ 504,370.55***	
Total Change in Account Value:		
Including Deposits and Withdrawals	**$ (168.08)**	**$ 91,164.10**
	>(1)%	22.09%
Incl. Deposits, W/Ds, & Accrued Int.	***$ 259.00***	

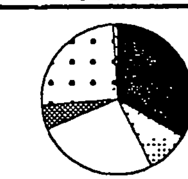
Account Value ($) Over Last 12 Months [in Thousands]



Asset Composition

	Market Value	% of Account Assets
Cash and Money Market Funds [Sweep]	$ 43,401.41	9%
Fixed Income	7,050.00	1%
Equities	168,668 37	33%
Bond Funds	133,067.34	26%
Equity Funds	126,133.35	25%
Other Assets	25,623.00	5%
Total Assets Long	**$ 503,943.47**	
Total Account Value	**$ 503,943.47**	**100%**
Accrued Interest	*427.08*	
Total Value with Accrued Interest	***$ 504,370.55***	

Overview



Gain or (Loss) Summary

Realized Gain or (Loss) This Period

Short Term	$5,723 29
Long Term	$0 00

Unrealized Gain or (Loss)

All Investments	$30,731 65[b]

Values may not reflect all of your gains/losses

Account Notes

- Accrued Interest is $427 08

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

CT9R4805-007550 368311

Investment Detail - Fixed Income

Accounting Method
Fixed Income: First In First Out [FIFO]

Corporate Bonds	Par	Market Price	Market Value / *Cost Basis*	Adjusted Cost Basis	% of Account Assets	Unrealized Gain or (Loss)	Estimated Annual Income / Yield to Maturity
TEXAS COMP ELEC 10.25%15	10,000.0000	70.5000	7,050.00	7,065.40	1%	(15.40) [b]	1,025.00
NOTES DUE 11/01/15 CALLABLE 11/01/11 AT 105.12500 CUSIP: 882330AG8 MOODY'S: Caa2 S&P: CCC			*7,035.00*				18.47%
							Accrued Interest: 427.08
Total Corporate Bonds			7,050.00	7,065.40	1%	(15.40) [b]	1,025.00
		Total Cost Basis:	7,035.00				
							Total Accrued Interest for Corporate Bonds: 427.08
Total Fixed Income			7,050.00	7,065.40	1%	(15.40) [b]	1,025.00
		Total Cost Basis:	7,035.00				

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment
Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only The actual income and yield might be lower or higher than the estimated amounts EY is based upon EAI and the current price of the security and will fluctuate For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate

Investment Detail - Equities

Accounting Method
Equities: First In First Out [FIFO]

Equities	Quantity	Market Price	Market Value / *Cost Basis*	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
ALTRIA GROUP INC ♀ SYMBOL: MO	500.0000	17.8100	8,905.00 *8,842.45*	2%	62.55	7.63%	680.00

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

CT9R4805-007550 368313

Investment Detail - Equities (continued)

Accounting Method
Equities: First In First Out [FIFO]

Equities (continued)	Quantity	Market Price	Market Value / *Cost Basis*	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
CBS CORPORATION CL B NEW ♀ SYMBOL: CBS	509.4765	12.0500	6,139.19 *2,438.23*	1%	3,700.96	1.65%	101.90
COHEN & STEERS SELECT FD ♀ SELECT UTILITY FUND SYMBOL: UTF	1,046.7371	13.8600	14,507.78 *11,499.34*	3%	3,008.44	6.92%	1,004.87
DU PONT E I DE NEMOUR&CO ♀ SYMBOL: DD	514.3077	32.1400	16,529.85 *10,701.13*	3%	5,828.72	5.10%	843.46
DUKE ENERGY CORP NEW ♀ SYMBOL: DUK	1,031.3597	15.7400	16,233.60 *12,486.80*	3%	3,746.80	6.09%	990.11
GENERAL ELECTRIC COMPANY SYMBOL: GE	200.0000	16.4200	3,284.00 *3,112.95*	<1%	171.05	2.43%	80.00
HARTFORD FINL SVCS GRP ♀ SYMBOL: HIG	510.3004	26.5000	13,522.96 *5,106.77*	3%	8,416.19	0.75%	102.06
LILLY ELI & COMPANY ♀ SYMBOL: LLY	514.6637	33.0300	16,999.34 *15,506.43*	3%	1,492.91	5.93%	1,008.74
METLIFE INC A PERP PFD ♀ SERIES A NON-CUM FLTG RATE SYMBOL: MET+A	527.8171	19.9000	10,503.56 *6,402.08*	2%	4,101.48	5.13%	539.55
NEW FLYER INDS INC IDR F INCOME DEPOSIT SECS 1 IDR = 1 CM + $5.53 P/A SYMBOL: NFYIF	1,000.0000	8.3389	8,338.90 *6,877.99*	2%	1,460.91	4.41%	368.14

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings.
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Equities (continued)

Accounting Method
Equities: First In First Out [FIFO]

Equities (continued)	Quantity	Market Price	Market Value / *Cost Basis*	% of Account Assets	Unrealized Gain or (Loss)	Estimated Yield	Estimated Annual Income
PFIZER INCORPORATED ♎ SYMBOL: PFE	510.4302	16.5500	8,447.62 *7,173.82*	2%	1,273.80	3.86%	326.68
REPSOL YPF S A ADR F SPONSORED ADR 1 ADR REP 1 ORD SYMBOL: REP	500.0000	27.1600	13,580.00 *8,472.95*	3%	5,107.05	0.00%	0.00
SAPPI LTD ADR NEW F SPONSORED ADR 1 ADR REP 1 ORD SYMBOL: SPP	500.0000	3.8600	1,930.00 *1,827.95*	<1%	102.05	0.00%	0.00
TEEKAY TANKERS LTD CL AF SYMBOL: TNK	500.0000	8.3500	4,175.00 *4,062.95*	<1%	112.05	19.16%	800.00
THE SOUTHERN COMPANY ♎ SYMBOL: SO	514.6679	31.6700	16,299.53 *14,453.76*	3%	1,845.77	5.52%	900.67
VIVENDI SA NEW ADR F SPONSORED ADR 1 ADR REP 1 ORD SYMBOL: VIVDY	300.0000	30.9068	9,272.04 *7,812.95*	2%	1,459.09	0.00%	0.00
Total Equities			168,668.37	33%	41,889.82		7,746.18
		Total Cost Basis:	126,778.55				

Estimated Annual Income ("EAI") and Estimated Yield ("EY") calculations are for informational purposes only The actual income and yield might be lower or higher than the estimated amounts EY is based upon EAI and the current price of the security and will fluctuate For certain types of securities, the calculations could include a return of principal or capital gains in which case EAI and EY would be overstated EY and EAI are not promptly updated to reflect when an issuer has missed a regular payment or announced changes to future payments, in which case EAI and EY will continue to display at a prior rate

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Mutual Funds

Accounting Method
Mutual Funds: Average

Bond Funds	Quantity	Market Price	Market Value	% of Account Assets	Average Cost Basis	Cost Basis	Unrealized Gain or (Loss)
PIMCO TOTAL RETURN FUND ◊ INSTL CL SYMBOL: PTTRX	8,239.6690	10.9200	89,977.19	18%	10.37	85,474.72[1]	4,502.47
WESTERN ASSET CORE PLUS ◊ BOND PORTFOLIO SYMBOL: WACPX	4,309.0150	10.0000	43,090.15	9%	10.24	44,123.30[1]	(1,033.15)
Total Bond Funds			**133,067.34**	**26%**		**129,598.02**	**3,469.32**

Equity Funds	Quantity	Market Price	Market Value	% of Account Assets	Average Cost Basis	Cost Basis	Unrealized Gain or (Loss)
ARTIO INTL EQUITY FUND ◊ II CL I SYMBOL: JETIX	3,193.5590	12.0800	38,578.19	8%	12.65	40,396.84[1]	(1,818.65)
CRM MID CAP VALUE FUND ◊ INST CL SYMBOL: CRIMX	573.5900	23.1700	13,290.08	3%	28.40	16,287.19[1]	(2,997.11)
DODGE & COX INTL STOCK ◊ FUND SYMBOL: DODFX	629.6220	31.6200	19,908.65	4%	36.11	22,733.23[1]	(2,824.58)
PERKINS MID CAP VALUE FD ◊ CL L SYMBOL: JMIVX	931.5880	19.2000	17,886.49	4%	23.03	21,456.33[1]	(3,569.84)
TOUCHSTONE SANDS CAPITAL ◊ INSTL GROWTH FUND SYMBOL: CISGX	1,931.5190	10.0500	19,411.77	4%	11.12	21,473.68[1]	(2,061.91)

Schwab has provided accurate gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings
Please see "E- -notes for Your Account" section for an explanation of the endnote codes and symbo-- -n this statement

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Investment Detail - Mutual Funds (continued)

Accounting Method
Mutual Funds. Average

Equity Funds (continued)	Quantity	Market Price	Market Value	% of Account Assets	Average Cost Basis	Cost Basis	Unrealized Gain or (Loss)
WELLS FARGO ADVANTAGE ♀ ENDEAVOR SLCT INST SYMBOL· WFCIX	2,175.7870	7.8400	17,058.17	3%	9 81	21,350 02[t]	(4,291.85)
Total Equity Funds			**126,133.35**	**25%**		**143,697.29**	**(17,563.94)**
Total Mutual Funds			**259,200.69**	**51%**		**273,295.31**	**(14,094.62)**

Investment Detail - Other Assets

Accounting Method
Other Assets: First In First Out [FIFO]

Other Assets	Quantity	Market Price	Market Value / *Cost Basis*	% of Account Assets	Unrealized Gain or (Loss)
FIRST INDUSTRIAL RLTY TR ♀ REIT SYMBOL: FR	500.0000	5.2500	2,625.00 *2,012.95*	<1%	612.05
ISHARES FTSE NAREIT MTG PLUS CAPPED INDEX FUND SYMBOL· REM	500.0000	15.1100	7,555.00 *6,012.95*	1%	1,542.05
NUSTAR ENERGY LP ♀ SYMBOL: NS	200.0000	51.8400	10,368.00 *10,537.55*	2%	(169.55)
O S G AMERICA LP ♀ SYMBOL: OSP	500.0000	10.1500	5,075.00 *4,107.70*	1%	967.30
Total Other Assets			**25,623.00**	**5%**	**2,951.85**
		Total Cost Basis:	22,671.15		

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Investment Detail - Total

000
0·00 *
429 780·01 +
CASH + MM 43 401·41 +
002
473 181·42 *

Total Investment Detail	503,943.47
Total Account Value	**503,943.47**
Total Cost Basis	429,780.01

Accounting Method
Mutual Funds: Average
All Other Securities: First In First Out [FIFO]

Realized Gain or (Loss)

Short Term	Quantity/Par	Acquired/ Opened	Sold/ Closed	Total Proceeds	Cost Basis	Realized Gain or (Loss)
HARTFORD FINL SVCS GRP: HIG	500.0000	02/17/09	09/01/09	10,729.77	5,006.48	5,723.29
Total Short Term				**10,729.77**	**5,006.48**	**5,723.29**
Total Realized Gain or (Loss)				**10,729.77**	**5,006.48**	**5,723.29**

Schwab has provided accurate realized gain and loss information wherever possible for most investments Cost basis data may be incomplete or unavailable for some of your holdings. If all data for a given investment is not available, the investment will not be listed here
Option Customers. Realized gain/loss of underlying securities is adjusted to reflect the premiums of assigned or exercised options Please consult IRS publication 550, Investment Income and Expenses, for additional information on Options

Transaction Detail - Purchases & Sales

Equities Activity

Settle Date	Trade Date	Transaction	Description	Quantity	Unit Price	Total Amount
09/03/09	09/03/09	Reinvested Shares	PFIZER INCORPORATED: PFE	4.9927	16.1974	(80.87)
09/04/09	09/01/09	Sold	HARTFORD FINL SVCS GRP: HIG	(500.0000)	21.5100	10,729.77
09/08/09	09/02/09	Bought	TEEKAY TANKERS LTD CL AF: TNK	500.0000	8.1000	(4,062.95)
09/09/09	09/09/09	Reinvested Shares	THE SOUTHERN COMPANY: SO	7.0958	31.2947	(222.06)
09/11/09	09/11/09	Reinvested Shares	LILLY ELI & COMPANY: LLY	7.5623	32.8575	(248.48)

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