



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



Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

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

, and ending

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name changeUse the IRS
label
Otherwise,
print
or type.
See Specific
Instructions

Name of foundation

LAWRENCE & AUGUSTA HAGER EDUCATION FDN

Number and street (or P O box number if mail is not delivered to street address)

325 WILDWOOD

Room/suite

City or town, state, and ZIP code

OWENSBORO, KY 42303

A Employer identification number

61-1187348

B Telephone number

270-685-5707

H Check type of organization:

☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year

(from Part II, col (c), line 16)

\$ 2,751,678. (Part I, column (d) must be on cash basis)

J Accounting method

☒ Cash☐ Accrual☐ Other (specify)C If exemption application is pending, check here ☐D 1 Foreign organizations, check here ☐2 Foreign organizations meeting the 85% test, check here and attach computation ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐**Part I Analysis of Revenue and Expenses**

(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

Revenue	1 Contributions, gifts, grants, etc., received	59,406.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	29,584.	29,584.		STATEMENT 1
	4 Dividends and interest from securities	55,697.	55,697.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	<96,241.>			STATEMENT 3
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income	19,545.	19,545.		STATEMENT 4
	12 Total. Add lines 1 through 11	67,991.	104,826.		
	13 Compensation of officers, directors, trustees, etc	46,224.	0.		43,031.
	14 Other employee salaries and wages	22,286.	0.		17,733.
	15 Pension plans, employee benefits	2,644.	0.		2,299.
	16a Legal fees				
	b Accounting fees STMT 5	3,150.	1,575.		1,575.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 6	5,232.	0.		4,641.
	19 Depreciation and depletion				
	20 Occupancy	3,600.	0.		3,600.
	21 Travel, conferences, and meetings	37,412.	0.		35,543.
	22 Printing and publications	495.	0.		470.
	23 Other expenses STMT 7	23,462.	13,049.		9,892.
	24 Total operating and administrative expenses. Add lines 13 through 23	144,505.	14,624.		118,784.
	25 Contributions, gifts, grants paid	15,000.			15,000.
	26 Total expenses and disbursements Add lines 24 and 25	159,505.	14,624.		133,784.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<91,514.>			
	b Net investment income (if negative, enter -0-)		90,202.		
	c Adjusted net income (if negative, enter -0-)			N/A	

Part II Balance Sheets * Attach schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash—non-interest-bearing	128,843.	72,648.	72,648.	
	2 Savings and temporary cash investments	378,905.	291,434.	304,046.	
	3 Accounts receivable ▶				
	Less: allowance for doubtful accounts ▶				
	4 Pledges receivable ▶				
	Less: allowance for doubtful accounts ▶				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons				
	7 Other notes and loans receivable ▶				
	Less: allowance for doubtful accounts ▶				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges	695.			
	10a Investments - U.S. and state government obligations				
	b Investments - corporate stock STMT 8	1,943,063.	1,995,794.	2,374,984.	
	c Investments - corporate bonds				
Liabilities	11 Investments - land, buildings, and equipment basis ▶				
	Less: accumulated depreciation ▶				
	12 Investments - mortgage loans				
	13 Investments - other				
	14 Land, buildings, and equipment basis ▶				
	Less: accumulated depreciation ▶				
	15 Other assets (describe ▶)				
	16 Total assets (to be completed by all filers)	2,451,506.	2,359,876.	2,751,678.	
	17 Accounts payable and accrued expenses	2,591.	2,475.		
	18 Grants payable				
Net Assets or Fund Balances	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ▶)				
	23 Total liabilities (add lines 17 through 22)	2,591.	2,475.		
Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>	24 Unrestricted				
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>	27 Capital stock, trust principal, or current funds	3,238,058.	3,158,477.	
		28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
		29 Retained earnings, accumulated income, endowment, or other funds	<789,143.>	<801,076.>	
		30 Total net assets or fund balances	2,448,915.	2,357,401.	
	31 Total liabilities and net assets/fund balances	2,451,506.	2,359,876.		

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	2,448,915.
2 Enter amount from Part I, line 27a	2	<91,514.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	2,357,401.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,357,401.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE ATTACHED SCHEDULE	P	VARIOUS	VARIOUS
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			0.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			0.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	<div> <div>If gain, also enter in Part I, line 7</div> <div>If (loss), enter -0- in Part I, line 7</div> </div>	2	0.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div> <div>If gain, also enter in Part I, line 8, column (c).</div> <div>If (loss), enter -0- in Part I, line 8</div> </div>	3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	138,943.	2,859,801.	.048585
2007	146,732.	3,220,603.	.045560
2006	140,426.	2,974,261.	.047214
2005	125,329.	2,880,667.	.043507
2004	138,878.	2,879,933.	.048223

2 Total of line 1, column (d)	2	.233089
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	.046618
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	2,454,483.
5 Multiply line 4 by line 3	5	114,423.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	902.
7 Add lines 5 and 6	7	115,325.
8 Enter qualifying distributions from Part XII, line 4	8	133,784.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here <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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	902.
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	902.
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	902.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	3,198.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	3,198.
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	2,296.
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input checked="" type="checkbox"/> 2,296. Refunded <input type="checkbox"/>		11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> KY		
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)? 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

N/A

Form 990-PF (2009)

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ► N/A				
14	The books are in care of ► LAWRENCE W. HAGER, JR.	Telephone no. ►	270-685-5707	
Located at ► 325 WILDWOOD, OWENSBORO, KY		ZIP+4 ►	42303	
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15		N/A

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<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 type="checkbox"/> Yes <input checked="" 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	N/A	1b
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<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
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

Form 990-PF (2009)

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

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

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

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

6b

X

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 9		46,224.	1,444.	0.

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

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

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

0

Form 990-PF (2009)

Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

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

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3

0.

Form 990-PF (2009)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,066,380.
b	Average of monthly cash balances	1b	80,323.
c	Fair market value of all other assets	1c	345,158.
d	Total (add lines 1a, b, and c)	1d	2,491,861.
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	2,491,861.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	37,378.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,454,483.
6	Minimum investment return. Enter 5% of line 5	6	122,724.

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

1	Minimum investment return from Part X, line 6	1	122,724.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	902.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	902.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	121,822.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	121,822.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	121,822.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	133,784.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	133,784.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	902.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	132,882.

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.

Form 990-PF (2009)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				121,822.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			12,999.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 133,784.				
a Applied to 2008, but not more than line 2a			12,999.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				120,785.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				1,037.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

N/A

b Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(1)(3) or ☐ 4942(1)(5)

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

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).)

LAWRENCE W. HAGER, JR.

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

NONE

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

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

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

MR. LAWRENCE W. HAGER, JR., 270-685-5707
325 WILDWOOD, OWENSBORO, KY 42303

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

APPLICANTS ARE TO SUBMIT A LETTER OUTLINING THEIR PROGRAM AND NEEDS.

c Any submission deadlines:

NONE ESTABLISHED AT THIS TIME.

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

DAVIESS COUNTY, KY; EDUCATIONAL PURPOSES/CHILDREN AT RISK

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

<div>Recipient</div> <div>Name and address (home or business)</div>	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
<div>a Paid during the year</div> <div>OWENSBORO ROTARY CLUB 2707 BRECKENRIDGE STREET, STE. 1 OWENSBORO, KY 42303</div> <div>RIVERPARK CENTER 101 DAVIESS STREET OWENSBORO, KY 42303</div>		NOT A PRIVATE FDN	PURPOSE FOR WHICH ORGANIZATION APPLIES	<div>10,000.</div> <div>5,000.</div>
Total			▶ 3a	15,000.
<div>b Approved for future payment</div> <div>OWENSBORO ROTARY CLUB (2010) 2707 BRECKENRIDGE STREET, STE. 1 OWENSBORO, KY</div> <div>RIVERPARK CENTER (2010) 101 DAVIESS STREET OWENSBORO, KY 42303</div>				<div>10,000.</div> <div>5,000.</div>
Total			▶ 3b	15,000.

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

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

OMB No 1545-0047

2009

Name of the organization

Employer identification number

LAWRENCE & AUGUSTA HAGER EDUCATION FDN

61-1187348

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

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

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

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

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions
for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

LAWRENCE & AUGUSTA HAGER EDUCATION FDN

61-1187348

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	LAWRENCE W. HAGER, JR. 325 WILDWOOD OWENSBORO, KY 42303	\$ 16,660.	Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
2	VITA GRANT OWENSBORO, KY 42301	\$ 26,397.	Person <input type="checkbox"/> Payroll <input checked="" type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
NATIONAL CITY BANK	21.
PNC BANK	29,563.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	29,584.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
PNC BANK	55,697.	0.	55,697.
TOTAL TO FM 990-PF, PART I, LN 4	55,697.	0.	55,697.

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 3

(A) DESCRIPTION OF PROPERTY			MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
SEE ATTACHED SCHEDULE			PURCHASED	VARIOUS	VARIOUS
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS	
0.	0.	0.	0.	0.	

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED		DATE ACQUIRED	DATE SOLD
	PURCHASED			
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
0.	0.	0.	0.	<96,241.>

NET GAIN OR LOSS FROM SALE OF ASSETS	<96,241.>
CAPITAL GAINS DIVIDENDS FROM PART IV	0.
TOTAL TO FORM 990-PF, PART I, LINE 6A	<96,241.>

FORM 990-PF OTHER INCOME STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
STOCK CLASS ACTION SUITS	19,545.	19,545.	
TOTAL TO FORM 990-PF, PART I, LINE 11	19,545.	19,545.	

FORM 990-PF	ACCOUNTING FEES	STATEMENT	5
-------------	-----------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ALEXANDER & COMPANY, PSC	3,150.	1,575.		1,575.
TO FORM 990-PF, PG 1, LN 16B	3,150.	1,575.		1,575.

FORM 990-PF	TAXES	STATEMENT	6
-------------	-------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	5,228.	0.		4,637.
FILING FEE	4.	0.		4.
TO FORM 990-PF, PG 1, LN 18	5,232.	0.		4,641.

FORM 990-PF	OTHER EXPENSES	STATEMENT	7
-------------	----------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EXPENSE	8,799.	0.		8,359.
BANK COMMISSION EXPENSE	13,049.	13,049.		0.
INSURANCE	1,614.	0.		1,533.
TO FORM 990-PF, PG 1, LN 23	23,462.	13,049.		9,892.

FORM 990-PF	CORPORATE STOCK	STATEMENT	8
-------------	-----------------	-----------	---

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE SCHEDULE ATTACHED	1,995,794.	2,374,984.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,995,794.	2,374,984.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
KEITH SANDERS 3937 KENSINGTON PLACE OWENSBORO, KY 42301	EXECUTIVE DIRECTOR 40.00	46,224.	1,444.	0.
LAWRENCE W. HAGER, JR. 325 WILDWOOD OWENSBORO, KY 42303	PRESIDENT/DIRECTOR 20.00	0.	0.	0.
FRANKIE W. HAGER 325 WILDWOOD OWENSBORO, KY 42303	SECRETARY/TREAS/DIRECTOR 10.00	0.	0.	0.
ALLEN HOLBROOK 100 ST. ANN STREET OWENSBORO, KY 42303	VICE PRES/DIRECTOR 2.00	0.	0.	0.
RODNEY BERRY P. O. BOX 548 OWENSBORO, KY 42302	VICE PRES/DIRECTOR 2.00	0.	0.	0.
ELIZABETH ALEXANDER 1258 BASSETT AVENUE LOUISVILLE, KY 40204	VICE PRES/DIR EMERITUS 2.00	0.	0.	0.
LAWRENCE W. HAGER, III 4611 LOFTWOOD OWENSBORO, KY 42303	VICE PRES/DIRECTOR 2.00	0.	0.	0.
DEBORAH NUNLEY 3317 FREDERICA STREET OWENSBORO, KY 42301	VICE PRES/DIRECTOR 2.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		46,224.	1,444.	0.

Lawrence & Augusta Hager Educational Foundation
2009
Grant Schedule

Grantee	Committed	Amount Paid	Amount Due	Month
Rotary Club Youth Fund	\$5,000	\$5,000		June
Rotary Club Readifest	\$5,000	5,000		June
RiverPark Center Arts Teach Kids	\$5,000		\$5,000	December
TOTALS	\$15,000		\$15,000	

The LAHEF has long standing pre-existing commitments to the Rotary Club and Arts Teach Kids and this is reflected in the grant schedule for 2009.

- 1) Rotary Club/Youth Fund** – To provide for medical, dental and other emergency needs for low income children in the public school system.
- 2) Rotary Club Readifest** – To purchase essential school supplies for children from low income families.
- 3) RiverPark Center** – To enable low income children to participate in the cultural/fine arts programming.

Lawrence & Augusta Hager Educational Foundation
2010
Grant Schedule

Grantee	Committed	Amount Paid	Amount Due	Month
Rotary Club Youth Fund	\$5,000	\$5,000		June
Rotary Club Readifest	\$5,000	5,000		June
RiverPark Center Arts Teach Kids	\$5,000		\$5,000	December
TOTALS	\$15,000		\$15,000	

The LAHEF has long standing pre-existing commitments to the Rotary Club and Arts Teach Kids and this is reflected in the grant schedule for 2009.

- 1) Rotary Club/Youth Fund** – To provide for medical, dental and other emergency needs for low income children in the public school system.
- 2) Rotary Club Readifest** – To purchase essential school supplies for children from low income families.
- 3) RiverPark Center** – To enable low income children to participate in the cultural/fine arts programming.

LAWRENCE AND AUGUSTA HAGER EDUCATIONAL FOUNDATION, INC

Income Tax Schedules

Year 2009

61-1187348

Part II, Balance Sheet

Line 10b Corporate Stock

Cost

Market

1,000	shrs	AT&T, Inc	31,710	28,030
2,000	shrs	AT&T, Inc Pfd	50,270	53,380
1,075	shrs	Bristol Myers Squibb Co	24,768	27,144
1,100	shrs	Cisco Systems Inc	25,493	26,334
375	shrs	ConocoPhillips	26,438	19,151
925	shrs	Crown Holdings Inc	24,799	23,662
500	shrs	Dollar Tree Inc	24,170	24,150
850	shrs	Exelon Corporation	24,880	41,539
800	shrs	Exxon Mobil Corp	13,690	54,552
1,500	shrs	General Electric Co	8,653	22,695
200	shrs	Goldman Sachs Group, Inc	25,348	33,768
750	shrs	Heinz H J Co	24,885	32,070
625	shrs	Hewlett-Packard Co	25,453	32,194
450	shrs	ITT Corp	24,133	22,383
750	shrs	Ingersoll Rand	24,315	26,805
1,600	shrs	Intel Corp	7,150	32,640
500	shrs.	Int'l Business Machines Corp	6,587	65,450
675	shrs	Johnson & Johnson	36,119	43,477
2,000	shrs	JP Morgan Chase Cap Pfd	46,562	44,260
500	shrs	Kimberly-Clark Corp	25,769	31,855
600	shrs	Marathon Oil Corp	25,455	18,732
725	shrs	McDonalds Corp	24,599	45,269
600	shrs.	Medco Health Solutions Inc	24,586	38,346
2,000	shrs	Microsoft Corp	7,844	60,960
300	shrs	Monsanto Co	24,599	24,525
1,400	shrs	Oracle Corp	25,257	34,342
650	shrs	Pepsico Inc	22,939	39,520
517	shrs	Pfizer Inc	9,055	9,404
500	shrs	Procter & Gamble Co	10,548	30,315
700	shrs	Southern Co	25,505	23,324
550	shrs	Teva Pharmaceutical Inds Ltd	25,574	30,899
400	shrs	Union Pacific Corp	24,684	25,560
600	shrs	United Technologies Corp	23,727	41,646
800	shrs	Verizon Communications Inc	24,568	26,504
525	shrs	Wal-Mart Stores, Inc.	7,301	28,061
725	shrs	Walgreen Co	25,181	26,622
1,000	shrs	Waste Management Inc	25,161	33,810
1,000	shrs	Wells Fargo & Company New	24,800	26,990
1,000	shrs	Yum! Brands, Inc	24,620	34,970
97	shrs	Artisan Fds Inc	2,351	2,009
4,694	shrs	Artisan Fds Inc International Fd	105,873	96,972
9,052	shrs	Baird Aggregate Bond Fund	95,000	92,602
12	shrs.	Baron Small Cap Fund	283	229
2,821	shrs	Baron Small Cap Fund	66,956	54,326
347	shrs	Blackrock Fds - GMNA Portfolio	3,513	3,503
18,344	shrs	Blackrock Fds - GMNA Portfolio	175,000	184,906
1,700	shrs	Financial Select Sector Spdr	25,143	24,480
16	shrs	Harbor Fund	1,134	902
3,420	shrs	Harbor Fund	151,103	187,634
1,200	shrs	Ishares Iboxx \$ Investop	124,957	124,980
675	shrs	Ishares Tr MSCI Emerging Mkts	24,860	28,013
400	shrs	Ishares Russell 2000 Value	29,844	23,216
708	shrs	Ishares Tr Russell MidCap Value	31,681	26,161
624	shrs.	Ishares Tr Russell MidCap Growth	31,815	28,292
447	shrs	Ishares Tr S&P SmallCap	24,896	24,460
1,000	shrs	Sector Spdr Tr ETF Shs Ben	23,800	22,930
259	shrs	T Rowe Price Mid Cap Value	5,738	5,360
2,942	shrs	T Rowe Price Mid Cap Value	69,652	60,949
9,442	shrs	Vanguard Bond Index Fund	95,000	97,722
			1,995,794	2,374,984



LAWRENCE & AUGUSTA HAGER CHAR FD
INVESTMENT MANAGEMENT STATEMENT
Account number 21-80-001-5693002
January 1, 2009 - December 31, 2009

Page 59 of 64

Realized gain/loss detail

Description	Quantity	Average tax cost per unit	Total tax cost	Sale date	Sale price per unit	Total proceeds	Net realized gain/loss
BANK OF AMERICA CORP	1,700	\$42.65848	- \$72,519.41	04/01/09	\$6.90	\$11,664.99	- \$60,854.42
CALAMOS GROWTH FUND CL - A FD # 606	1,289.928	52.90498	- 68,243.61	08/25/09	38.75	49,984.71	- 18,258.90
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	45.930	99.93468	- 45.90	12/31/08	1.00	45.93	0.03





LAWRENCE & AUGUSTA HAGER CHAR FD
INVESTMENT MANAGEMENT STATEMENT
Account number 21-80-001-5693002
January 1, 2009 - December 31, 2009

Page 60 of 64

Detail

Realized gain/loss detail

Description	Quantity	Average tax cost per unit	Total tax cost	Sale date	Sale price per unit	Total proceeds	Net realized gain/loss
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	39 340	99 94916	- 39 32	01/31/09	1 00	39 34	0 02
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	42 220	99 92894	- 42 19	02/28/09	1 00	42 22	0 03
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	47 020	99 93620	- 46 99	03/31/09	1 00	47 02	0 03
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	44 360	99 93237	- 44 33	04/30/09	1 00	44 36	0 03
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	40 790	99 92645	- 40 76	05/31/09	1 00	40 79	0 03
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	34 850	99 94261	- 34 83	06/30/09	1 00	34 85	0 02
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	42 830	99 92996	- 42 80	07/31/09	1 00	42 83	0 03
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	42 180	99 92888	- 42 15	08/31/09	1 00	42 18	0 03
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	35 600	99 94382	- 35 58	09/30/09	1 00	35 60	0 02
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	30 740	99 93494	- 30 72	10/31/09	1 00	30 74	0 02
FEDERAL HOME LN MTG CORP GOLD POOL #E00540 06 000% DUE 03/01/2013	35 010	99 94287	- 34 99	11/30/09	1 00	35 01	0 02

Detail

Realized gain/loss detail

Description	Quantity	Average tax cost per unit	Total tax cost	Sale date	Sale price per unit	Total proceeds	Net realized gain/loss
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	162 640	99 68642	- 162 13	12/31/08	1 00	162 64	0 51
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	231 300	99 68872	- 230 58	01/31/09	1 00	231 30	0 72
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	363 660	99 68652	- 362 52	02/28/09	1 00	363 66	1 14
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	314 340	99 68824	- 313 36	03/31/09	1 00	314 34	0 98
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	493 080	99 68768	- 491 54	04/30/09	1 00	493 08	1 54
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	767 100	99 68713	- 764 70	05/31/09	1 00	767 10	2 40
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	543 050	99 68695	- 541 35	06/30/09	1 00	543 05	1 70
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	257 050	99 68878	- 256 25	07/31/09	1 00	257 05	0 80
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	157 960	99 68979	- 157 47	08/31/09	1 00	157 96	0 49
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	113 800	99 68366	- 113 44	09/30/09	1 00	113 80	0 36
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	321 610	99 68596	- 320 60	10/31/09	1 00	321 61	1 01



Detail

Realized gain/loss detail

Description	Quantity	Average tax cost per unit	Total tax cost	Sale date	Sale price per unit	Total proceeds	Net realized gain/loss
GOVT NATL MTG ASSN POOL #605389 05 000% DUE 04/15/2034	794.750	99.68795	-792.27	11/30/09	1.00	794.75	2.48
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	1,569.880	99.71909	-1,565.47	12/31/08	1.00	1,569.88	4.41
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	44.580	99.70839	-44.45	01/31/09	1.00	44.58	0.13
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	35.270	99.71647	-35.17	02/28/09	1.00	35.27	0.10
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	38.010	99.71060	-37.90	03/31/09	1.00	38.01	0.11
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	37.380	99.70572	-37.27	04/30/09	1.00	37.38	0.11
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	50.670	99.72370	-50.53	05/31/09	1.00	50.67	0.14
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	1,487.730	99.71904	-1,483.55	06/30/09	1.00	1,487.73	4.18
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	45.090	99.71169	-44.96	07/31/09	1.00	45.09	0.13
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	35.960	99.72191	-35.86	08/31/09	1.00	35.96	0.10
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	36.150	99.72337	-36.05	09/30/09	1.00	36.15	0.10



LAWRENCE & AUGUSTA HAGER CHAR FD
INVESTMENT MANAGEMENT STATEMENT
Account number 21-80-001-5693002
January 1, 2009 - December 31, 2009

Page 63 of 64

Detail

Realized gain/loss detail

Description	Quantity	Average tax cost per unit	Total tax cost	Sale date	Sale price per unit	Total proceeds	Net realized gain/loss
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	48 560	99 71170	- 48 42	10/31/09	1 00	48 56	0 14
GOVT NATL MTG ASSN POOL #591214 06 000% DUE 07/15/2032	42 860	99 72002	- 42 74	11/30/09	1 00	42 86	0 12
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 310	100 00000	- 0 31 *	12/31/08	1 00	0 31	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 320	100 00000	- 0 32 *	01/31/09	1 00	0 32	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 320	100 00000	- 0 32 *	02/28/09	1 00	0 32	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 320	100 00000	- 0 32 *	03/31/09	1 00	0 32	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 320	100 00000	- 0 32 *	04/30/09	1 00	0 32	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 320	100 00000	- 0 32 *	05/31/09	1 00	0 32	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 320	100 00000	- 0 32 *	06/30/09	1 00	0 32	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 330	100 00000	- 0 33 *	07/31/09	1 00	0 33	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0 330	100 00000	- 0 33 *	08/31/09	1 00	0 33	





LAWRENCE & AUGUSTA HAGER CHAR FD
INVESTMENT MANAGEMENT STATEMENT
Account number 21-80-001-5693002
January 1, 2009 - December 31, 2009

Page 64 of 64

Detail

Realized gain/loss detail

Description	Quantity	Average tax cost per unit	Total tax cost	Sale date	Sale price per unit	Total proceeds	Net realized gain/loss
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0.330	100.00000	-0.33 *	09/30/09	1.00	0.33	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0.330	100.00000	-0.33 *	10/31/09	1.00	0.33	
GOVERNMENT NATL MTG ASSN POOL #446789 06 500% DUE 11/15/2028	0.330	100.00000	-0.33 *	11/30/09	1.00	0.33	
GENERAL DYNAMICS CORP	325	78.23622	-25,426.77	04/01/09	41.14	13,357.68	-12,069.09
GOLDMAN SACHS GROUP SR UNSUB 06 650% DUE 05/15/2009	30,000	99.13800	-29,741.40	05/15/09		30,000.00	258.60
GOLDMAN SACHS CORE FIXED INCOME FUND CLASS I	9,930.487	10.07000	-100,000.00	08/25/09	9.10	90,367.43	-9,632.57
HARRIS CORP	550	45.42000	-24,981.00	04/01/09	28.60	15,705.93	-9,275.07
IBM CORP NTS	50,000	98.55300	-49,276.50	09/15/09		50,000.00	723.50
04 250% DUE 09/15/2009							
KELLOGG CO	475	51.91000	-24,657.25	10/05/09	48.92	23,217.40	-1,439.85
MEDTRONIC INC	500	12.60874	-6,304.37	08/25/09	37.59	18,774.51	12,470.14
PFIZER INC	0.125	17.52000	-2.19	10/28/09	17.10	2.14	-0.05
PROCTER & GAMBLE CO	500	21.09620	-10,548.10	10/05/09	56.67	28,314.27	17,766.17
Total			- \$420,153.62			\$339,866.29	- \$80,287.33

* We have been unable to obtain tax cost information for these assets. If you have any information regarding tax cost call Kathleen Papania your Account Advisor

Pfizer - Merger
Wyeth - Merger

+9,057
-25,011
\$-96,241