Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

2009

For calendar year 2009, or tax year beginning , and ending

G Check all that apply [ ] Initial return [ ] Initial return of a former public charity [ ] Final return
[ ] Amended return [ ] Address change [ ] Name change

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

Name of foundation
TOWER FAMILY FUND, INC.

Number and street (or P O box number if mail is not delivered to street address) Room/suite
BRISBANE BLDG, BOX 23, 403 MAIN ST

City or town, state, and ZIP code
BUFFALO, NY 14203-2140

A Employer identification number
20-5848514

B Telephone number
716-834-9181

C If exemption application is pending, check here ▶[ ]
D 1. Foreign organizations, check here ▶[ ]
2. Foreign organizations meeting the 85% test, check here and attach computation ▶[ ]
E If private foundation status was terminated under section 507(b)(1)(A), check here ▶[ ]
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶[ ]

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 29,523,120.

J Accounting method [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis.)

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))

	Line	(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	2,000,764.		N/A	
	2 Check ▶[ ] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	13,344.	13,344.		STATEMENT 2
	4 Dividends and interest from securities	596,006.	596,006.		STATEMENT 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<954,247.>			STATEMENT 1
	b Gross sales price for all assets on line 6a 17,742,675.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	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	1,655,867.	609,350.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 4	15,999.	5,333.		10,666.
	b Accounting fees STMT 5	30,059.	15,029.		15,030.
	c Other professional fees STMT 6	143,799.	111,859.		31,940.
	17 Interest				
	18 Taxes STMT 7	9,635.	9,635.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	2,856.	0.		2,856.
	22 Printing and publications				
	23 Other expenses STMT 8	2,838.	0.		2,838.
	24 Total operating and administrative expenses. Add lines 13 through 23	205,186.	141,856.		63,330.
	25 Contributions, gifts, grants paid	1,359,688.			1,359,688.
	26 Total expenses and disbursements Add lines 24 and 25	1,564,874.	141,856.		1,423,018.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	90,993.			
	b Net investment income (if negative, enter -0-)		467,494.		
	c Adjusted net income (if negative, enter -0-)			N/A	

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14250302 783816 E0-8157-83 2009.03000 TOWER FAMILY FUND, INC. E0-81501

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			
	2 Savings and temporary cash investments	5,838,459.	2,633,326.	2,633,326.
	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			
	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 STMT 9	3,425,322.	3,541,211.	3,828,390.
	b Investments - corporate stock STMT 10	1,132,017.	897,128.	852,093.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 11	16,373,297.	19,760,821.	22,166,085.
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ DUE FROM BROKER)	15,624.	43,226.	43,226.
	16 **Total assets** (to be completed by all filers)	26,784,719.	26,875,712.	29,523,120.
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			
	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 ▶ [X] and complete lines 27 through 31.			
	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	26,784,719.	26,875,712.	
	30 **Total net assets or fund balances**	26,784,719.	26,875,712.	
	31 **Total liabilities and net assets/fund balances**	26,784,719.	26,875,712.	

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	26,784,719.
2	Enter amount from Part I, line 27a	2	90,993.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	26,875,712.
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	26,875,712.

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	CITIGROUP GLOBAL MARKETS - SEE ATTACHMENT D		VARIOUS	VARIOUS
b	CITIGROUP GLOBAL MARKETS - SEE ATTACHMENT E		VARIOUS	VARIOUS
c	SPRINT CORP SECURITIES LITIGATION PROCEEDS		VARIOUS	VARIOUS
d	CAPITAL GAINS DIVIDENDS			
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	155,916.		317,015.	<161,099.>
b	17,584,785.		17,428,109.	156,676.
c	1,020.			1,020.
d	954.			954.
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				<161,099.>
b				156,676.
c				1,020.
d				954.
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** <2,449.>

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))
2008	1,098,032.	24,834,772.	.044213
2007	56,002.	8,002,318.	.006998
2006	0.	1,768,191.	.000000
2005			
2004			

2	Total of line 1, column (d)	2	.051211
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	.017070
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	26,464,833.
5	Multiply line 4 by line 3	5	451,755.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,675.
7	Add lines 5 and 6	7	456,430.
8	Enter qualifying distributions from Part XII, line 4	8	1,423,018.

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 or determination letter ______ (attach copy of 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 c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			1	4,675.
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	4,675.
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	4,675.
6 Credits/Payments				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	15,934.		
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	15,934.
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	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	11,259.
11 Enter the amount of line 10 to be **Credited to 2010 estimated tax** ▶	11,259.	Refunded ▶	11	0.

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 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? N/A	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 instructions) ▶ NY			
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 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *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 STMT 12	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 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 ▶ LUMSDEN & MCCORMICK, LLP Telephone no ▶716-856-3300

Located at ▶403 MAIN STREET, SUITE 430, BUFFALO, NY ZIP+4 ▶14203

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	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 2009?	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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ 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	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 ▶ ____, ____, ____, ____			
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 2009 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 2009.)* 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 2009?	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)? ☐ 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 instructions)? N/A | 5b |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

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

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

If "Yes" to 6b, 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? N/A | 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.

(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
PETER TOWER BRISBANE BLDG, BOX 23, 403 MAIN ST BUFFALO, NY 14203-2140	PRESIDENT, DIRECTOR 1.00	0.	0.	0.
MOLLIE T. BYRNES BRISBANE BLDG, BOX 23, 403 MAIN ST BUFFALO, NY 14203-2140	SECRETARY, DIRECTOR 1.00	0.	0.	0.
CYNTHIA T. DOYLE BRISBANE BLDG, BOX 23, 403 MAIN ST BUFFALO, NY 14203-2140	TREASURER, DIRECTOR 1.00	0.	0.	0.
JOHN N. BLAIR BRISBANE BLDG, BOX 23, 403 MAIN ST BUFFALO, NY 14203-2140	VP, DIRECTOR 1.00	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.

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	24,281,345.
b	Average of monthly cash balances	1b	2,586,506.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	26,867,851.
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	26,867,851.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	403,018.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	26,464,833.
6	**Minimum investment return.** Enter 5% of line 5	6	1,323,242.

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	1,323,242.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 4,675.		
b	Income tax for 2009 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	4,675.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,318,567.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,318,567.
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	1,318,567.

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	1,423,018.
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	1,423,018.
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	4,675.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,418,343.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				1,318,567.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			324,731.	
b Total for prior years ____ , ____ , ____		0.		
3 Excess distributions carryover, if any, to 2009				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 1,423,018.				
a Applied to 2008, but not more than line 2a			324,731.	
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 2009 distributable amount				1,098,287.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (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	0.			
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 2008 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010				220,280.
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 2004 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

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 2009, 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			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon a "Assets" alternative test - enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the 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))

PETER TOWER

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	1,359,688.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
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			14	13,344.	
4 Dividends and interest from securities			14	596,006.	
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	<954,247.>	
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.		<344,897.>	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 <344,897.>

(See worksheet in line 13 instructions 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)

923621
02-02-10

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

			Yes	No
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?			
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
		N/A	

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		

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

▶ John N Blair | 3/18/10 ▶ VICE PRESIDENT

Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature ▶	Date 3/13/10	Check if self-employed ▶ ☐	Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code ▶ LUMSDEN & MCCORMICK, LLP 403 MAIN ST. SUITE 430 BUFFALO, NY 14203		EIN ▶	
		Phone no (716)856-3300	

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, 990-EZ, or 990-PF.**

OMB No 1545-0047

2009

Name of the organization	**Employer identification number**
TOWER FAMILY FUND, INC.	20-5848514

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions.

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year. ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
TOWER FAMILY FUND, INC.	20-5848514

Part I **Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	PETER TOWER ASSOCIATES, LP 50 MUIRFIELD ROAD EAST AURORA, NY 14052	$ 1,868,001.	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)
2	PETER TOWER ASSOCIATES, LP 50 MUIRFIELD ROAD EAST AURORA, NY 14052	$ 132,763.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
TOWER FAMILY FUND, INC.	20-5848514

Part II Noncash Property (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	51,588.000 SHS. HARBOR INTL FUND	$ 1,868,001.	01/15/09
		$	
		$	
		$	
		$	
		$	

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
CITIGROUP GLOBAL MARKETS - SEE ATTACHMENT D		VARIOUS	VARIOUS

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
155,916.	317,015.	0.	0.	<161,099.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
CITIGROUP GLOBAL MARKETS - SEE ATTACHMENT E		VARIOUS	VARIOUS

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
17,584,785.	18,379,907.	0.	0.	<795,122.>

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
SPRINT CORP SECURITIES LITIGATION PROCEEDS		VARIOUS	VARIOUS

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
1,020.	0.	0.	0.	1,020.

CAPITAL GAINS DIVIDENDS FROM PART IV	954.
TOTAL TO FORM 990-PF, PART I, LINE 6A	<954,247.>

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
MONEY MARKET DIVIDENDS	13,344.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	13,344.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDENDS FROM SECURITIES	481,070.	954.	480,116.
US TREASURY STRIP OID	115,890.	0.	115,890.
TOTAL TO FM 990-PF, PART I, LN 4	596,960.	954.	596,006.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	15,999.	5,333.		10,666.
TO FM 990-PF, PG 1, LN 16A	15,999.	5,333.		10,666.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	30,059.	15,029.		15,030.
TO FORM 990-PF, PG 1, LN 16B	30,059.	15,029.		15,030.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
COMMISSIONS	47,909.	15,969.		31,940.
INVESTMENT MANAGEMENT FEES	95,890.	95,890.		0.
TO FORM 990-PF, PG 1, LN 16C	143,799.	111,859.		31,940.

FORM 990-PF TAXES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES	9,635.	9,635.		0.
TO FORM 990-PF, PG 1, LN 18	9,635.	9,635.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EXPENSE	8.	0.		8.
INSURANCE	1,585.	0.		1,585.
PROFESSIONAL MEMBERSHIPS	495.	0.		495.
NYS FILING FEE	750.	0.		750.
TO FORM 990-PF, PG 1, LN 23	2,838.	0.		2,838.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 9

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US STRIPS - CITIGROUP GLOBAL MARKETS #73534 (SEE ATTACHMENT C)	X		3,541,211.	3,828,390.
TOTAL U.S. GOVERNMENT OBLIGATIONS			3,541,211.	3,828,390.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			3,541,211.	3,828,390.

FORM 990-PF CORPORATE STOCK STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK - CITIGROUP GLOBAL MARKETS #73533 (SEE ATTACHMENT A)	674,578.	632,943.
15,000.00 SH FRANKLIN STR PPTYS CORP	222,550.	219,150.
TOTAL TO FORM 990-PF, PART II, LINE 10B	897,128.	852,093.

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CITIGROUP GLOBAL MARKETS #73534 (SEE ATTACHMENT B)	COST	19,760,821.	22,166,085.
TOTAL TO FORM 990-PF, PART II, LINE 13		19,760,821.	22,166,085.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS PART VII-A, LINE 10 STATEMENT 12

NAME OF CONTRIBUTOR	ADDRESS
PETER TOWER ASSOCIATES, LP	50 MUIRFIELD ROAD EAST AURORA, NY 14052

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

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
GLOUCESTER STAGE 267 EAST MAIN STREET GLOUCESTER, MA 01930	CHARITABLE	501 (C)(3)	25,000.
ROCKPORT CHAMBER MUSIC FESTIVAL PO BOX 312 ROCKPORT, MA 01966	CHARITABLE	501 (C)(3)	25,000.
WINDHORSE ASSOCIATES 211 NORTH STREET, SUITE 1 NORTHAMPTON, MA 01060	CHARITABLE	501 (C)(3)	100,000.
OXFAM AMERICA 226 CAUSEWAY STREET, 5TH FLOOR BOSTON, MA 02114	CHARITABLE	501 (C)(3)	2,500.
LIFT/NATIONAL STUDENT PARTNERSHIP 800 7TH STREET NW, SUITE 300 WASHINGTON, DC 20001	CHARITABLE	501 (C)(3)	100,000.
BURCHFIELD-PENNEY ART CENTER 1300 ELMWOOD AVENUE BUFFALO, NY 14222	CHALLENGE GRANT	501 (C)(3)	662,188.

NEW PROFIT INC. 2 CANAL PARK CAMBRIDGE, MA 02141	CHARITABLE	501 (C)(3)	100,000.
HEALTH AND EDUCATION SERVICES INC. 131 RANTOUL STREET BEVERLY, MA 01915	CHARITABLE	501 (C)(3)	100,000.
BENT ON LEARNING 800 THIRD AVENUE, 12TH FLOOR NEW YORK, NY 10022	CHARITABLE	501 (C)(3)	2,000.
YARD INC. PO BOX 405 CHILMARK, MA 02535	CHARITABLE	501 (C)(3)	7,500.
V-DAY 11 EAST 22ND STREET NEW YORK, NY 10011	CHARITABLE	501 (C)(3)	11,000.
URBAN ZEN FOUNDATION 705 GREENWICH STREET, 3RD FLOOR NEW YORK, NY 10014	CHARITABLE	501 (C)(3)	5,000.
RISING TIDE THERAPEUTIC EQUESTRIAN CENTER INC. PO BOX 44 WEST TISBURY, MA 02575	CHARITABLE	501 (C)(3)	500.
MARTHA'S VINEYARD REGIONAL HIGH SCHOOL 4 PINE STREET VINEYARD HAVEN, MA 02568	CHARITABLE	501 (C)(3)	50,000.
DOCTORS WITHOUT BORDERS PO BOX 5030 HAGERSTOWN, MD 21741	CHARITABLE	501 (C)(3)	2,500.
ASPCA 424 E. 92ND STREET NEW YORK, NY 10128	CHARITABLE	501 (C)(3)	2,000.

HEIFER INTERNATIONAL PO BOX 8058 LITTLE ROCK, AR 72203	CHARITABLE	501 (C)(3)	5,000.
VISTA VOCATIONAL & LIFE SKILLS CENTER 1356 OLD CLINTON ROAD WESTBROOK, CT 06498	CHARITABLE	501 (C)(3)	500.
THE SALVATION ARMY PO BOX 628 HARTFORD, CT 06105	CHARITABLE	501 (C)(3)	2,500.
STAND FOR CHILDREN LEADERSHIP CENTER 516 SE MORISON STREET STE 420 PORTLAND, OR 97211	CHARITABLE	501 (C)(3)	50,000.
YMCA OF MARTHA'S VINEYARD PO BOX 881 VINEYARD HAVEN, MA 02568	CHARITABLE	501 (C)(3)	6,200.
SARGENT-MURRAY GILMAN-HOUGH HOUSE ASSOCIATION 7 BASS ROCKS ROAD GLOUCESTER, MA 01930	CHARITABLE	501 (C)(3)	25,000.
PEER HEALTH EXCHANGE, INC. 545 SANSOME STREET, SUITE 900 SAN FRANCISCO, CA 94111	CHARITABLE	501 (C)(3)	50,000.
TEMPLE AHAVAT ACHIM 33 COMMERCIAL STREET GLOUCESTER, MA 01930	CHARITABLE	501 (C)(3)	25,000.
THE DRUM WORKSHOP PO BOX 3000 PMB 3172 WEST TISBURY, MA 02575	CHARITABLE	501 (C)(3)	300.
TOTAL TO FORM 990-PF, PART XV, LINE 3A			1,359,688.

ATTACHMENT A

MorganStanley SmithBarney

Reserved Client Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. *Account number 356-73533-17 640*

EIN: 20-5848514

PORTFOLIO DETAILS

Common stocks & options

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
500	MILLICOM INTL CELLULAR SA NEW	MICC	12/29/09	$ 37,342 50	$ 74 685	$ 73 77	$ 36,885 00	($ 457.50) ST	1.68%	$ 620 00
2,000	CTS CORP	CTS	05/14/08	21,498 00	10 749	9.62	19,240.00	(2,258.00) LT	1.247	240.00
400	FLOWSERVE CORP	FLS	10/28/02	35,912.00	89 78	94 53	37,812.00	1,900.00* LT	1.142	432.00
1.500	GRAFTECH INTERNATIONAL INC	GTI	11/13/08	7,828.80	5.219	15 55	23,325.00	15,496 20 LT		
1.000			11/26/08	6,256.70	6.256	15.55	15,550 00	9.293.30 LT		
2,500				14,085 50	5.634		38,875 00	24,789.50		
1,000	GRIFFON CORP	GFF	12/21/09	11,770 00	11 77	12 22	12,220 00	450 00 ST		
1,500	HAWK CORP CLASS A	HWK	05/14/08	26,662.50	17 775	17 61	26,415 00	(247.50) LT		
2,000	HERLEY INDS INC	HRLY	06/19/08	31,325.00	15 662	13 89	27,780.00	(3,545.00) LT		

ATTACHMENT A

MorganStanley SmithBarney

Reserved Client Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. **Account number 356-73533-17 640**

EIN: 20-5848514

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
348	JPMORGAN CHASE & CO	JPM	06/02/08	$ 15,111 56	$ 43.43	$ 41 67	$ 14,501 16	($ 610.40) LT		
300			01/21/09	5,772.00	19.24	41.67	12,501 00	6,729 00 ST		
200			03/26/09	5,800.00	29 00	41 67	8,334 00	2,534 00 ST		
848				**26,683.56**	**31.466**		**35,336.16**	**8,652.60**	**479**	**169 60**
100	MGM MIRAGE	MGM	08/26/08	2,992.00	29 92	9 12	912 00	(2,080 00) LT		
200			09/16/08	5,951.60	29 758	9.12	1,824 00	(4,127.60) LT		
200			11/13/08	2,143.60	10 718	9.12	1,824 00	(319.60) LT		
500			12/18/08	6,946.65	13 893	9 12	4,560 00	(2,386 65) LT		
1,000				**18,033 85**	**18 034**		**9,120.00**	**(8,913.85)**		
400	NATIONAL FUEL GAS CO	NFG	12/14/09	**19,767.48**	49 418	50 00	**20,000.00**	**232.52** ST	**2.68**	**536.00**
2,000	NEWS CORP CLASS A NEW	NWSA	07/23/90	**42,980.00**	21 49	13.69	**27,380.00**	**(15,600.00)**1LT	**.876**	**240.00**
2,000	PNM RESOURCES INC	PNM	02/11/08	28,508 00	14 254	12 65	25,300 00	(3,208.00)* LT		
500			03/07/08	4,735 00	9.47	12 65	6,325 00	1,590 00* LT		
1,000			10/09/08	9,049.00	9 049	12 65	12,650 00	3,601.00 LT		
3,500				**42,292.00**	**12.083**		**44,275 00**	**1,983.00**	**3.952**	**1,750.00**
2,000	S L INDUSTRIES INC	SLI	05/14/08	27,930.00	13 965	8.38	16,760 00	(11,170 00) LT		
500			12/14/09	3,878 55	7.757	8.38	4,190 00	311 45 ST		
2,500				**31,808 55**	**12.723**		**20,950 00**	**(10,858.55)**		
1 000	TELEPHONE & DATA SYSTEMS INC	TDS	05/14/08	43,438 50	43 438	33 92	33,920 00	(9,518 50) LT		
400			08/26/08	14,840.00	37 10	33 92	13,568 00	(1,272 00) LT		
600			09/15/08	21,033 12	35 055	33 92	20,352 00	(681.12) LT		
2,000				**79,311.62**	**39.656**		**67,840.00**	**(11,471 62)**	**1.267**	**860 00**
1,000	THOMAS & BETTS CORP	TNB	10/16/00	**50,990.00**	50 99	35 79	**35,790.00**	**(15,200.00)**1LT		
2,000	TREDEGAR CORP	TG	05/14/08	**29,052.00**	14 526	15 82	**31,640.00**	**2,588.00** LT	**1.011**	**320.00**
1,000	UNITED STATES CELLULAR CORP	USM	09/18/08	**46,476 50**	46.476	42.41	**42,410 00**	**(4,066.50)** LT		
300	VIACOM INC CL A NEW	VIA	12/21/07	13,185 12	43 95	31 50	9,450 00	(3,735 12)* LT		
300			09/15/08	8,015.10	26 717	31.50	9,450 00	1,434 90 LT		
400			09/18/08	10,360 00	25.90	31 50	12,600 00	2,240 00 LT		
1,000				**31,560 22**	**31.56**		**31,500.00**	**(60 22)**		

ATTACHMENT A

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Reserved
Client Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. **Account number 356-73533-17 640**

EIN: 20-5848514

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
2,500	WELLS FARGO & CO NEW	WFC	04/18/08	$ 77,026.50	$ 30 81	$ 26 99	$ 67,475.00	($ 9,551.50) LT	.741%	$ 500.00
Total common stocks and options				**$ 674,577.78**			**$ 632,943.16**	**$ 9,799.47 ST**	**.89**	
								($ 51,434.09) LT		**$ 5,667.60**

ATTACHMENT B

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Reserved Client Business FMA Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. *Account number 356-73534-16 540*

EIN: 20-5848514

Exchange traded & closed end funds

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
21,790	ISHARES TRFTSE XINHUA HK	FXI	01/05/09	$ 687,101 89	$ 31 532	$ 42 26	$ 920,845 40	$ 233,743 51 ST		
1 040	CHINA 25 INDEX		02/20/09	26,062.09	25 059	42 26	43,950 40	17,888 31 ST		
22,830	Equity portfolio			**713,163.98**	**31.238**		**964,795 80**	**251,631.82**	**1.05**	**10,136.52**
5,000	ISHARES TR DJ TRANSPORTATION AVG INDEX FD Equity portfolio	IYT	10/02/08	**385,892 50**	77 178	73 82	**369,100 00**	**(16,792.50)** LT	**984**	**3,635.00**
11,822	ISHARES S&P LATIN AMERICA 40	ILF	08/12/09	463,138 67	39 176	47 79	564,973 38	101,834 71 ST		
2,443	INDEX FUND		08/13/09	96,272 03	39 407	47 79	116,750.97	20,478 94 ST		
345	Equity portfolio		08/14/09	13,403.73	38.851	47 79	16,487 55	3.083.82 ST		
9.490			08/28/09	374 803 75	39.494	47.79	453,527 10	78,723.35 ST		
24,100				**947,618 18**	**39 32**		**1,151,739 00**	**204,120 82**	**.152**	**1,759 30**
12,915	ISHARES TR MSCI EAFE INDEX FD	EFA	04/10/08	953,603 56	73 836	55 28	713,941 20	(239,662 36) LT		
2.085	Equity portfolio		10/30/08	91,864 06	44 059	55.28	115,258 80	23,394 74 LT		
2.500			02/20/09	88,874.25	35.549	55 28	138,200.00	49,325 75 ST		
4.000			03/11/09	135.912 00	33 978	55 28	221,120 00	85,208 00 ST		
21,500				**1,270,253 87**	**59.082**		**1,188,520 00**	**(81,733 87)**	**2.606**	**30,981 50**
13,695	ISHARES RUSSELL MIDCAP VALUE INDEX FD Equity portfolio	IWS	10/14/09	**499,162.21**	36 448	36 95	**506,030.25**	**6,868.04** ST	**2.092**	**10,586 24**
275	ISHARES TR S&P MIDCAP 400	IJH	10/30/08	14,843 13	53 975	72 41	19,912 75	5.069.62 LT		
11,810	INDEX FD		02/25/09	553.989 39	46 908	72 41	855,162 10	301,172 71 ST		
2,000	Equity portfolio		03/11/09	86,732.00	43 366	72 41	144,820 00	58,088 00 ST		
14,085				**655,564.52**	**46.543**		**1,019,894.85**	**364,330.33**	**1.858**	**18,958 41**
500	ISHARES RUSSELL 2000 INDEX FD	IWM	10/25/07	39,920 67	79 84	62.44	31,220 00	(8,700 67)* LT		
15,000	Equity portfolio		04/11/08	1,042,357.50	69.49	62 44	936,600 00	(105,757.50) LT		
2,000			10/30/08	100,090.20	50 045	62 44	124,880.00	24,789.80 LT		

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Reserved Client Business FMA Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. — Account number 356-73534-16 540

EIN: 20-5848514

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
3,000	ISHARES RUSSELL 2000 INDEX FD	IWM	03/11/09	$ 110,268.00	$ 36 756	$ 62 44	$ 187,320 00	$ 77,052 00 ST		
20,500	Equity portfolio			**1,292,636.37**	**63.055**		**1,280,020.00**	**(12,616.37)**	**1.622**	**20,766.50**
21,405	ISHARES TR S&P GLOBAL MATERIAL SECTOR INDEX FD Equity portfolio	MXI	04/28/09	**867,392.67**	40.522	62 22	**1,331,819.10**	**464,426.43** ST	**.699**	**9,311.18**
720	ISHARES DOW JONES U.S REGIONAL BANKS INDEX FUND Equity portfolio	IAT	07/18/08	20,137.68	27 969	20 82	14,990 40	(5,147 28) LT		
19,280			10/02/08	654,521 30	33 948	20 82	401,409 60	(253,111 70) LT		
12,515			10/10/08	334,179 28	26 702	20.82	260,562 30	(73,616 98) LT		
32,515				**1,008,838.26**	**31.027**		**676,962.30**	**(331,875.96)**	**1.647**	**11,152.65**
4,000	ISHARES DOW JONES U S OIL&GAS EXPLORATION&PROD INDEX FD Equity portfolio	IEO	10/30/08	162,767 60	40 691	53 99	215,960 00	53,192 40 LT		
18,920			04/27/09	726,584 76	38 403	53 99	1,021,490.80	294,906 04 ST		
22,920				**889,352 36**	**38.802**		**1,237,450.80**	**348,098.44**	**.49**	**6,073.80**
33,005	SPDR SER TR S&P OIL & GAS EQUIP & SVCS ETF Equity portfolio	XES	10/16/09	996 939 13	30 205	28 48	939,982 40	(56,956 73) ST		
125			10/16/09	3,775.70	30.205	28 48	3,560 00	(215 70) ST		
33,130				**1,000,714.83**	**30 206**		**943,542 40**	**(57,172 43)**	**.821**	**7,752 42**
33,540	SELECT SECTOR SPDR CONSUMER DISCRETIONARY Equity portfolio	XLY	03/25/09	**674,154.00**	20 10	29 77	**998,485.80**	**324,331.80** ST	**2.159**	**21,566.22**
39,700	SELECT SECTOR SPDR TR FINANCIAL Equity portfolio	XLF	08/12/09	558 507 54	14 068	14 40	571,680 00	13,172 46 ST		
50,685			08/28/09	749,109 09	14 779	14.40	729,864 00	(19,245.09) ST		
90,385				**1,307,616.63**	**14.467**		**1,301,544 00**	**(6,072 63)**	**1 451**	**18,890 47**
39,220	SELECT SECTOR SPDR TECHNOLOGY Equity portfolio	XLK	03/11/09	**559,116.40**	14 255	22 93	**899,314 60**	**340,198 20** ST	**1 386**	**12,471.96**
9,500	VANGUARD SPECIALIZED DIV APPRECIATION ETF Equity portfolio	VIG	04/15/08	503 332 80	52 982	46 86	445,170 00	(58,162 80) LT		
1,500			10/30/08	59,970.00	39.98	46.86	70,290.00	10,320.00 LT		
11,000				**563,302.80**	**51.209**		**515,460 00**	**(47,842.80)**	**2.057**	**10,604.00**
26,420	VANGUARD WORLD FD MEGA CAP 300 INDEX-ETF Equity portfolio	MGC	11/19/09	**1,006,311.38**	38 089	38 50	**1,017,170 00**	**10,858 62** ST	**2.961**	**30,118.80**
16,670	VANGUARD EMERGING MARKETS ETF Equity portfolio	VWO	04/11/08	813,006.74	48 77	41 00	683,470.00	(129,536.74) LT		
3,330			10/30/08	81,348 90	24 429	41 00	136,530 00	55,181 10 LT		
1,205			11/05/08	31,171.66	25 868	41 00	49,405 00	18,233 34 LT		
17,835			11/06/08	461,366 48	25 868	41 00	731,235 00	269,868 52 LT		
960			02/20/09	19,764 48	20 588	41 00	39,360 00	19,595 52 ST		
4,000			03/11/09	84,754 80	21 188	41 00	164,000.00	79,245.20 ST		

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Reserved Client Business FMA Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. — **Account number 356-73534-16 540**

EIN: 20-5848514

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
1,010	VANGUARD EMERGING MARKETS ETF	VWO	04/17/09	$ 27,466 55	$ 27 194	$ 41 00	$ 41,410 00	$ 13,943.45 ST		
45,010	Equity portfolio			**1,518,879.61**	**33.745**		**1,845,410.00**	**326,530.39**	**1.329**	**24,530.45**
14,485	VANGUARD REIT ETF	VNQ	08/28/09	570,207 82	39 365	44 74	648,058 90	77,851.08 ST		
8,250	Equity portfolio		12/17/09	362,616 38	43.953	44 74	369,105.00	6,488 62 ST		
22,735				**932,824.20**	**41.03**		**1,017,163 90**	**84,339.70**	**5 221**	**53,108 96**
900	ISHARES BARCLAYS TREAS	TIP	04/15/08	97,955 91	108 839	103 90	93,510 00	(4,445 91) LT		
1.100	INFLATION PROTECTED SECS FD		10/30/08	102.970 45	93 609	103 90	114,290 00	11,319.55 LT		
1.500	Taxable bond portfolio		04/17/09	150.825 00	100.55	103 90	155,850.00	5.025.00 ST		
1,000	*$2,368.48 Non-		05/19/09	101,300 00	101 30	103 90	103,900 00	2,600 00 ST		
125	Dividend Distribution		05/21/09	12,654 63	101 237	103 90	12,987 50	332 87 ST		
4,625				463,337.51	**100.693**		**480,537.50**	**14,831.51**	**3.89**	**18,694 25**
1,950	ISHARES BARCLAYS US AGGR BOND FD Taxable bond portfolio	AGG	04/15/08	**199,484.81**	102.299	103 19	**201,220 50**	**1,735.69** LT	**3 886**	**7,819.50**
1,100	ISHARES BARCLAYS 1-3 YEAR TREAS BOND FUND Taxable bond portfolio	SHY	04/15/08	**92,124 89**	83 749	82 96	**91,256 00**	**(868 89)** LT	**1.687**	**1,540.00**
2,000	ISHARES JP MORGAN EM BOND FD	EMB	10/30/08	139,815 60	69 907	101 78	203,560 00	63,744 40 LT		
1.000	Taxable bond portfolio		01/07/09	87,941 20	87 941	101 78	101,780.00	13,838 80 ST		
2.000			04/17/09	180.476 60	90.238	101 78	203,560 00	23,083.40 ST		
500			05/19/09	46,990.00	93.98	101.78	50,890 00	3,900 00 ST		
5,500				**455,223.40**	**82.768**		**559,790 00**	**104,566.60**	**5.627**	**31,504 00**
23	ISHARES TR	HYG	04/15/08	2,227 55	96.85	87 84	2,020 32	(207.23) LT		
1.977	IBOXX $ HIGH YIELD CORP BD FD		10/30/08	142.006 92	71.829	87 84	173,659 68	31,652.76 LT		
1.000	Taxable bond portfolio		01/07/09	78,768.20	78.768	87 84	87,840.00	9.071 80 ST		
2,000			04/17/09	151,188 20	75 594	87 84	175,680 00	24,491 80 ST		
5,000				**374,190.87**	**74.838**		**439,200.00**	**65,009.13**	**9.48**	**41,640.00**
421	ISHARES BARCLAYS GOVT CR BD FD	GBF	01/07/09	44,064 89	104 667	104 86	44,146 06	81 17 ST		
1.000	Taxable bond portfolio		04/17/09	102.679 00	102 679	104 86	104,860.00	2.181 00 ST		
1,421				**146,743.89**	**103 268**		**149,006 06**	**2,262.17**	**3 555**	**5,297.49**
80	ISHARES BARCLAYS INTERMED GOVT	GVI	04/15/08	8,372.00	104 65	105.26	8,420 80	48 80 LT		
3.920	CR BD FD		01/07/09	415.514.04	105 998	105.26	412,619.20	(2,894 84) ST		
1.000	Taxable bond portfolio		04/17/09	103.649 50	103 649	105 26	105,260 00	1.610.50 ST		
5,000				**527,535.54**	**105.507**		**526,300.00**	**(1,235.54)**	**3 317**	**17,460.00**

ATTACHMENT B

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Reserved Client Business FMA Statement

December 1 - December 31, 2009

TOWER FAMILY FUND INC. ***Account number 356-73534-16 540***

EIN: 20-5848514

Exchange traded & closed end funds *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
3,000	ISHARES BARCLAYS INTERMEDIATE	CIU	04/17/09	$ 285,000 00	$ 95 00	$ 102 71	$ 308,130.00	$ 23,130 00 ST		
500	CR BD FD		05/19/09	48,537 40	97.074	102.71	51,355 00	2,817.60 ST		
3,500	Taxable bond portfolio			**333,537 40**	**95.296**		**359,485 00**	**25,947.60**	**4.728**	**16,999.50**
5,000	ISHARES S&P U S PREFERRED STK	PFF	04/15/08	215,500 00	43.10	36 70	183,500 00	(32,000.00) LT		
5,000	INDEX FD		10/30/08	145,500 00	29 10	36 70	183,500 00	38,000 00 LT		
10,000	Taxable bond portfolio			**361,000.00**	**36.10**		**367,000.00**	**6,000.00**	**7.869**	**28,880.00**
2,000	MFS MULTIMARKET INCM TR SBI Taxable bond portfolio	MMT	01/07/09	**10,200.00**	5.10	6 50	**13,000.00**	**2,800.00** ST	**8.307**	**1,080.00**
2,000	MFS GOVERNMENT MARKETS INCOME TRUST SBI *$350.87 Non-Dividend Taxable bond portfolio Distribution	MGF	01/07/09	14,209 13	7.28	7.45	**14,900.00**	**340.00** ST	**7.046**	**1,050.00**
4,000	PUTNAM PREMIER INCOME TR SBI Taxable bond portfolio	PPT	01/07/09	**16,960.00**	4 24	6.13	**24,520.00**	**7,560.00** ST	**9 787**	**2,400 00**
4,000	PUTNAM MASTER INTERMEDIATE INCOME TR SBI Taxable bond portfolio	PIM	01/07/09	**17,400.00**	4 35	6.03	**24,120.00**	**6,720.00** ST	**10 547**	**2,544.00**
4,000	SPDR SER TR	LAG	01/07/09	223,416 00	55.854	54 69	218,760 00	(4,656 00) ST		
1 000	LEHMAN AGGREGATE BD ETF		05/19/09	54,785.68	54 785	54.69	54,690 00	(95 68) ST		
5,000	Taxable bond portfolio			**278,201.68**	**55.64**		**273,450.00**	**(4,751.68)**	**3.415**	**9,340.00**
8,238	SPDR SER TR LEHMAN 1-3 MONTH T-BILL ETF Taxable bond portfolio	BIL	10/09/09	**377,877.06**	45 87	45 87	**377,877 06**	**0.00**	**015**	**57 67**
Total closed end fund equity allocation							**$ 18,264,422.80**			
Total closed end fund taxable bond allocation							**$ 3,901,662.12**			
Total exchange traded funds and closed end funds				$19,760,820.95			**$ 22,166,084.92**	**$ 2,724,004.46 ST** **($ 321,459.84) LT**	**2.20**	**$ 488,710.79**

ATTACHMENT C

Tower Family Fund, Inc.
Investments - U.S. & State Government Obligations
12/31/2009
EIN: 20-5848514

Citigroup Global Markets
Brokerage Account: 356-73534-16

Description	Trade Quantity	Book Value	Fair Market Value
US Treasury STRIP 02/15/2018 0.00%	3,000,000	1,986,714.00	2,193,930.00
US Treasury STRIP 02/15/23 0.00%	3,000,000	1,554,497.00	1,634,460.00
Total	6,000,000	3,541,211.00	3,828,390 00

ATTACHMENT D

Tower Family Fund, Inc.
Capital Gains and Losses
12/31/2009
EIN: 20-5848514
Smith Barney
Brokerage Acct # 356-73533

Description of Property		D/P	Date Acquired	Date Sold	Gross Sale Price	Cost or Other Basis: Revenue Per Books	Cost or Other Basis: Net Investment Income	Gain/(Loss) Per Books	Gain/(Loss) Investment
1,500 000 SHRS	Advanced Medical Optics Inc	P	Various	2/26/2009	33,000 00	28,520 00	28,520 00	4,480 00	4,480 00
3,500 000 SHRS	Graftech International Inc	P	8/11/2008	Various	38,555 79	63,754 95	63,754 95	(25,199 16)	(25,199 16)
500 000 SHRS	Hawk Corp Class A	P	5/14/2008	2/10/2009	8,370 30	8,887 50	8,887 50	(517 20)	(517 20)
2,567 000 SHRS	MGM Mirage	P	Various	Various	17,091 63	167,588 96	167,588 96	(150,497 33)	(150,497 33)
2,000 000 SHRS	Pepsi Americas Inc	P	1/31/2008	12/29/2009	58,898 48	48,263 40	48,263 40	10,635 08	10,635 08
10,067 000					155,916 20	317,014 81	317,014 81	(161,098 61)	(161,098 61)
Total					155,916 20	317,014 81	317,014 81	(161,098 61)	(161,098 61)

ATTACHMENT E

Tower Family Fund, Inc.
Capital Gains and Losses
12/31/2009

Smith Barney
Brokerage Acct # 356-73534

Description of Property	D/P	Date Acquired	Date Sold	Gross Sale Price	Cost or Other Basis: Revenue per Books	Cost or Other Basis: Net Investment Income	Gain/(Loss) Per Books	Gain/(Loss) Investment
51,588 000 SHRS Harbor Intl Fund	D	7/13/1992	2/12/2009	1,826,215 20	1,868,001 48	916,202 88	(41,786 28)	910,012 32
1,000 000 SHRS Ishares Barclays 20+ Year	P	4/15/2008	5/19/2009	96,068 53	93,939 90	93,939 90	2,128 63	2,128 63
900 000 SHRS Ishares Barclays 3-7 Year Treasury	P	4/15/2008	5/19/2009	101,217 42	98,325 00	98,325 00	2,892 42	2,892 42
1,100 000 SHRS Ishares Barclays 7-10 Year	P	4/15/2008	5/19/2009	102,121 37	99,297 00	99,297 00	2,824 37	2,824 37
3,579 000 SHRS Ishares Barclays Govt CR BD FD	P	1/7/2009	10/9/2009	377,791 32	374,603 91	374,603 91	3,187 41	3,187 41
13,530 000 SHRS Ishares Dow Jones U S Medical	P	Various	4/16/2009	525,544 46	737,576 65	737,576 65	(212,032 19)	(212,032 19)
10,000 000 SHRS Ishares Iboxx $ Investop	P	Various	3/24/2009	932,719 77	913,180 28	913,180 28	19,539 49	19,539 49
2,500 000 SHRS Ishares Russell 2000 Index FD	P	Various	1/15/2009	110,883 12	199,433 46	199,433 46	(88,550 34)	(88,550 34)
34,200 000 SHRS Ishares TR S&P 500 Index FD	P	Various	Various	3,012,616 70	3,240,500 30	3,240,500 30	(227,883 60)	(227,883 60)
21,725 000 SHRS Ishares TR S&P Midcap 400	P	Various	Various	1,330,769 13	1,690,692 46	1,690,692 46	(359,923 33)	(359,923 33)
4,170 000 SHRS Ishares TRFTSE Xinhau HK China	P	1/5/2009	8/5/2009	172,886 67	131,492 19	131,492 19	41,394 48	41,394 48
28,005 000 SHRS Ishares Trust S&P Smallcap 600	P	Various	Various	1,468,077 45	1,077,469 46	1,077,469 46	390,607 99	390,607 99
7,000 000 SHRS Ishares Trust US Fin Svcs	P	Various	1/6/2009	328,443 76	400,114 66	400,114 66	(71,670 90)	(71,670 90)
25,780 000 SHRS Market Vectors Gold Miners ETF	P	1/5/2009	Various	1,254,590 55	828,277 89	828,277 89	426,312 66	426,312 66
2,000 000 SHRS MFS Intermediate Incm TR SBI	P	1/7/2009	Various	12,827 79	12,016 01	12,016 01	811 78	811 78
35,900 000 SHRS Proshares Short S&P 500	P	Various	Various	2,348,776 04	2,562,325 19	2,562,325 19	(213,549 15)	(213,549 15)
10,000 000 SHRS Select Sector SPDR Industrial	P	10/2/2008	10/14/2009	267,993 11	284,900 00	284,900 00	(16,906 89)	(16,906 89)
8,000 000 SHRS Select Sector SPDR Energy	P	Various	10/14/2009	460,628 16	587,152 55	587,152 55	(126,524 39)	(126,524 39)
15,130 000 SHRS Select Sector SPDR Technology	P	3/11/2009	7/30/2009	300,797 84	215,691 77	215,691 77	85,106 07	85,106 07
20,000 000 SHRS Select Sector SPDR Consumer Staples	P	Various	4/17/2009	442,146 63	556,833 35	556,833 35	(114,686 72)	(114,686 72)
21,900 000 SHRS Select Sector SPDR Utilities	P	Various	3/11/2009	508,088 10	695,407 29	695,407 29	(187,319 19)	(187,319 19)
7,955 000 SHRS Select Sector SPDR Consumer Discret	P	3/25/2009	8/7/2009	210,806 06	159,895 50	159,895 50	50,910 56	50,910 56
17,705 000 SHRS SPDR SER TR S&P Biotech ETF	P	Various	10/5/2009	906,821 48	993,049 70	993,049 70	(86,228 22)	(86,228 22)
18,100 000 SHRS SPDR SER TR S&P Pharmaceuticals E	P	Various	Various	485,954 58	559,731 11	559,731 11	(73,776 53)	(73,776 53)
						-	-	-
361,767 000				17,584,785 24	18,379,907 11	17,428,108 51	(795,121 87)	156,676 73
Total				17,584,785 24	18,379,907.11	17,428,108 51	(795,121 87)	156,676 73