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CHANGE IN ACCOUNTING PERIOD

Form 990-PF

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

OMB No 1545-0052

2009

Department of the Treasury Internal Revenue Service

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

For calendar year 2009, or tax year beginning 07/01/09, and ending 12/31/09

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. Name of foundation: THE KETTERING FUND. C/O JP MORGAN SERVICES INC. P.O. BOX 6089 NEWARK DE 19714-6089. Employer identification number: 31-6027115. Telephone number: 215-640-3522.

Table with 4 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include Contributions, interest, rents, capital gain, other income, compensation of officers, salaries, pension plans, legal fees, interest, taxes, depreciation, occupancy, travel, printing, other expenses, and total operating and administrative expenses.

ENVELOPE MARK DATE JAN 09 2013

No STATUTE ISSUE Kathy M Gallegos 0436558085 JAN 22 2013

SCANNED FEB 12 2013

STATUTE UNIT RECEIVED JAN 18 2013 TBR BRANCH OGDEN UT IRS-OS

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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	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	2,300,065		
	2 Savings and temporary cash investments	1,346,409	6,580,375	6,569,057
	3 Accounts receivable ▶			12,346
	Less: allowance for doubtful accounts ▶	52,937	12,346	12,346
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7 Other notes and loans receivable (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) SEE STMT 5	9,783,842	18,716,766	17,307,323
	c Investments—corporate bonds (attach schedule) SEE STMT 6	18,690,170	15,815,748	16,172,381
	11 Investments—land, buildings, and equipment basis ▶			
Less: accumulated depreciation (attach sch) ▶				
12 Investments—mortgage loans				
13 Investments—other (attach schedule) SEE STATEMENT 7	36,123,456	24,223,014	25,052,589	
14 Land, buildings, and equipment basis ▶				
Less: accumulated depreciation (attach sch) ▶				
15 Other assets (describe ▶ SEE STATEMENT 8)	15,402	238,616	219,423	
16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	68,312,281	65,586,865	65,333,119	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	68,312,281	65,586,865	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds				
30 Total net assets or fund balances (see page 17 of the instructions)	68,312,281	65,586,865		
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	68,312,281	65,586,865		

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	68,312,281
2 Enter amount from Part I, line 27a	2	-2,733,874
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	9,948
4 Add lines 1, 2, and 3	4	65,588,355
5 Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 10	5	1,490
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	65,586,865

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 CAP GAINS FROM SALES	P	VARIOUS	VARIOUS
b CAP GAINS FROM SALES	P	VARIOUS	VARIOUS
c LONG TERM CAP GAIN DIV			
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 14,058,775		13,976,532	82,243
b 6,050,898		6,163,534	-112,636
c 495			495
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			82,243
b			-112,636
c			495
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	-29,898
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)		3	82,243
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			

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))
2008	5,707,112	60,346,586	0.094572
2007	7,734,428	79,585,037	0.097184
2006	7,583,054	84,000,721	0.090274
2005	7,204,021	84,912,203	0.084841
2004	5,177,205	85,595,849	0.060484

2 Total of line 1, column (d)	2	0.427355
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	0.085471
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	61,846,468
5 Multiply line 4 by line 3	5	5,286,079
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,312
7 Add lines 5 and 6	7	5,288,391
8 Enter qualifying distributions from Part XII, line 4	8	2,936,080
If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.		

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling 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 <input type="checkbox"/> and enter 1% of Part I, line 27b	1	4,624
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	4,624
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	4,624
6	Credits/Payments.		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	20,000
b	Exempt foreign organizations—tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	55,000
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	75,000
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	70,376
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax 50,000 Refunded	11	20,376

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b , attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ \$ _____ (2) On foundation managers. ▶ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ OH		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

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

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009? N/A	1c	
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? If "Yes," list the years ▶ 20 20 20 20 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? (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 fall 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)? Yes No **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 **N/A**

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

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

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

If "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? Yes No **7b** **N/A**

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 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
JPMORGAN CHASE BANK, NA 1650 MARKET STREET PHILADELPHIA PA 19103	TRUSTEE 10.00	70,872	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 24 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	
3 All other program-related investments. See page 24 of the instructions	

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	59,042,940
b	Average of monthly cash balances	1b	3,745,352
c	Fair market value of all other assets (see page 24 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	62,788,292
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	62,788,292
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	941,824
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	61,846,468
6	Minimum investment return. Enter 5% of line 5	6	1,558,870

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	1,558,870
2a	Tax on investment income for 2009 from Part VI, line 5	2a	4,624
b	Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,624
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,554,246
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,554,246
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	1,554,246

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	2,936,080
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	2,936,080
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,936,080

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

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

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				1,554,246
2 Undistributed income, if any, as of the end of 2009:				
a Enter amount for 2008 only				
b Total for prior years: 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				1,289,829
c From 2006				3,782,322
d From 2007				3,879,660
e From 2008				5,716,323
f Total of lines 3a through e	14,668,134			
4 Qualifying distributions for 2009 from Part XII, line 4 ▶ \$ 2,936,080				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	2,936,080			
d Applied to 2009 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	1,554,246			1,554,246
6 Enter the net total of each column as indicated below.				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	16,049,968			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions				
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	16,049,968			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				3,517,905
c Excess from 2007				3,879,660
d Excess from 2008				5,716,323
e Excess from 2009				2,936,080

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

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

1 Information Regarding Foundation Managers:

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

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

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

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

b The form in which applications should be submitted and information and materials they should include:
SEE STATEMENT 11

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

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

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE ATTACHED	NONE	PUBLIC	GENERAL	2,860,250
Total				2,860,250
b Approved for future payment N/A				
Total				

Federal Statements

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
LAZARD LTD - INCOME	\$ 395	395	\$
SEC SPECIALIST SETTLE.FD.1099	5	5	
TOTAL	\$ 400	400	\$ 0

Statement 2 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INDIRECT OTHER PROFESSIONAL FEES	\$ 41,325	41,325	\$	\$
TOTAL	\$ 41,325	41,325	0	0

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	\$ 3,345	3,345	\$	\$
TOTAL	\$ 3,345	3,345	0	0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES				
PARKING	416			416
DUES	3,716			3,716
INSURANCE	1,095			1,095
PHONE AND WEB PAGE EXPENSE	6,059			6,059
OFFICE	3,426			3,426
MIAMI VALLEY VENTURE FUND	1,490	1,490		
TOTAL	16,202	1,490	0	14,712
	\$	\$	\$	\$

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

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
SEE ATTACHED SCHEDULE	\$ 9,783,842	\$ 18,716,766	COST	\$ 17,307,323
TOTAL	\$ <u>9,783,842</u>	\$ <u>18,716,766</u>		\$ <u>17,307,323</u>

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

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
SEE ATTACHED SCHEDULE	\$ 18,690,170	\$ 15,815,748	COST	\$ 16,172,381
TOTAL	\$ <u>18,690,170</u>	\$ <u>15,815,748</u>		\$ <u>16,172,381</u>

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

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
HEDGE FUNDS AND OTHER ASSETS	\$ 36,123,456	\$ 24,223,014	COST	\$ 25,052,589
TOTAL	\$ <u>36,123,456</u>	\$ <u>24,223,014</u>		\$ <u>25,052,589</u>

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

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
CD & R - FUND 8, LLC	\$ 15,402	\$ 238,616	\$ 219,423
TOTAL	\$ <u>15,402</u>	\$ <u>238,616</u>	\$ <u>219,423</u>

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

<u>Description</u>	<u>Amount</u>
ADJUSTMENT TO BASIS	\$ 9,708
RECEIPTS FROM CLOSED ACCT	240
TOTAL	\$ <u>9,948</u>

Federal Statements

Statement 10 - Form 990-PF, Part III, Line 5 - Other Decreases

<u>Description</u>	<u>Amount</u>
MIAMI VALLEY VENTURE FUND LP	\$ 1,490
TOTAL	\$ 1,490

Federal Statements

Statement 11 - Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description

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

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

Description

MARCH 15 AND SEPTEMBER 15 OF EACH YEAR

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

Description

FUNDS MUST BE USED IN THE STATE OF OHIO

Federal Statements

Tax-Exempt Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
NON DIV DISTRIBUTION	\$ 918		14	
TOTAL	\$ 918			

Taxable Dividends from Securities

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business Code</u>	<u>Exclusion Code</u>	<u>Postal Code</u>
DIVIDENDS AND INTEREST	\$ 330,100		14	
TOTAL	\$ 330,100			

Federal Statements

ACCOUNTS RECEIVABLE

<u>Description</u>	<u>Amount</u>
INTEREST PYMT REVERSED IN 2010	\$ 1,271
2009 ACCRUED INT C/O TO 2010	9,628
ACCOUNTS RECEIVABLE	115
2009 CLASS ACT. RECEIVED 2010	1,332
TOTAL	\$ <u>12,346</u>

The Kettering Fund

EIN: 31-6027115

Tax year ending 12/31/2009

Election Under IRC Reg. 53.4942-(a)-3(d)(2)

The Kettering Fund hereby elects to treat the current year's qualifying distributions in excess of the immediately preceding year's undistributed income as made out of corpus. Elected amount is \$ 2,936,080

Signed: James J. Brogan III V.P.
Vice President

Recipient Name	City	State	Status	Purpose of Grant	Relationship	Amount
ASHLAND UNIVERSITY	Dayton	OH	Public	CF KETTERING SCIENCE CENTER RENOVATION	None	50,000
DAYTON ART INSTITUTE	Dayton	OH	Public	FOR KETTERING ASIAN ART FUND	None	400,000
DAYTON ART INSTITUTE	Dayton	OH	Public	FOR ASIAN ART CURATOR	None	20,000
KETTERING MEDICAL CENTER FOUNDATION	Dayton	OH	Public	FOR SCHUSTER HEART HOSPITAL	None	1,000,000
KETTERING UNIVERSITY	Flint	MI	Public	C F KETTERING MERIT SCHOLARSHIP ENDOW	None	207,000
SKIDMORE COLLEGE	Saratoga Springs	OH	Public	SKIDMORE OHIO STUDENT ACHIEVEMENT PROG	None	1,000,000
THE FOUNDATION CENTER CLEVELAND	Cleveland	OH	Public	FOR GENERAL OPERATING SUPPORT	None	3,250
VICTORIA THEATRE	Dayton	OH	Public	FOR GENERAL OPERATING SUPPORT	None	60,000
YWCA OF DAYTON	Dayton	OH	Public	FOR CAPITAL IMPROVEMENTS	None	120,000
						<u>2,860,250</u>

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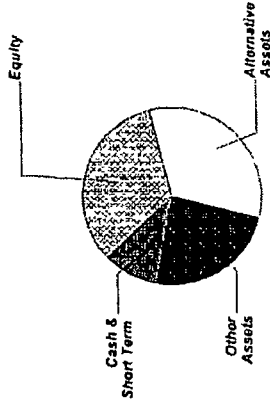
THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Account Summary

PRINCIPAL

Asset Allocation	Beginning Market Value	Ending Market Value	Change In Value	Estimated Annual Income	Current Allocation
Equity	14,588,399.52	14,813,760.54	255,361.02	153,762.39	33%
Alternative Assets	15,166,490.36	14,565,373.49	(601,116.87)		33%
Cash & Short Term	3,325,610.77	4,263,573.64	937,962.87	5,116.28	10%
Other Assets	10,574,483.47	10,741,971.65	167,488.18		24%
Market Value	\$43,624,984.12	\$44,384,679.32	\$759,695.20		100%

Asset Allocation



INCOME

Cash Position	Beginning Market Value	Ending Market Value	Change In Value
Cash Balance	3,440.60	13,441.04	10,000.44
Accruals	338.49	348.01	9.52
Market Value	\$3,779.09	\$13,789.05	\$10,009.96

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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Account Summary CONTINUED

	PRINCIPAL		INCOME	
Portfolio Activity	Current Period Value	Year-to-Date Value	Current Period Value	Year-to-Date Value
Beginning Market Value	43,624,984.12	36,882,205.57	3,440.60	185,421.97
Additions	21,514.12	4,177,489.17		46,522.41
Withdrawals & Fees	(15,351.40)	(3,016,354.95)		(256,367.03)
Securities Transferred In	2,188.43	13,937.43	--	--
Securities Transferred Out	(3,101.97)	(15,716.95)	--	--
Net Additions/Withdrawals	\$5,249.18	\$1,159,354.70	\$0.00	(\$209,844.62)
Income			10,000.44	37,863.69
Change in Investment Value	754,446.02	6,343,119.05	\$13,441.04	\$13,441.04
Ending Market Value	\$44,384,679.32	\$44,384,679.32	348.01	348.01
Accruals	--	--	\$13,789.05	\$13,789.05
Market Value with Accruals	--	--		

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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Account Summary CONTINUED

Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions	9,661.95	36,781.11
Interest Income	338.49	1,082.58
Taxable Income	\$10,000.44	\$37,863.69

	Current Period Value	Year-to-Date Value
L.T. Realized Gain/Loss	(116,617.66)	(116,617.66)
Realized Gain/Loss	(\$116,617.66)	(\$116,617.66)
Unrealized Gain/Loss	To-Date Value	(\$768,408.45)

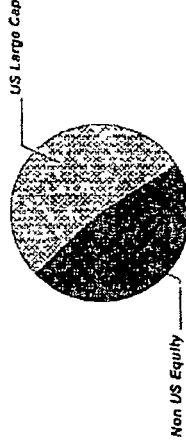
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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Equity Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
US Large Cap	7,650,582.40	7,820,491.57	169,909.17	17%
Non US Equity	6,907,817.12	6,993,268.97	85,451.85	16%
Total Value	\$14,558,399.52	\$14,813,760.54	\$255,361.02	33%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	14,813,760.54
Tax Cost	16,375,071.41
Unrealized Gain/Loss	(1,179,508.45)
Estimated Annual Income	153,762.39
Yield	1.04%

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THE KETTERING FUND ACCT P91467004
For the Period 12/1/09 to 12/31/09

Equity Detail

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income		Yield
						Accrued Dividends		
US Large Cap								
ADVISORS SER TR CHAS GRWSUBS I 007989-39-5 CHAI X	246,981 339	15 66	3,867,727 77	4,500,000.00	(632,272 23)	20,005 48		0 52%
DODGE & COX STOCK FUND 256219-10-6 DODG X	41,114 664	96.14	3,952,763 80	4,500,000.02	(547,236.22)	49,132.02		1 24%
Total US Large Cap			\$7,820,491.57	\$9,000,000.02	(\$1,178,508.45)	\$69,137.50		0.88%
Non US Equity								
THORNBURG INTL VALUE FD 885215-56-6 TGV1 X	275,651.122	25 37	6,993,268.97	7,375,071.39	N/A	84,624 89		1.21%

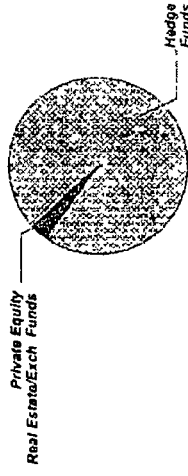
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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Alternative Assets Summary

Asset Categories	Beginning Estimated Value	Ending Estimated Value	Change In Value	Current Allocation
Hedge Funds	14,940,360.36	14,345,950.99	(594,409.37)	32%
Private Equity/Real Estate/Exch. Funds	226,130.00	219,422.50	(6,707.50)	1%
Total Value	\$15,166,490.36	\$14,565,373.49	(\$601,116.87)	33%

Asset Categories



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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Note. R indicates position reviewed

Alternative Assets Detail

	Quantity	Price	Estimated Value	Cost
Hedge Funds				
AVENUE INTERNATIONAL LTD 06-08 (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 053791-92-7	100 000	11,253.88 11/30/09	1,125,388.39	1,000,000.00
BLACKSTONE PARTNERS OFFSHORE FUND LTD CLASS H2 06-08 (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 092191-92-3	5,500 000	981.75 11/30/09	5,399,612.86	5,500,000.00
BLACKSTONE REAL ESTATE CMBS OFFSHORE FUND LTD. (NON-SELF-DEALING FIDUCIARY INVESTORS) 05-09 N/O Client 092908-94-9	1,000 000	1,150.25 11/30/09	1,150,248.80	1,000,000.00
BW PRIVATE INVESTORS OFFSHORE LTD (NON-SELF DEALING FIDUCIARY INVESTORS) 07-08 N/O Client 161791-92-6	15,000 000	91.65 11/30/09	1,374,740.16	1,500,000.00

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THE KETTERING FUND ACCT P91467004
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Estimated Value	Cost
Hedge Funds				
CHILTON GLOBAL NATURAL RESOURCES PARTNERS LTD CLASS D 08-08 (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 168291-93-8	100 000	7,738.40 11/30/09	773,840.00	1,000,000.00
CHILTON INTERNATIONAL (BVI) LTD - CLASS D (NON-SELF DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 162903-91-8	97 543	8,382.20 11/30/09	817,624.93	1,000,000.00
COATUE OFFSHORE FUND, LTD, CLASS D 06-08 (NON-SELF-DEALING FIDUCIARY INVESTORS - NEW ISSUE INELIGIBLE) N/O Client 190791-93-9	10,000 000	91.40 11/30/09	913,965.94	1,000,000.00
R GALLEON OFFSHORE DIVERSIFIED FUND LTD - 10% HOLDBACK N/O Client 36380D-91-5	1.00	1.00	68,199.85	68,199.85
GOLDENTREE OFFSHORE LTD (NON-SELF-DEALING FIDUCIARY INVESTORS-NEW ISSUES INELIGIBLE) CLASS SP 1-1 SIDE POCKET N/O Client 382891-96-8	172 801	1,075.19 9/30/09	185,794.26	263,586.34
GOLDENTREE OFFSHORE LTD SP CLASS SP 2-1 SIDE POCKET N/O Client 382981-92-6	11 749	1,149.94 9/30/09	13,510.67	14,296.28

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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Estimated Value	Cost
Hedge Funds				
GOLDENTREE OFFSHORE LTD (NON-SELF-DEALING FIDUCIARY INVESTORS-NEW ISSUES (INELIGIBLE) CLASS G N/O Client 38299B-94-9	771 459	1,756 92 11/30/09	1,355,392 94	1,219,256 24
GOLDENTREE OFFSHORE LTD. CLASS SP 1-2 SIDE POCKET N/O Client 386995-92-2	2,544	860 23 9/30/09	2,188 43	2,859 75
YORK CREDIT OPPORTUNITIES UNIT TRUST (OFFSHORE NON - SELF DEALING FIDUCIARY INVESTORS) CLASS A 06-08 N/O Client 984592-96-4	23,811.063	47 46 11/30/09	1,130,110 46	1,000,000 00
Total Hedge Funds			\$14,345,950.99	\$14,603,531.96

	Original Commitment Amount	Net Capital Called Since Inception	Net Distributions Since Inception	Estimated Value
Private Equity/Real Estate/Exch. Funds				
CLAYTON, DUBILIER & RICE (CD&R) FUND 8, LLC (OFFSHORE INVESTORS) (NON-SELF-DEALING FIDUCIARY INVESTORS) N/O Client 325691-94.7	1,250,000.00	238,616		219,422.50

Amounts shown above under "Estimated Value" for private equity funds are estimates based on the latest fund values received from each underlying fund, which value may be as of a date (underlying fund value date) prior to the period covered by this statement. The values provided by the underlying fund have been adjusted for any cash flows between your account and such fund that have occurred subsequent to the underlying fund value date to derive the "Estimated Value". Therefore, such "Estimated Value" may not reflect the value of your interest shown on any fund's actual books and records as of the date of this statement. For additional information, please contact your J.P. Morgan representative.

For private equity funds, Estimated Values are based on estimates provided by the underlying funds that are generally presented on a US GAAP basis (i.e., "marked-to-market"). However, some of these underlying funds present their audited financial statements using the Income Tax Basis of Accounting, which records investments "at cost" based on the accrual basis of accounting for Federal income taxes. Where the underlying fund provides periodic estimates on a "marked-to-market" basis but reflects investments "at cost" in its audited financial statements, the marked-to-market Estimated Value shown herein for a private equity fund may be materially different from the value reflected on such fund's audited financial statements (which are also based on the audited financial statements of the underlying fund).

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THE KETTERING FUND ACCT P91467004
For the Period 12/1/09 to 12/31/09

Cash & Short Term Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
Cash	3,325,610.77	4,263,573.64	937,962.87	10%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	4,263,573.64
Tax Cost	4,263,573.64
Estimated Annual Income	5,116.28
Accrued Interest	348.01
Yield	0.12%

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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Note: ¹ This is the Annual Percentage Yield (APY) which is the rate earned if balances remain on deposit for a full year with compounding, there is no change in the interest rate and all interest is left in the account.

Cash & Short Term Detail

	Quantity	Price	Market Value	Tax Cost		Unrealized Gain/Loss	Estimated		Yield
				Adjusted Original	Original		Annual Income	Accrued Interest	
Cash									
US DOLLAR PRINCIPAL	4,263,573.64	1.00	4,263,573.64	4,263,573.64	4,263,573.64		5,116.28	348.01	0.12%

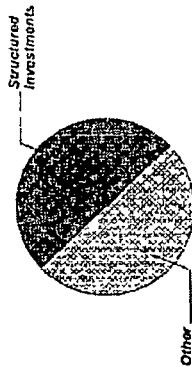
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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

Other Assets Summary

Asset Categories	Beginning Estimated Value	Ending Estimated Value	Change In Value	Current Allocation
Structured Investments	5,237,550.00	5,345,100.00	107,550.00	12%
Other	5,336,933.47	5,396,871.65	59,938.18	12%
Total Value	\$10,574,483.47	\$10,741,971.65	\$167,488.18	24%

Asset Categories



Other Assets Detail

	Quantity	Price	Estimated Value	Cost	Estimated Gain/Loss
Structured Investments					
BARC 12M SPX BREN	1,000,000.000	104.74	1,047,400.00	990,000.00	57,400.00
10/14/10 (10%BUFFER- 2XLEV-7.85%CAP-15.7%MAXPYMT) INITIAL LEVEL-9/25/09:SPX 1044.38 06739J-XL-2					

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THE KETTERING FUND ACCT. P91467004
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Estimated Value	Cost	Estimated Gain/Loss
Structured Investments					
BARCLAYS BREN GSCI OIL 8/05/10 GSCITM CRUDE OIL EXCESS RETURN INDEX, 15% BUFFER, 1.66X LEVERAGE, 58.10% MAX RET, DD 02/05/09 06738Q-F3-7	500,000,000	133.60	668,000.00	492,500.00	175,500.00
BARCLAYS BREN S&P GSCI AG 4/28/11 S&P GSCI AG EXCESS RET INDEX BUFFER 20%, MAX RETURN 38.75% DOWNSIDE LEVERAGE 1.25, DD 04/22/09 06738Q-5G-9	500,000,000	111.30	556,500.00	492,500.00	64,000.00
CS 12M ASIA BASKET BREN 09/09/10 (10%BUFFER- 2XLEV-11.28%CAP-22.56%MAXPYMT) INITIAL LEVEL-8/21/09 ASIA BSKT 100 22546E-MA-9	1,000,000,000	104.82	1,048,200.00	990,000.00	58,200.00
CS 15M SPX OPT ENTRY REN 12/09/10 (3XLEV- 4.333%CAP-13%MAXPYMT) INITIAL LEVEL-08/20/09 SPX 1007.37 22546E-LX-0	1,000,000,000	102.31	1,023,100.00	989,000.00	34,100.00
DEUTSCHE BK ARN SPX 10/13/11 (90/100/100-10%BUFFER-11.1%PYMT) INITIAL LEVEL-SPX 9/26/08 1213.27 2515A0-SS-3	1,000,000,000	100.19	1,001,900.00	980,000.00	21,900.00
Total Structured Investments			\$5,345,100.00	\$4,934,000.00	\$411,100.00

	Quantity	Price	Estimated Value	Cost	Estimated Gain/Loss
Other					
LAFAYETTE STREET FUND OFFSHORE MARKET VALUE AS OF 11/30/09 Assets Held Elsewhere 999982-91-1	1 000	5,156,755.65 11/30/09	5,156,755.65	4,500,000.00	N/A
PORTFOLIO ADVISORS SECONDARY FUND MARKET VALUE AS OF 06/30/09 Assets Held Elsewhere 999990-97-1	1 000	240,116.00 6/30/09	240,116.00	220,816.00	N/A
THE REALTY ASSOCIATES FUND IX; \$2,300,000 INVESTMENT AS OF 9/27/2008 Assets Held Elsewhere 999979-95-1	1 000			0.00	N/A
Total Other			\$5,396,871.65	4,720,816.00	\$0.00

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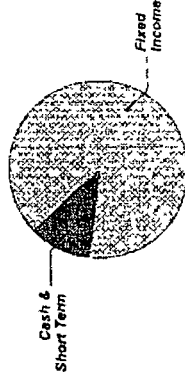
THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

Account Summary

PRINCIPAL

Asset Allocation	Beginning Market Value	Ending Market Value	Change In Value	Estimated Annual Income	Current Allocation
Cash & Short Term	1,766,397.25	1,933,557.58	167,160.33	28,901.98	11%
Fixed Income	16,582,530.36	16,172,381.39	(410,148.97)	605,001.10	89%
Market Value	\$18,348,927.61	\$18,105,938.97	(\$242,988.64)		100%

Asset Allocation



INCOME

Cash Position	Beginning Market Value	Ending Market Value	Change In Value
Cash Balance	195,384.20	269,315.89	73,931.69
Accruals	133,055.32	121,026.72	(12,028.60)
Market Value	\$328,439.52	\$390,342.61	\$61,903.09

INCOME

Portfolio Activity	Current Period Value	Year-to-Date Value
Beginning Market Value	195,384.20	1,736,764.22
Additions		
Withdrawals & Fees		(1,779,006.87)
Securities Transferred Out		
Net Additions/Withdrawals	\$0.00	(\$1,779,006.87)
Income	73,931.69	311,572.09
Change in Investment Value		(13.55)
Ending Market Value	\$269,315.89	\$269,315.89
Accruals	121,026.72	121,026.72
Market Value with Accruals	\$390,342.61	\$390,342.61

PRINCIPAL

Portfolio Activity	Current Period Value	Year-to-Date Value
Beginning Market Value	18,348,927.61	20,151,456.25
Additions	26.27	26.27
Withdrawals & Fees		(2,200,000.00)
Securities Transferred Out		
Net Additions/Withdrawals	\$26.27	(\$2,199,973.74)
Income	1,000.86	2,864.65
Change in Investment Value	(244,015.77)	151,591.81
Ending Market Value	\$18,105,938.97	\$18,105,938.97
Accruals	--	--
Market Value with Accruals	--	--

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THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

Account Summary CONTINUED

Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions	66.87	399.94
Interest Income	73,931.69	311,558.54
Ordinary Income	933.99	2,478.26
Taxable Income	\$74,932.55	\$314,436.74

	Current Period Value	Year-to-Date Value
ST Realized Gain/Loss	50,350.78	85,392.06
LT Realized Gain/Loss	45,958.06	527,560.31
Realized Gain/Loss	\$96,308.84	\$612,952.37

Unrealized Gain/Loss	To-Date Value
	\$207,524.54

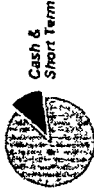
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THE KETTERING FUND-FIXED INC ACCT P91467301
For the Period 12/1/09 to 12/31/09

Cash & Short Term Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
Cash	539,417.33	(16,108.31)	(555,525.64)	
Short Term	1,226,979.92	1,949,665.89	722,685.97	11%
Total Value	\$1,766,397.25	\$1,933,557.58	\$167,160.33	11%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	1,933,557.58
Tax Cost	1,752,047.96
Unrealized Gain/Loss	5,176.12
Estimated Annual Income	28,901.98
Accrued Interest	5,844.98
Yield	0.26%

1966423.92

J.P.Morgan

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

Cash & Short Term Summary CONTINUED

SUMMARY BY MATURITY

	Market Value
Short Term	
Less than 3 months	1,586,976.49
3-6 months	298,410.20
6-12 months	64,279.20
Total Value	\$1,949,665.89

SUMMARY BY TYPE

	Market Value	% of Bond Portfolio
Short Term		
Corporate Bonds	176,333.50	9%
Government and Agency Bonds	298,410.20	15%
International Bonds	64,279.20	3%
Mutual Funds	1,410,642.99	73%
Total Value	\$1,949,665.89	100%

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THE KETTERING FUND-FIXED INC ACCT. F91467301
For the Period 12/1/09 to 12/31/09

Note ¹ This is the Annual Percentage Yield (APY) which is the rate earned if balances remain on deposit for a full year with compounding, there is no change in the interest rate and all interest is left in the account.

Cash & Short Term Detail

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
Cash							
COST OF PENDING PURCHASES	(264,473.44)	1.00	(264,473.44)	(264,473.44)		5.81	0.12 % ¹
US DOLLAR PRINCIPAL	248,365.13	1.00	248,365.13	248,365.13		298.03 56.47	0.12 % ¹
Total Cash			(\$16,108.31)	(\$16,108.31)	\$0.00	\$303.84 \$56.47	0.00 %
Short Term							
JPMORGAN PRIME MONEY MARKET FUND INSTITUTIONAL SHARE CLASS FUND 829 7-Day Annualized Yield .11% 4812A2-60-3	1,410,642.99	1.00	1,410,642.99	1,410,642.99		1,410.64 114.63	0.10 %
BANK OF AMERICA CORP SUB NOTES 7.80% FEB 15 2010 DTD 2/14/2000 063005-AD-6 A-1A3	75,000.00	100.71	75,535.50	83,876.65	N/A	5,850.00 2,209.95	1.89 %
BELLSOUTH CAPITAL FUNDING NOTES 7.3/4% FEB 15 2010 DTD 2/16/2000 079857-AG-3 A-1A2	100,000.00	100.80	100,798.00	108,951.00	N/A	7,750.00 2,927.70	1.18 %

J.P.Morgan

THE KETTERING FUND-FIXED INC ACCT P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
Short Term							
FEDERAL HOME LOAN BANK 2 3/4% JUN 18 2010 DTD 04/18/2008 3133XQ-U2-6 AAA /AAA	295,000.00	101.16	298,410.20	293,538.28	4,871.92	8,112.50 292.93	0.25%
BRITISH TELECOM P L C NOTES 8 3/8% DEC 15 2010 DTD 12/12/2000 ISIN US111021AD39 111021-AD-3 BBB /BAA	60,000.00	107.13	64,279.20	63,975.00	304.20	5,475.00 243.30	1.59%
Total Short Term			\$1,949,665.89	\$1,768,156.27	\$5,176.12	\$28,598.14 \$5,788.51	0.30%

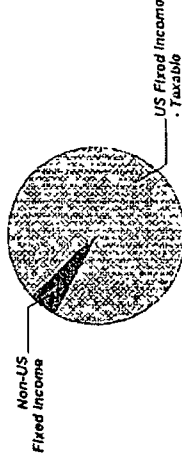
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THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

Fixed Income Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
US Fixed Income - Taxable	15,830,237.46	15,368,762.74	(461,474.72)	85%
Non-US Fixed Income	752,292.90	803,618.65	51,325.75	4%
Total Value	\$16,582,530.36	\$16,172,381.39	(\$410,148.97)	89%

Asset Categories



Market Value/Cost

	Current Period Value
Market Value	16,172,381.39
Tax Cost	13,249,315.25
Unrealized Gain/Loss	202,348.42
Estimated Annual Income	605,001.10
Accrued Interest	115,181.74
Yield	2.24%

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THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

Fixed Income Summary CONTINUED

SUMMARY BY MATURITY

Fixed Income	Market Value	% of Bond Portfolio
Less than 5 years ¹	13,278,920.26	82%
5-10 years ¹	1,591,621.47	10%
10+ years ¹	1,301,839.66	8%
Total Value	\$16,172,381.39	100%

SUMMARY BY TYPE

Fixed Income	Market Value	% of Bond Portfolio
Corporate Bonds	7,066,029.83	44%
Government and Agency Bonds	5,522,108.15	34%
International Bonds	803,618.65	5%
Mortgage and Asset Backed Bonds	2,780,624.76	17%
Total Value	\$16,172,381.39	100%

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

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THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

Note P indicates position adjusted for Pending Trade Activity

Fixed Income Detail

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
GOLDMAN SACHS GROUP INC							
NOTES 6 7/8% JAN 15 2011	100,000,000	106.04	106,043.00	99,145	N/A	6,875.00 3,170.10	1.01%
DTD 1/16/2001							
38141G-AZ-7 A /A1							
DAIMLER CHRYSLER N A HOLDING CORP							
7 3/4% JAN 18 2011	65,000,000	106.32	69,106.70	69,225.00	(118.30)	5,037.50 2,280.85	1.64%
DTD 1/16/2001							
233835-AP-2 88B /A3							
CISCO SYSTEMS INC							
NOTES 5 1/4% FEB 22 2011	95,000,000	104.93	99,686.35	95,088.35	4,598.00	4,987.50 1,787.14	0.90%
DTD 2/22/2006							
17275R-AB-8 A+ /A1							
NORDIC INVESTMENT BANK							
4 7/8% MAR 15 2011	100,000,000	104.74	104,740.00	105,933.82	(1,193.82)	4,875.00 1,435.40	0.92%
DTD 02/23/2006							
65562Q-AE-5 AAA /AAA							
MORGAN STANLEY DEAN WITTER							
6 3/4% APR 15 2011	50,000,000	105.95	52,974.00	50,055.50	N/A	3,375.00 712.50	2.05%
DTD 4/23/2001							
617446-GM-5 A /A2							

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
PRINCIPAL LIFE INC FDG MEDIUM TERM NOTE 5.15% JUN 17 2011 DTD 06/18/2008 74254P-ZC-9 A+ /AA3	100,000,000	104.16	104,159,000	99,934,000	4,225,000	5,150,000 185,900	2.24%
INTER AMERICAN DEVEL BK 1 1/2% JUN 23 2011 DTD 06/23/2009 4581X0-BF-4 AAA /AAA	200,000,000	100.95	201,903,000	199,902,000	2,001,000	3,000,000 74,000	0.85%
FLORIDA POWER CORP 6.65% JUL 15 2011 DTD 07/18/2001 341099-BZ-1 A- /A1	70,000,000	107.19	75,032,300	73,087,700	1,944,600	4,655,000 2,148,400	1.89%
HEINZ H.J. CO 6.5/8% JUL 15 2011 DTD 1/15/2003 MULTI-COUPON 42307T-AC-2 BBB /BAA	65,000,000	107.36	69,796,350	70,060,250	(263,900)	4,306,250 1,985,620	1.74%
HOUSEHOLD FINANCE CO NOTES 6.3/8% OCT 15 2011 DTD 10/23/2001 441812-JW-5 A /A3	45,000,000	106.35	47,858,400	48,303,450	(445,050)	2,868,750 605,610	2.71%
CREDIT SUISSE FB USA INC NOTES 6.1/8% NOV 15 2011 DTD 11/6/2001 22541L-AB-9 A+ /AA1	150,000,000	107.84	161,757,000	146,715	N/A	9,187,500 1,173,900	1.85%

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THE KETTERING FUND-FIXED INC ACCT P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
EUROPEAN INVESTMENT BANK 2 5/8% NOV 15 2011 DTD 10/14/2008 298785-ET-9 AAA /AAA	160,000,000	102.61	164,169.44	163,022.40	1,147.04	4,200.00 536.64	1.21%
U S A NOTES 0 5/8% NOV 30 2011 DTD 11/30/2009 912828-MM-9 AAA /AAA	80,000,000	99.35	79,478.40	80,059.64	(581.24)	600.00	1.10%
MORGAN STANLEY 3 1/4% DEC 01 2011 DTD 12/02/2008 61757U-AB-6 AAA /AAA	200,000,000	103.73	207,464.00	199,932.00	7,532.00	6,500.00 541.60	1.27%
FREDDIE MAC 6.48% DEC 5 2011 DTD 12/5/96 3134A1-GH-7 AAA /AAA	50,000,000	109.91	54,953.00	56,705.00	N/A	3,240.00 234.00	1.26%
GENERAL ELECTRIC CAPITAL CORP MEDIUM TERM NOTE 3% DEC 09 2011 DTD 12/09/2008 36967H-AD-9 AAA /AAA	210,000,000	103.08	216,472.20	209,397.30	7,074.90	6,300.00 384.93	1.38%
WELLS FARGO & COMPANY 3% DEC 09 2011 DTD 12/10/2008 949744-AA-4 AAA /AAA	180,000,000	103.24	185,826.60	179,789.40	6,037.20	5,400.00 329.94	1.30%
HSBC USA INC 3 1/8% DEC 16 2011 DTD 12/16/2008 4042EP-AA-5 AAA /AAA	210,000,000	103.49	217,318.50	209,880.30	7,438.20	6,562.50 273.42	1.32%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/31/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
MUNICIPAL ELECTRIC AUTHORITY GEORGIA TAXABLE PROJ 1 5% A JAN 01 2012 DTD 05/05/2009 FED TAXABLE HELD BY DTC BOOK ENTRY ONLY 626207-XB-5 A /A2	75,000,000	104.85	78,640.50	74,976.00	3,664.50	3,750.00 1,885.35	2.50 %
CAPITAL ONE FINANCIAL NOTES 4 80% FEB 21 2012 DTD 2/18/2005 14040H-AK-1 BBB /BAA	50,000,000	103.15	51,577.00	46,500.00	5,077.00	2,400.00 866.65	3.26 %
MORGAN STANLEY 2 1/4% MAR 13 2012 DTD 3/13/2009 61757U-AP-5 AAA /AAA	100,000,000	101.58	101,577.00	99,859.00	1,718.00	2,250.00 675.00	1.52 %
GOLDMAN SACHS GROUP INC 2 15% MAR 15 2012 DTD 3/19/2009 38146F-AK-7 AAA /AAA	95,000,000	101.62	96,539.95	94,947.75	1,592.20	2,042.50 601.35	1.40 %
Pfizer Inc 4.45% MAR 15 2012 DTD 03/24/2009 7-17081-CZ-4 AA /A1	100,000,000	105.77	105,765.00	105,556.00	209.00	4,450.00 1,310.20	1.77 %
CITIGROUP INC 2 1/8% APR 30 2012 DTD 01/30/2009 17313U-AE-9 AAA /AAA	280,000,000	101.07	282,998.80	278,987.60	4,011.20	5,950.00 1,008.00	1.65 %

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
STATE STREET CAPITAL TRU 2 1/8% APR 30 2012 DTD 03/06/2009 85748K-AA-1 AAA /AAA	140,000,000	101.31	141,834,000	139,798,400	2,035,600	3,010,000 510,020	1.57%
AOL TIME WARNER INC NOTES 6 7/8% MAY 1 2012 DTD 4/8/2002 00184A-AF-2 BBB /BAA	55,000,000	109.47	60,210,700	60,295,995	(85,295)	3,781,250 630,190	2.66%
ROGERS COMMUNICATIONS 7 7/8% MAY 01 2012 DTD 04/30/2002 77509N-AD-5 BBB /BAA	75,000,000	112.07	84,052,500	81,720,750	2,331,750	5,906,250 984,370	2.52%
CITIGROUP INC 1 7/8% MAY 07 2012 DTD 05/07/2009 17290C-AB-2 AAA /AAA	135,000,000	100.53	135,718,200	134,647,665	1,070,535	2,531,250 379,620	1.64%
KRAFT FOODS INC NOTES 6 1/4% JUN 1 2012 DTD 5/20/2002 50975N-AH-7 BBB /BAA	80,000,000	107.77	86,218,400	86,403,200	(184,800)	5,000,000 416,640	2.90%
BANK OF AMERICA CORP MEDIUM TERM NOTE 3 1/8% JUN 15 2012 DTD 12/04/2008 06050B-AA-9 AAA /AAA	290,000,000	103.62	300,498,000	299,260,480	1,237,520	9,062,500 402,520	1.62%
GOLDMAN SACHS GROUP INC 3 1/4% JUN 15 2012 DTD 12/01/2008 38146F-AA-9 AAA /AAA	300,000,000	103.89	311,679,000	302,250,500	9,428,500	9,750,000 433,200	1.63%

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THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
MORGAN STANLEY 1.95% JUN 20 2012 DTD 01/20/2009 61757U-AH-3 AAA /AAA	100,000,000	100.93	100,925.60	99,958.00	967.60	1,950.00 59.50	1.57%
ALLTEL CORP SR NOTES 7% JUL 1 2012 DTD 6/19/2002 020039-DB-6 A /WR	100,000,000	110.31	110,310.00	106,839.00	3,471.00	7,000.00 3,519.40	2.71%
TIME WARNER CABLE INC 5.4% JUL 02 2012 DTD 07/02/2007 86732J-AG-3 BBB /BAA	35,000,000	106.84	37,395.05	32,434.15	4,960.90	1,890.00 939.75	2.56%
FANNIE MAE SUB NOTES 5 1/4% AUG 1 2012 DTD 7/26/2002 31359M-NU-3 A /AA2	275,000,000	106.71	293,460.75	284,283.73	9,177.02	14,437.50 6,015.62	2.55%
XTO ENERGY INC 5.9% AUG 01 2012 DTD 07/19/2007 98385X-AK-2 BBB /BAA	75,000,000	109.57	82,175.25	73,307.25	8,868.00	4,425.00 1,843.72	2.08%
KINDER MORGAN ENER PART 5.85% SEP 15 2012 DTD 08/28/2007 494550-AX-4 BBB /BAA	55,000,000	107.62	59,189.35	58,779.60	409.75	3,217.50 947.37	2.90%
CONOCOPHILLIPS 4 3/4% OCT 15 2012 DTD 10/9/2002 20825C-AE-4 A /A1	100,000,000	107.15	107,154.00	102,397.00	N/A	4,750.00 1,002.70	2.09%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
INTER-AMERICAN DEVEL BK 1 3/4% OCT 22 2012 DTD 10/22/2009 4581X0-BH-0 AAA /AAA	90,000,000	99.56	89,606.70	89,892.90	(286.20)	1,575.00 301.86	1.91 %
U S A NOTES 1 3/8% NOV 15 2012 DTD 11/16/2009 912828-LX-6 AAA /AAA	755,000,000	99.28	749,571.55	756,408.96	(6,837.41)	10,381.25 1,347.67	1.63 %
EQT CORP 5.15% NOV 15 2012 DTD 11/15/2002 294549-AJ-9 BBB /BAA	50,000,000	104.63	52,313.50	52,153.50	160.00	2,575.00 329.00	3.44 %
HOUSEHOLD FINANCE CORP NOTES 6 3/8% NOV 27 2012 DTD 11/27/2002 441812-KA-1 A /A3	60,000,000	108.90	65,341.80	64,158.00	1,183.80	3,825.00 361.20	3.14 %
CATERPILLAR FIN SERV CRP MEDIUM TERM NOTES 4.85% DEC 07 2012 DTD 12/07/2007 14912L-3N-9 A /A2	100,000,000	107.53	107,532.00	96,672.00	10,860.00	4,850.00 323.30	2.18 %
CITIBANK NA 1 3/4% DEC 28 2012 DTD 10/27/2009 17314J-AT-0 AAA /AAA	180,000,000	99.12	178,416.00	179,440.20	(1,024.20)	3,150.00 559.98	2.05 %
UNITED PARCEL SERVICE SR NOTES 4 1/2% JAN 15 2013 DTD 01/15/2008 911312-AG-1 AA- /AA3	100,000,000	106.32	106,320.00	103,823.00	2,497.00	4,500.00 2,075.00	2.33 %

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
GENERAL ELECTRIC COMPANY NOTES 5% FEB 1 2013 DTD 1/28/2003 369604-AY-9 AA+ /AA2	50,000,000	105.80	52,898.00	50,220.00	N/A	2,500.00 1,041.65	3.02%
INDIANA BOND BANK REVENUE COMMON SCH FD ADV PUR 3 95% FEB 01 2013 DTD 04/01/2009 FED TAXABLE HELD BY DTC BOOK ENTRY 454624-YM-3 AA+ /NA	160,000,000	100.69	161,100.80	160,000.00	1,100.80	6,320.00 2,633.28	3.71%
MORGAN STANLEY NOTES 5 30% MAR 1 2013 DTD 2/26/2003 617446-HR-3 A /A2	50,000,000	105.40	52,700.00	50,113.00	N/A	2,650.00 883.30	3.48%
CITIGROUP INC 5 1/2% APR 11 2013 DTD 04/11/2008 172967-EQ-0 A /A3	100,000,000	103.68	103,676.00	97,737.00	5,939.00	5,500.00 1,222.20	4.28%
VERIZON COMMUNICATIONS SR NOTES 5 1/4% APR 15 2013 DTD 04/04/08 92343V-AN-4 A /A3	80,000,000	107.80	86,237.60	79,712.80	6,524.80	4,200.00 886.64	2.75%
U S A NOTES 3 1/8% APR 30 2013 DTD 04/30/2008 912828-HY-S AAA /AAA	55,000,000	104.19	57,303.40	57,563.27	(259.87)	1,718.75 294.36	1.82%

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THE KETTERING FUND-FIXED INC ACCT P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
ALLSTATE LF GLB FN TRST MEDIUM TERM NOTES 5 3/8% APR 30 2013 DTD 04/30/2008 02003M-BQ-6 AA- /A1	75,000,000	106.75	80,060.25	79,861.50	198.75	4,031.25	3.22%
BANK OF AMERICA NA NOTES 4.90% MAY 01 2013 DTD 05/02/2008 06051G-DW-6 A /A2	85,000,000	103.67	88,120.35	84,765.00	5,941.35	4,165.00 694.11	3.72%
PHILIP MORRIS INTL INC NOTES 4.7/8% MAY 16 2013 DTD 05/16/2008 718172-AB-5 A /A2	90,000,000	105.57	95,009.40	95,765.40	(756.00)	4,387.50 548.37	3.12%
EUROPEAN BK RECON & DEV NOTES 3.5/8% JUN 17 2013 DTD 05/08/2008 29874Q-BR-4 AAA /NA	85,000,000	104.87	89,140.44	89,624.00	(483.56)	3,081.25 119.76	2.16%
TIME WARNER CABLE INC 6.2% JUL 01 2013 DTD 06/19/2008 88732J-AK-4 BBB /BAA	45,000,000	109.85	49,430.70	44,904.60	4,526.10	2,790.00 1,402.74	3.20%
U S A NOTES 3.25% AUG 31 2013 DTD 09/02/2008 912828-JK-7 AAA /AAA	100,000,000	103.91	103,914.00	103,156.59	757.41	3,125.00 1,061.80	2.01%
NOTRE DAME UNIVERSITY DU LAC INDIANA 4.141% SEP 01 2013 DTD 01/29/2009 914744-AA-5 NA /AAA	170,000,000	104.51	177,672.10	170,000.00	7,672.10	7,039.70 2,346.51	2.84%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income	Yield
US Fixed Income - Taxable							
FEDERAL HOME LOAN BANK 4% SEP 06 2013 DTD 08/01/2008 3133XR-XB-B AAA /AAA	435,000,000	106.19	461,917.80	431,201.58	30,716.22	17,400.00 5,557.99	2.24%
GNMA 6.50% SEP 15 2013 DTD 09/01/1998 POOL NO 780852 36225A-5M-B	11,511,120	107.32	12,354.19	11,575.86	778.33	748.22 62.34	1.77%
U S A NOTES 3 1/8% SEP 30 2013 DTD 09/30/2008 912828-JM-3 AAA /AAA	175,000,000	103.93	181,877.50	183,648.05	(1,770.55)	5,468.75	2.03%
GREATER ORLANDO AVIATION AUTHORITY FLORIDA REV SPL PURP FACS 3.66% OCT 01 2013 DTD 10/07/2009 FED TAXABLE HELD BY DTC BOOK ENTRY ONLY 392273-AH-1 NR /A2	85,000,000	99.48	84,556.30	85,000.00	(443.70)	3,111.00 725.90	3.81%
U S A NOTES 2 3/4% OCT 31 2013 DTD 10/31/2008 912828-JQ-4 AAA /AAA	500,000,000	102.41	512,070.00	519,944.05	(7,874.05)	13,750.00 2,354.50	2.09%
ALTRIA GROUP INC 8 1/2% NOV 10 2013 DTD 11/10/2008 02209S-AC-7 BBB /BAA	50,000,000	115.56	57,781.50	57,987.50	(206.00)	4,250.00 602.05	4.10%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
METLIFE INC NOTES 5% NOV 24 2013 DTD 11/24/2003 59156R-AG-3 A-/A3	55,000,000	105.27	57,899.60	57,439.80	459.80	2,750.00 282.59	3.54%
FEDERAL FARM CREDIT BANK MEDIUM TERM NOTE 5.45% DEC 11 2013 DTD 12/11/1998 31331R-P9-0 AAA-/AAA	100,000,000	111.24	111,241.00	105,990.00	N/A	5,450.00 302.70	2.44%
HCP INC 5.65% DEC 15 2013 DTD 12/04/2006 421915-EH-8 BBB-/BAA	45,000,000	100.17	45,078.30	45,006.30	72.00	2,542.50 112.99	5.60%
NEBRASKA PUBLIC POWER DISTRICT REV GEN SER 4.85% B JAN 01 2014 DTD 06/24/2009 FED TAXABLE HELD BY DTC BOOK ENTRY ONLY 63968A-CF-5 A-/A1	120,000,000	104.30	125,161.20	120,000.00	5,161.20	5,820.00 3,039.24	3.68%
AUTOZONE INC 6 1/2% JAN 15 2014 DTD 08/04/2008 053332-AH-5 BBB-/BAA	40,000,000	110.22	44,089.20	43,778.80	310.40	2,600.00 1,198.88	3.75%
FANNIE MAE 4.50% SER. 2003-128 CL KE JAN 25 2014 DTD 12/01/2003 31393U-YP-2	62,074,760	104.22	64,691.32	62,850.69	N/A	2,793.36 232.78	1.49%

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
DUKE ENERGY CORP SR NOTES 6.30% FEB 1 2014 DTD 01/26/2009 264399-EQ-5 BBB /BAA	50,000,000	109.96	54,981.00	55,166.00	(185.00)	3,150.00 1,312.50	3.65%
ANADARKO PETROLEUM CORP 7.5/8% MAR 15 2014 DTD 03/05/2009 032511-BD-8 BBB /BAA	50,000,000	115.15	57,572.50	56,951.50	621.00	3,812.50 1,122.55	3.70%
EUROPEAN INVESTMENT BANK NOTES 3% APR 08 2014 DTD 04/08/2009 298785-EX-0 AAA /AAA	90,000,000	100.82	90,739.80	90,598.50	141.30	2,700.00 622.44	2.79%
GNMA 6% APR 15 2014 DTD 04/01/1999 POOL NO 508818 36211C-G3-0	27,045,190	107.19	28,988.39	26,601.50	2,386.89	1,622.71 135.22	1.88%
U S A TREASURY NOTES 1.7/8% APR 30 2014 DTD 04/30/2009 912828-KN-9 AAA /AAA	270,000,000	97.95	264,451.50	264,473.44	(21.94)	5,062.50	2.38%
HASBRO INC 6.1/8% MAY 15 2014 DTD 05/13/2009 418056-AR-8 BBB /BAA	55,000,000	108.88	59,881.25	54,962.05	4,919.20	3,368.75 430.43	3.90%
AFRICAN DEVELOPMENT BANK NOTES 3% MAY 27 2014 DTD 05/27/2009 008281-AX-5 AAA /AAA	100,000,000	100.73	100,725.00	99,600.00	1,125.00	3,000.00 283.30	2.82%

THE KETTERING FUND-FIXED INC ACCT P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost		Unrealized Gain/Loss	Estimated Annual Income		Yield
				Adjusted Original	Original		Accrued Interest	Annual Income	
US Fixed Income - Taxable									
U S A NOTES									
2 5/8% JUN 30 2014	660,000,000	100.73	664,798.20	664,321.53	476.67	17,325.00	2.45%		
DTD 06/30/2009									
912828-KY-5 AAA /AAA									
ORACLE CORP									
3 3/4% JUL 08 2014	80,000,000	103.18	82,544.80	82,828.00	(283.20)	3,000.00	2.99%		
DTD 07/08/2009						1,441.60			
66389X-AF-2 A /A2									
U S A NOTES									
2 5/8% JUL 31 2014	225,000,000	100.50	226,125.00	225,966.80	158.20	5,906.25	2.51%		
DTD 07/31/2009						2,471.62			
912828-LC-2 AAA /AAA									
FANNIE MAE									
5 5% SER 2003-83 CL VA	61,048,880	104.67	63,901.72	62,994.82	906.90	3,357.68	1.57%		
AUG 25 2014 DTD 08/01/2003						279.78			
31393E-ST-7									
U S A TREASURY NOTES									
2 3/8% AUG 31 2014	340,000,000	99.27	337,504.40	339,814.06	(2,309.66)	8,075.00	2.54%		
DTD 08/31/2009						2,743.46			
912828-LK-4 AAA /AAA									
U S A NOTES									
2 3/8% SEP 30 2014 DTD 09/30/2009	315,000,000	99.16	312,341.40	314,876.95	(2,535.55)	7,481.25	2.56%		
912828-LQ-1 AAA /AAA									
FEDERAL FARM CREDIT BANK									
7 01% OCT 20 2014	75,000,000	118.38	88,781.25	87,592.50	N/A	5,257.50	2.88%		
DTD 10/20/99						1,036.87			
31331H-YW-1 AAA /AAA									

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
U S A NOTES							
2 3/8% OCT 31 2014	775,000,000	98.91	766,583.50	783,966.19	(17,382.69)	18,406.25 3,151.92	2.62%
DTD 11/02/2009							
912828-LS-7 AAA /AAA							
AMGEN INC							
SR NOTES 4.85% NOV 18 2014	80,000,000	107.66	86,126.40	83,397.60	2,728.80	3,880.00 463.44	3.14%
DTD 11/18/2004							
031162-AJ-9 A+ /A3							
FANNIE MAE							
4.5% SER 2003-83 CL TG	6,688,470	99.99	6,687.96	6713.55	N/A	300.88 25.08	0.11%
NOV 25 2014 DTD 08/01/2003							
31393E-TA-7							
FEDERAL FARM CREDIT BANK							
4.55% DEC 15 2014	100,000,000	107.06	107,063.00	97,628.25	N/A	4,550.00 202.20	3.01%
DTD 12/15/04							
31331S-JQ-7 AAA /AAA							
PRUDENTIAL FINANCIAL INC							
SR NOTES 6.2% JAN 15 2015	60,000,000	107.59	64,552.20	59,962.20	4,590.00	3,720.00 2,097.66	4.50%
DTD 06/08/2009							
74432Q-BF-1 A /BAA							
FEDERAL FARM CREDIT BANKS							
CCNS 7% SEP 1 2015	125,000,000	118.94	148,672.50	143,580.00	N/A	8,750.00 2,916.62	3.31%
DTD 9/01/2000							
31331H-2N-6 AAA /AAA							
FREDDIE MAC							
5.5% SER-2355 CL V	20,769,680	100.88	20,951.46	21,013.09	(61.63)	1,142.33 95.18	0.68%
MAY 15 2016 DTD 09/01/2001							
3133TV-GB-6 NR /NR							

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC							
6% SER-2344 CL QG	35,425,870	106.68	37,793,43	36,765,41	1,028,02	2,125,55 177.12	2,56%
AUG 15 2016 DTD 8/01/01							
313399-AJ-6							
FREDDIE MAC							
6.5% SER-2345 CL PQ	40,540,000	107.42	43,549,12	40,419,65	3,129.47	2,635,10 219.56	2,17%
AUG 15 2016 DTD 8/01/01							
313399-TA-5 NR /NR							
FREDDIE MAC							
6% SER 2363 CL PF SEP 15 2016	10,077,160	106.37	10,718,71	10,801,46	(82,75)	604,62 50,38	2,04%
DTD 09/01/2001							
3133TU-RU-4							
FREDDIE MAC							
6% SER 2368 CL TG OCT 15 2016	25,366,200	106.97	27,134,12	26,483,91	650,21	1,521,97 126.83	2,32%
DTD 10/01/2001							
31339G-T5-0							
FREDDIE MAC							
5% SER 2562 CL PE OCT 15 2016	70,407,570	102.96	72,494,02	73,883,94	N/A	3,520,37 293.31	1,51%
DTD 1/1/2003							
31393H-LM-2							
FNMA REMIC TRUST							
5% SER 2003-16 CL PD	150,000,000	103.66	155,489,00	143,601,56	N/A	7,500,00 624,90	1,25%
OCT 25 2016 DTD 02/01/2003							
31392J-PF-0							
FREDDIE MAC							
SER-2971 CL GB 5% NOV 15 2016	125,000,000	104.24	130,303,25	124,531,25	N/A	6,250,00 520,75	1,59%
DTD 5/01/2005							
31395U-GP-0							

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For the Period 12/31/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE 6% SER 2002-3 CLO G FEB 25 2017 DTD 1/01/2002 31392B-VK-9	59,330,730	107.12	63,553,51	63,066.70	486.81	3,559.84 296.65	2.39%
FREDDIE MAC 6% SER 2425 CL OB MAR 15 2017 DTD 03/01/2002 31339N-TA-4	18,018,410	107.38	19,348.74	19,245.91	102.83	1,081.10 90.09	2.45%
FREDDIE MAC SER-2931 CL DB 4% APR 15 2017 DTD 2/01/2005 31395M-Z3-6	125,000,000	103.30	129,120.45	124,531.25	N/A	5,000.00 416.62	0.98%
FANNIE MAE 6% SER 2002-19 CL PE APR 25 2017 DTD 3/01/2002 31392C-FB-5	38,226,060	107.11	40,945.01	40,519.62	425.39	2,293.56 191.13	2.39%
FANNIE MAE SER 2002-18 CL PC 5 5% APR 25 2017 DTD 3/1/2002 31392C-HD-9	69,743,530	105.34	73,467.63	71,552.60	N/A	3,835.89 319.63	1.68%
FREDDIE MAC SER-2646 CL AC 3 5% AUG 15 2017 DTD 7/01/03 31393V-YG-0	56,232,570	102.57	57,676.26	52,050.92	5,625.34	1,968.13 163.97	1.67%

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For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC SER-2781 CL BN 5% NOV 15 2017 DTD 4/01/2004 31394X-6Q-4	4,269,570	100.18	4,277.24	4,379.48	(102.24)	213.47 17.78	0.49%
FNMA REMIC TRUST 5% SER 2002-73 CL OE NOV 25 2017 DTD 10/01/2002 31392E-JG-3 NR /NR	150,000,000	106.00	159,005.03	141,351.56	N/A	7,500.00 624.90	2.91%
FHLMC REMIC SER-2763 CL PD 4 1/2% DEC 15 2017 DTD 03/01/2004 31394T-LH-6	125,000,000	104.64	130,796.40	117,304.69	N/A	5,625.00 468.75	2.29%
FREDDIE MAC 4% SER 2645 CL BC FEB 15 2018 DTD 07/01/2003 31393W-QC-6	60,717,920	103.42	62,791.46	56,790.23	6,001.23	2,428.71 202.37	2.11%
FANNIE MAE 4.25% SER 2004-93 CL DG APR 25 2019 DTD 11/01/2004 31394B-KS-2	60,586,860	103.56	62,746.68	57,443.91	5,302.77	2,574.94 214.53	2.23%
FREDDIE MAC GOLD PARTIC CTF 5.5% FEB 01 2020 DTD 09/01/2005 POOL NO G11728 31283K-4M-7	269,248,692	106.58	286,951.79	285,151.19	1,800.60	14,808.67 1,233.96	2.30%

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC							
SER 2686 CL GB 5% MAY 15 2020	33,563 070	103.51	34,740 13	33,814.79	925 34	1,678.15 139.82	1 33 %
DTD 10/01/2003							
31394K-M5-0							
FANNIE MAE							
SERIES 2003-120 CL DB	80,304 670	103.27	82,933.36	78,372.35	4,561 01	4,015.23 334.54	1 36 %
5% JUL 25 2020							
DTD 11/1/2003							
31393U-HN-6							
FANNIE MAE							
4 25% SER 2003-60 CL DA	13,822.220	102.24	14,131 35	12,902.19	1,229 16	587.44 48.94	1 27 %
JUN 25 2021 DTD 05/01/2003							
31393B-ZK-0							
FANNIE MAE							
7 50% SER 1992-188 CL PZ	14,283 090	109.75	15,675 69	15,042 63	633.06	1,071.23 89.26	4 18 %
OCT 25 2022 DTD 10/01/1992							
31358Q-4G-7 NR /NR							
FREDDIE MAC							
5% SER 2626 CL NA JUN 15 2023	55,340 940	101.66	56,257 73	57,692 89	(1,435 16)	2,767 04 230 55	0 86 %
DTD 06/01/2003							
31393V-HJ-3							
FNMA REMIC TRUST							
5% SER 2005-10 CL TB	100,000,000	105.22	105,220 70	97,781.25	N/A	5,000 00 416 60	2.71 %
AUG 25 2023 DTD 02/01/2005							
31394C-PT-3							

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THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FREDDIE MAC							
SER-2844 CL PB 5% JUN 15 2027	60,085.230	103.47	62,171.71	58,583.1	N/A	3,004.26 250.31	0.76%
DTD 08/01/2004							
31395E-WC-7							
FREDDIE MAC							
SER-2857 CL MC 5% AUG 15 2027	64,780.090	103.64	67,137.56	63,130.22	N/A	3,239.00 269.87	0.60%
DTD 09/01/2004							
31395F-T4-6							
GNMA							
5% FEB 20 2029 DTD 11/01/2003	44,901.530	102.26	45,916.33	46,585.44	N/A	2,245.08 187.06	0.67%
38374E-TS-6							
FNMA REMIC TRUST							
4 1/2% SER 2004-8 CL GC	110,000.000	104.35	114,785.20	102,265.63	N/A	4,950.00 412.50	2.28%
APR 25 2029 DTD 02/01/2004							
31393X-DT-1							
FANNIE MAE							
5 5% SER 2005-59 CL PC	125,000.000	105.50	131,873.55	121,269.53	N/A	6,875.00 572.87	2.82%
MAR 25 2031 DTD 06/01/2005							
31394E-SL-3							
FANNIE MAE							
3 5% SER 2003-73 CL GA	38,210.290	101.46	38,769.19	36,431.12	2,338.07	1,337.36 111.42	2.74%
MAY 25 2031 DTD 07/01/2003							
31393D-ZD-6							
FREDDIE MAC							
SER-3047 CL OB 5 5% DEC 15 2033	92,820.320	106.09	98,477.38	93,879.05	N/A	5,105.11 425.39	2.21%
DTD 10/1/2005							
31396C-JR-2							

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For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
US Fixed Income - Taxable							
FANNIE MAE 5.50% SER 2005-68 CL PG AUG 25 2035 DTD 07/01/2005 31394E-7B-8	121,848,330	105.74	128,843,48	123,890.24	N/A	6,701.65 558.43	3.82%
FHLMC STRUCTURED PASS THROUGH SECURITIES 6.50% SER T-54 CL 2A FEB 25 2043 DTD 2/01/03 31393L-FK-4	16,602,450	108.14	17,954.51	17,585.63	368.88	1,079.15 89.91	3.79%
Total US Fixed Income - Taxable			\$15,368,762.74	\$ 15,021,943	\$192,535.52	\$572,293.60 \$106,416.39	2.22%
Non-US Fixed Income							
TELECOM ITALIA CAPITAL 6.20% JUL 18 2011 DTD 7/18/2006 87927V-AS-7 BBB /BAA	60,000,000	105.85	63,507.60	61,246.80	2,260.80	3,720.00 1,684.32	2.34%
KFW 2 1/4% APR 16 2012 DTD 04/16/2009 ISIN US500769DG66 500769-DG-6 AAA /AAA	100,000,000	101.50	101,499.00	100,912.00	587.00	2,250.00 468.70	1.58%
KFW 4 3/4% MAY 15 2012 DTD 04/30/2007 500769-CD-4 AAA /AAA	160,000,000	107.15	171,435.20	171,126.40	308.80	7,600.00 971.04	1.67%

THE KETTERING FUND-FIXED INC ACCT. P91467301
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income	Accrued Interest	Yield
Non-US Fixed Income								
LANDWIRTSCH RENTENBANK 1 7/8% SEP 24 2012 DTD 08/24/2009 515110-BA-1 AAA /AAA	100,000,000	99.71	99,709.00	100,318.00	(609.00)	1,875.00	505.20	1.98%
ARCELORMITTAL 5 3/8% JUN 01 2013 DTD 05/27/2008 03938L-AC-8 BBB /BAA	50,000,000	105.53	52,762.50	53,254.50	(492.00)	2,687.50	223.95	3.64%
TYCO INTERNATIONAL GROUP SA 6% NOV 15 2013 DTD 11/12/2003 902118-BK-3 BBB /BAA	65,000,000	109.54	71,199.70	72,274.15	(1,074.45)	3,900.00	498.29	3.35%
BARCLAYS BANK PLC SR NOTES 5 2% JUL 10 2014 DTD 07/10/2009 06739F-FZ-9 AA- /AAA	100,000,000	106.00	106,000.80	99,883.00	6,117.80	5,200.00	2,470.00	3.75%
DEUTSCHE BANK AG LONDON 3 7/8% AUG 18 2014 DTD 08/18/2009 2515A0-Q3-0 A+ /AA1	60,000,000	102.12	61,269.60	59,765.40	1,504.20	2,325.00	858.90	3.38%
WESTPAC BANKING CORP 4 2% FEB 27 2015 DTD 08/27/2009 961214-BH-5 AA /AA1	75,000,000	101.65	76,235.25	75,025.50	1,209.75	3,150.00	1,084.95	3.84%
Total Non-US Fixed Income			\$803,618.65	\$793,805.75	\$9,812.90	\$32,707.50	\$8,765.35	2.64%

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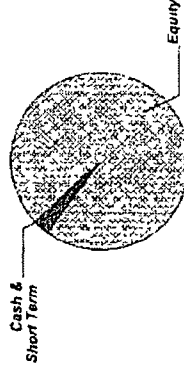
THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

Account Summary

PRINCIPAL

Asset Allocation	Beginning Market Value	Ending Market Value	Change In Value	Estimated Annual Income	Current Allocation
Equity	2,303,159.50	2,493,562.80	190,403.30	17,712.10	97%
Cash & Short Term	63,372.64	75,772.64	12,400.00	90.92	3%
Market Value	\$2,366,532.14	\$2,569,335.44	\$202,803.30		100%

Asset Allocation



INCOME

Cash Position	Beginning Market Value	Ending Market Value	Change In Value
Cash Balance	5,802.52	13,395.88	7,593.36
Accruals	7,471.82	1,178.25	(6,293.57)
Market Value	\$13,274.34	\$14,574.13	\$1,299.79

PRINCIPAL

Portfolio Activity	Current Period Value	Year-to-Date Value
Beginning Market Value	2,366,532.14	1,995,120.43
Withdrawals & Fees		(11,185.00)
Net Additions/Withdrawals	\$0.00	(\$11,185.00)
Income		
Change in Investment Value	202,803.30	585,400.01
Ending Market Value	\$2,569,335.44	\$2,569,335.44
Accruals	--	--
Market Value with Accruals	\$14,574.13	\$14,574.13

INCOME

Portfolio Activity	Current Period Value	Year-to-Date Value
Beginning Market Value	5,802.52	2,454.75
Withdrawals & Fees	(18.36)	(3,362.47)
Net Additions/Withdrawals	(\$18.36)	(\$3,362.47)
Income	7,611.72	14,303.60
Change in Investment Value	\$13,395.88	\$13,395.88
Ending Market Value	1,178.25	1,178.25
Market Value with Accruals	\$14,574.13	\$14,574.13

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THE KETTERING FUND-PINNACLE ACCT P91467608
For the Period 12/1/09 to 12/31/09

Account Summary CONTINUED

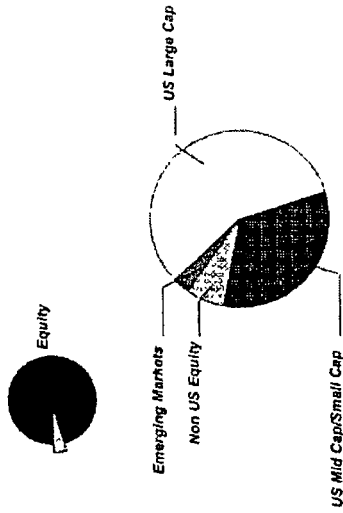
Tax Summary	Current Period Value	Year-to-Date Value
Domestic Dividends/Distributions	7,480.50	13,503.50
Foreign Dividends	122.40	542.77
Interest Income	8.82	32.33
Taxable Income	\$7,611.72	\$14,078.60
Partnership/Alt Asset Distributions		225.00
Other Income & Receipts		\$225.00

	Current Period Value	Year-to-Date Value
ST Realized Gain/Loss		(3,369.47)
LT Realized Gain/Loss	(5,372.80)	9,660.49
Realized Gain/Loss	(\$5,372.80)	\$6,291.02
Unrealized Gain/Loss		\$211,097.50

Equity Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
US Large Cap	1,288,993.50	1,438,614.50	149,621.00	56%
US Mid Cap/Small Cap	797,929.50	836,514.30	38,584.80	33%
Non US Equity	170,507.00	184,306.00	13,799.00	7%
Emerging Markets	45,729.50	34,128.00	(11,601.50)	1%
Total Value	\$2,303,159.50	\$2,493,562.80	\$190,403.30	97%

Asset Categories



Market Value/Cost	Current Period Value
Market Value	2,493,562.80
Tax Cost	2,311,695.20
Unrealized Gain/Loss	211,097.50
Estimated Annual Income	17,712.10
Accrued Dividends	1,169.65
Yield	0.71%

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THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

Equity Detail

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Large Cap							
AMR CORP DEL 001765-10-6 AMR	2,700,000	7.73	20,871.00	25,408.62	(4,537.62)		
ARROW ELECTRONICS INC 042735-10-0 ARW	900,000	29.61	26,649.00	24,277.50	2,371.50		
ATMEL CORP 049513-10-4 ATML	8,950,000	4.61	41,259.50	43,811.91	(2,552.41)		
AVNET INC 053807-10-3 AVT	1,100,000	30.16	33,176.00	19,610.55	13,565.45		
BJ SERVICES CO 055482-10-3 BJS	1,350,000	18.60	25,110.00	36,054.53	(10,944.53)	270.00 67.50	1.08 %
BUCYRUS INTERNATIONAL INC CL A 118759-10-9 BUCY	1,350,000	56.37	76,099.50	31,341.70	44,757.80	135.00	0.18 %
CABLEVISION SYSTEMS CORP CL A NY 12686C-10-9 CVC	2,300,000	25.82	59,386.00	51,322.89	8,063.11	920.00	1.55 %
CUMMINS INC 231021-10-6 CMI	1,200,000	45.86	55,032.00	35,620.00	19,412.00	840.00	1.53 %
DISCOVERY COMMUNICATIONS INC - C 25470F-30-2 DISC K	1,100,000	26.52	29,172.00	13,352.45	15,819.55		
DISCOVERY COMMUNICATIONS INC CL A 25470F-10-4 DISC A	1,100,000	30.67	33,737.00	14,871.10	18,865.90		

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THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Large Cap							
GANNETT CO 364730-10-1 GCI	1,400,000	14.85	20,790.00	11,792.62	8,997.38	224.00 56.00	1.08%
GILEAD SCIENCES INC 375558-10-3 GILD	1,300,000	43.27	56,251.00	40,437.52	15,813.48		
GOODRICH CORP 382388-10-6 GR	1,000,000	64.25	64,250.00	38,326.50	25,923.50	1,080.00 270.00	1.68%
HELMERICH & PAYNE INC 423452-10-1 HP	1,350,000	39.88	53,838.00	33,399.00	20,439.00	270.00	0.50%
IAC/INTERACTIVE CORP NEW 44919P-50-8 IACI	750,000	20.48	15,360.00	12,140.66	3,219.34		
KANSAS CITY SOUTHERN INDUSTRIES INC 485170-30-2 KSU	1,000,000	33.29	33,290.00	15,358.50	17,931.50		
LAM RESEARCH CORP 512807-10-8 LRCX	1,100,000	39.21	43,131.00	45,011.01	(1,880.01)		
LAS VEGAS SANDS CORP 517634-10-7 LVS	2,750,000	14.94	41,085.00	11,801.30	29,283.70		
LIBERTY MEDIA CORP-CAPITAL 53071M-30-2 LCAP A	500,000	23.88	11,940.00	5,525.20	6,414.80		
LSI CORPORATION 502161-10-2 LSI	4,500,000	6.01	27,045.00	16,962.30	10,082.70		
MARSHALL & ILSLEY CORP 571837-10-3 MI	1,750,000	5.45	9,537.50	14,432.48	(4,894.98)	70.00	0.73%
MEADWESTVACO CORP 583334-10-7 MWV	1,000,000	28.63	28,630.00	25,317.50	3,312.50	920.00	3.21%

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THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Large Cap							
MOSAIC CO/THE 61945A-10-7 MOS	900 000	59.73	53,757.00	14,127.75	39,629.25	180.00	0.33%
MYRIAD GENETICS INC 62855J-10-4 MYGN	2,000,000	26.09	52,180.00	30,404.99	21,775.01		
NOVELLUS SYSTEMS INC 67C008-10-1 NVLS	1,800,000	23.34	42,012.00	46,296.00	(4,284.00)		
PALL CORP 696429-30-7 PLL	1,500,000	36.20	54,300.00	39,666.75	14,633.25	870.00	1.60%
PRECISION CASTPARTS CORP 740189-10-5 PCP	750,000	110.35	82,762.50	44,807.85	37,954.65	90.00	0.11%
RAYMOND JAMES FINANCIAL INC 754730-10-9 RJF	1,150,000	23.77	27,335.50	22,162.61	5,172.89	506.00 126.50	1.85%
ROBERT HALF INTERNATIONAL INC 770323-10-3 RHI	1,000,000	26.73	26,730.00	32,027.10	(5,297.10)	480.00	1.80%
ROWAN COMPANIES 779382-10-0 RDC	900,000	22.64	20,376.00	28,206.00	(7,830.00)		
SUNOCO INC 86764P-10-9 SUN	900,000	26.10	23,490.00	51,820.11	(28,330.11)	1,080.00	4.60%
TRIMBLE NAVIGATION LTD 896239-10-0 TRMB	1,550,000	25.20	39,060.00	34,866.66	4,193.34		
TW TELECOM INC 87311L-10-4 TWTC	2,700,000	17.15	46,305.00	43,846.17	2,458.83		
UNITED STATES CELLULAR CORP 911684-10-8 USM	800,000	42.41	33,928.00	48,026.42	(14,098.42)		

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THE KETTERING FUND-PINNACLE ACCT P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income		Yield
						Accrued Dividends		
US Large Cap								
UNITED STATES STEEL CORP 912908-10-6 X	300 000	55 12	16,536 00	17,379 00	(843 00)	60 00		0 36 %
VALSPAR CORP 920355-10-4 VAL	1,500 000	27 14	40,710 00	38,986 50	1,723 50	960 00	240 00	2 36 %
WADELLE & REED FINANCIAL INC CL A	1,350 000	30 54	41,229 00	19,487 25	21,741 75	1,026 00	256 50	2 49 %
930059-10-0 WDR								
WHIRLPOOL CORP 963320-10-6 WHR	400 000	80 66	32,264 00	30,592 00	1,672 00	688 00		2 13 %
Total US Large Cap			\$1,438,614.50	\$1,108,879.00	\$329,735.50	\$10,669.00	\$1,016.50	0.74 %
US Mid Cap/Small Cap								
ARRIS GROUP INC 04269Q-10-0 ARRS	2,600 000	11 43	29,718 00	24,803 48	4,914 52			
ASCENT MEDIA CORP-A-WI 043632-10-8 ASCM A	110 000	25 53	2,808 30	2,444 45	363 85			
BELO CORPORATION 080555-10-5 BLC	2,950 000	5 44	16,048 00	5,948 78	10,099 22			
BILL BARRETT CORP 06846N-10-4 BBG	600 000	31 11	18,666 00	32,088 24	(13,422 24)			
BROOKS AUTOMATION INC 114340-10-2 BRKS	2,200 000	8 58	18,876 00	29,590 00	(10,714 00)			

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THE KETTERING FUND-PINNACLE ACCT P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income	Accrued Dividends	Yield
US Mid Cap/Small Cap								
CINCINNATI BELL INC 171871-10-8 CBB	8,700,000	3.45	30,015.00	41,038.25	(11,023.25)			
COGNEX CORP 192422-10-3 CGNX	1,400,000	17.71	24,794.00	30,282.20	(5,488.20)		280.00	1.13%
CROWN MEDIA HOLDINGS INC CL A 228411-10-4 CRWN	1,400,000	1.45	2,030.00	5,142.20	(3,112.20)			
DIEBOLD INC 253651-10-3 DBO	700,000	28.45	19,915.00	17,702.30	2,212.70		728.00	3.66%
FLUSHING FINANCIAL CORP 343873-10-5 FFIC	1,500,000	11.26	16,890.00	25,710.00	(8,820.00)		780.00	4.62%
GENCORP INC 368682-10-0 GY	2,400,000	7.00	16,800.00	30,798.64	(13,998.64)		288.00	1.71%
GOODRICH PETROLEUM CORP 382410-40-5 GDP	1,300,000	24.35	31,655.00	31,705.64	(50.64)			
HARMONIC INC 413160-10-2 HLIT	5,900,000	6.32	37,288.00	31,975.64	5,312.36			
HEIDRICK & STRUGGLES INTERNATIONAL INC 422819-10-2 HSI	700,000	31.24	21,868.00	23,408.70	(1,540.70)		364.00	1.66%
HEXCEL CORP 428291-10-8 HXL	2,100,000	12.98	27,258.00	39375.00	2,883.00			
INTERMEC INC 458786-10-0 IN	1,800,000	12.86	23,148.00	36771.04	15,592.16			

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THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Mid Cap/Small Cap							
ION GEOPHYSICAL CORP 462044-10-8 IO	3,000,000	5.92	17,760.00	40,534.33	(22,774.33)		
ISIS PHARMACEUTICALS INC 464330-10-9 ISIS	2,300,000	11.11	25,553.00	27,632.43	(2,079.43)		
KB HOME 48666K-10-9 KBH	1,400,000	13.68	19,152.00	25,020.94	(5,868.94)	350.00	1.83%
L-1 IDENTITY SOLUTIONS INC 50212A-10-6 ID	1,800,000	7.49	13,482.00	21,048.66	(7,566.66)		
LIN TV CORP CL A 532774-10-6 TVL	3,100,000	4.46	13,826.00	19,959.41	(6,133.41)		
LODGENET INTERACTIVE CORP 540211-10-9 LNET	1,650,000	5.53	9,124.50	10,761.47	(1,636.97)		
NEW YORK TIMES CO A 650111-10-7 NYT	1,300,000	12.36	16,068.00	26,817.83	(10,749.83)		
ONYX PHARMACEUTICALS INC 683399-10-9 ONXX	800,000	29.34	23,472.00	19,749.04	3,722.96		
OSI PHARMACEUTICALS INC 671040-10-3 OSIP	850,000	31.06	26,401.00	29,008.95	(2,607.95)		
PALM INC 696643-10-5 PALM	2,250,000	10.03	22,567.50	21,464.33	9,730.32		
PDL BIOPHARMA INC 69329Y-10-4 PDLI	2,700,000	6.86	18,522.00	41,001.22	(16,330.95)	2,700.00	14.58%
REGENERON PHARMACEUTICALS INC 75986F-10-7 REGN	1,900,000	24.18	45,942.00	27,456.90	18,485.10		

THE KETTERING FUND-PINNACLE ACCT P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
US Mid Cap/Small Cap							
RF MICRO DEVICES INC 749941-10-0 RFMD	4,200,000	4.77	20,034.00	26,636.00	(6,602.00)		
RTI INTERNATIONAL METALS INC 74973W-10-7 RTI	1,500,000	25.17	37,755.00	48,002.45	(10,247.45)		
SAKS INC 79377W-10-8 SKS	2,800,000	6.56	18,368.00	34,406.00	(16,038.00)		
SEACHANGE INTERNATIONAL INC 811699-10-7 SEAC	3,000,000	6.56	19,680.00	23,266.90	(3,586.90)		
SEATTLE GENETICS INC 812578-10-2 SGEN	3,000,000	10.16	30,480.00	32,296.50	(1,816.50)		
SINCLAIR BROADCAST GROUP INC CL A 829226-10-9 SBG1	2,200,000	4.03	8,866.00	17,337.54	(8,471.54)		
STILLWATER MINING CO 86074Q-10-2 SWC	3,900,000	9.48	36,972.00	35,126.05	1,845.95		
TRIJUNT SEMICONDUCTOR INC 89674K-10-3 TQNT	5,800,000	6.00	34,800.00	25,056.00	9,744.00		
UNIFI INC 904677-10-1 UFI	3,400,000	3.88	13,192.00	8,454.10	4,737.90		
VISHAY INTERTECHNOLOGY INC 928298-10-8 VSH	3,200,000	8.35	26,720.00	44,218.56	(17,498.56)		
Total US Mid Cap/Small Cap			\$836,514.30		(\$118,535.25)	\$5,490.00	0.66%

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THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

	Quantity	Price	Market Value	Tax Cost	Unrealized Gain/Loss	Estimated Annual Income Accrued Dividends	Yield
Non US Equity							
CAE INC 124765-10-8 CAE	4 300,000	8 23	35 389 00	35,973.62	(584 62)	490.20	1 39%
CAMECO CORP 13321L-10-8 CCJ	2 700 000	32 17	86,859 00	104,402.55	(17,543 55)	612.90 153 15	0 71 %
LAZARD LIMITED LP CL A G54050-10-2 LAZ	900,000	37 97	34,173 00	32514 00	1,728 00	450.00	1 32%
ORIENT EXPRESS HOTELS LTD CL A G67743-10-7 OEH	2,750 000	10 14	27,885.00	25,396.19	2,488 81		
Total Non US Equity			\$184,306 00		(\$13,911.36)	\$1,553 10 \$153.15	0 84%
Emerging Markets							
ROYAL CARIBBEAN CRUISES LTD V7780T-10-3 RCL	1 350 000	25 28	34,128 00	20,319.39	13,808 61		

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THE KETTERING FUND-PINNACLE ACCT P91467608
For the Period 12/1/09 to 12/31/09

Cash & Short Term Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
Cash	63,372.64	75,772.64	12,400.00	3%

Asset Categories



Cash & Short Term

Market Value/Cost	Current Period Value
Market Value	75,772.64
Tax Cost	75,772.64
Estimated Annual Income	90.92
Accrued Interest	8.60
Yield	0.12%

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THE KETTERING FUND-PINNACLE ACCT. P91467608
For the Period 12/1/09 to 12/31/09

Note: ¹ This is the Annual Percentage Yield (APY) which is the rate earned if balances remain on deposit for a full year with compounding. There is no change in the interest rate and all interest is left in the account

Cash & Short Term Detail

	Quantity	Price	Market Value	Tax Cost Adjusted Original	Unrealized Gain/Loss	Estimated Annual Income Accrued Interest	Yield
Cash							
US DOLLAR PRINCIPAL	75.772 64	1.00	75.772 64	75.772 64		90.92 8.60	0.12 % ¹