Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning 07/01 **, 2009, and ending** 06/30 **, 20** 10

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

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE DAPHNE FOUNDATION		**A** Employer identification number 95-4288541
	Number and street (or P O box number if mail is not delivered to street address) 4444 LAKESIDE DRIVE, 3RD FLOOR	Room/suite	**B** Telephone number (see page 10 of the instructions) (818) 973-4286
	City or town, state, and ZIP code BURBANK, CA 91505		**C** If exemption application is pending, check here ▶ ☐ **D** 1. Foreign organizations, check here ▶ ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 8,399,492.

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

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

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

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	105,646.			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	961.	961.		ATCH 1
	4	Dividends and interest from securities	127,009.	191,570.		ATCH 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-53,301.			
	b	Gross sales price for all assets on line 6a 1,609,487.				
	7	Capital gain net income (from Part IV, line 2)		0.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	0	6,781.		ATCH 3
	12	**Total.** Add lines 1 through 11	180,315.	199,312.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) ATCH 4	2,000.	0.	0.	2,000.
	c	Other professional fees (attach schedule) *	23,248.	68,747.		
	17	Interest				
	18	Taxes (attach schedule) (see page 14 of the instructions) **	338.	5,331.		
	19	Depreciation (attach schedule) and depletion	398.			
	20	Occupancy	5,631.			5,631.
	21	Travel, conferences, and meetings	31,129.			31,129.
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 7	93,463.			91,621.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	156,207.	74,078.	0.	130,381.
	25	Contributions, gifts, grants paid	668,991.			668,991.
	26	**Total expenses and disbursements** Add lines 24 and 25	825,198.	74,078.	0.	799,372.
	27	Subtract line 26 from line 12.				
	a	**Excess of revenue over expenses and disbursements**	-644,883.			
	b	**Net investment income** (if negative, enter -0-)		125,234.		
	c	**Adjusted net income** (if negative, enter -0-)			-0-	

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For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions. * ATCH 5 JSA ** ATCH 6 Form **990-PF** (2009)

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G14-17

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	36,088.	34,838.	34,838.
	2	Savings and temporary cash investments	553,011.	753,693.	753,693.
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 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			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) ATCH 8	5,929,865.	5,086,955.	5,482,997.
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule) ATCH 9	2,044,349.	2,043,596.	2,125,164.
	14	Land, buildings, and equipment basis ▶ 1,992. Less accumulated depreciation (attach schedule) ▶ 1,625.	765.	367.	ATCH 10 367.
	15	Other assets (describe ▶ ATCH 11)	2,296.	2,433.	2,433.
	16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	8,566,374.	7,921,882.	8,399,492.
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 ▶ ATCH 12)	1,905.	2,296.	
	23	Total liabilities (add lines 17 through 22)	1,905.	2,296.	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ [X]			
	27	Capital stock, trust principal, or current funds	8,564,469.	7,919,586.	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	0.	0.	
	30	Total net assets or fund balances (see page 17 of the instructions)	8,564,469.	7,919,586.	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	8,566,374.	7,921,882.	

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	8,564,469.
2	Enter amount from Part I, line 27a	2	-644,883.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	7,919,586.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,919,586.

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	PUBLICLY TRADED SECURITIES		VARIOUS	VARIOUS
b	ARTISAN: ALPHA PLUS			
c	SPRUCE GROVE: US EQUITY LLC			
d	WILLIAM BLAIR: NON-US EQUITY LLC			
e	FAIRHOLME: ALPHA PLUS			

	(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	1,609,487.		1,662,788.	(53,301.)
b				(63,527.)
c				(151,077.)
d				(26,636.)
e				(1,467.)

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) . . . . . { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } **2** -296,008.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)
If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions)
If (loss), enter -0- in Part I, line 8 . . . . . **3**

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	878,773.	8,024,606.	0.109510
2007	799,526.	11,291,352.	0.070809
2006	756,763.	12,122,851.	0.062425
2005	742,119.	11,293,978.	0.065709
2004	722,794.	10,966,724.	0.065908

2	**Total** of line 1, column (d)	2	0.374361
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	0.074872
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	8,402,157.
5	Multiply line 4 by line 3	5	629,086.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,252.
7	Add lines 5 and 6	7	630,338.
8	Enter qualifying distributions from Part XII, line 4	8	799,372.

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 ▶ [ ] and enter "N/A" on line 1 Date of ruling or determination letter ____________ (attach copy of ruling letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b	1	1,252.
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	
3	Add lines 1 and 2	3	1,252.
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	1,252.
6	Credits/Payments		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 — 6a: 8,852.		
b	Exempt foreign organizations-tax withheld at source — 6b: 0.		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 0.		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments Add lines 6a through 6d	7	8,852.
8	Enter any **penalty** for underpayment of estimated tax Check here [ ] if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	7,600.
11	Enter the amount of line 10 to be. **Credited to 2010 estimated tax** ▶ 7,600. **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

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

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

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	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 ▶ KATHLEEN M. GALLI Telephone no ▶ 818-973-4240

Located at ▶ 4444 LAKESIDE DR BURBANK, CA ZIP + 4 ▶ 91505

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here N/A ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☒ Yes ☐ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?		1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	☐ Yes ☒ No			
	If "Yes," list the years ▶				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see page 20 of the instructions)		2b	N/A	
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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)*		3b	N/A	
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)*

		Yes	No
5a	During the year did the foundation pay or incur any amount to		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☒ Yes ☐ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b**	X	
	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? ATTACHMENT 13 ☒ 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? **7b**		X

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
ATTACHMENT 14		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

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

Total number of other employees paid over $50,000 ▶ NONE

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 ▶		NONE

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 NONE	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
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	7,662,159.
b	Average of monthly cash balances	1b	867,950.
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	8,530,109.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	8,530,109.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	127,952.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	8,402,157.
6	**Minimum investment return.** Enter 5% of line 5	6	420,108.

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	420,108.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	1,252.		
b	Income tax for 2009 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,252.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	418,856.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	418,856.
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	418,856.

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	799,372.
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	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	799,372.
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	1,252.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	798,120.

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				418,856.
2	Undistributed income, if any, as of the end of 2009				
a	Enter amount for 2008 only				
b	Total for prior years 20 07 ,20 06 ,20 05				
3	Excess distributions carryover, if any, to 2009				
a	From 2004 ... 0.				
b	From 2005 ... 0.				
c	From 2006 ... 119,728.				
d	From 2007 ... 248,970.				
e	From 2008 ... 481,313.				
f	Total of lines 3a through e	850,011.			
4	Qualifying distributions for 2009 from Part XII, line 4 ▶ $ 799,372.				
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)				
d	Applied to 2009 distributable amount				418,856.
e	Remaining amount distributed out of corpus	380,516.			
5	Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,230,527.			
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				
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)	0.			
9	**Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	1,230,527.			
10	Analysis of line 9				
a	Excess from 2005 ... 0.				
b	Excess from 2006 ... 119,728.				
c	Excess from 2007 ... 248,970.				
d	Excess from 2008 ... 481,313.				
e	Excess from 2009 ... 380,516.				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

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))

ABIGAIL E. DISNEY

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 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

N/A

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

N/A

c Any submission deadlines.

N/A

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

N/A

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				
ATTACHMENT 15				
Total . . . . ▶ 3a				668,991.
b Approved for future payment				
Total . . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See page 28 of the instructions)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	961.	
4 Dividends and interest from securities			14	127,009.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	-53,301.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				74,669.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 74,669.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions)
	NOT APPLICABLE

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

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

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

Signature of officer or trustee — Date 5/13/11 — Title President

Paid Preparer's Use Only

Preparer's signature	Date 5/12/11	Check if self-employed ☐	Preparer's identifying number (See Signature on page 30 of the instructions) P01344099
Firm's name (or yours if self-employed), address, and ZIP code	PRICEWATERHOUSECOOPERS LLP 350 SOUTH GRAND AVENUE LOS ANGELES, CA 90071-3405		EIN ▶ 13-4008324 Phone no 213 356-6000

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
THE DAPHNE FOUNDATION

Employer identification number
95-4288541

Organization type (check one):

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

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

General Rule

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

Special Rules

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

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

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

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

Name of organization THE DAPHNE FOUNDATION

Employer identification number 95-4288541

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	ABIGAIL E. DISNEY & PIERRE N. HAUSER 4444 W. LAKESIDE DRIVE, 3RD FLOOR BURBANK, CA 91505	$ 105,646.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

Form **8868** (Rev. April 2009)

Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only . . . . ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing *(e-file)* Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T) However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated From 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868 For more details on the electronic filing of this form, visit *www.irs gov/efile* and click on *e-file for Charities & Nonprofits*

Type or print	Name of Exempt Organization: THE DAPHNE FOUNDATION	Employer identification number: 95-4288541
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions: 4444 LAKESIDE DRIVE, P.O. BOX 7774	
	City, town or post office, state, and ZIP code For a foreign address, see instructions: BURBANK, CA 91510-7774	

Check type of return to be filed (file a separate application for each return).

[ ] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec. 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[X] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ▶ KATHLEEN M. GALLI

Telephone No. ▶ 818 973-4240 FAX No. ▶ 818 563-6429

- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . ▶ [ ] . If it is for part of the group, check this box . . ▶ [ ] and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 2011, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ [ ] calendar year ______ or

▶ [X] tax year beginning C7/01, 2009, and ending 06/30, 2010.

2 If this tax year is for less than 12 months, check reason. [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	$ NONE
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$ 8,352.
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ NONE

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions. Form **8868** (Rev. 4-2009)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print	Name of Exempt Organization THE DAPHNE FOUNDATION	**Employer identification number** 95-4288541
File by the extended due date for filing the return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions 4444 LAKESIDE DRIVE, P.O. BOX 7774	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions. BURBANK, CA 91510-7774	

Check type of return to be filed (File a separate application for each return):

[ ] Form 990	[X] Form 990-PF	[ ] Form 1041-A	[ ] Form 6069
[ ] Form 990-BL	[ ] Form 990-T (sec. 401(a) or 408(a) trust)	[ ] Form 4720	[ ] Form 8870
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ KATHLEEN GALLI
  Telephone No ▶ 818 973-4240 FAX No ▶ 818 563-6429
- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box . . . ▶ [ ] If it is for part of the group, check this box . . . ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until 05/16/2011 .

5 For calendar year ______ , or other tax year beginning 07/01/2009 , and ending 06/30/2010

6 If this tax year is for less than 12 months, check reason. [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO GATHER THE NECESSARY INFORMATION IN ORDER TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	**8a**	$ 8,852.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	**8b**	$ 8,852.
c	**Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	**8c**	$ 0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true correct, and complete, and that I am authorized to prepare this form

Signature ▶ Title ▶ CPA Date ▶ 1/17/11

PRICEWATERHOUSECOOPERS LLP
350 SOUTH GRAND AVENUE
LOS ANGELES, CA 90071-3405

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
CHASE MANHATTAN BANK		30.	30.
GMS 04347-3		826.	826.
GMS 14776-7		30.	30.
GMS 14777-5		75.	75.
	TOTAL	961.	961.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
WALT DISNEY COMPANY DIVIDENDS	3,500.	3,500.
GMS 04347-3	91,953.	91,953.
GMS 14776-7	13,374.	13,374.
GMS 14777-5	18,182.	18,182.
ARTISAN: ALPHA PLUS	0.	22,879.
SPRUCEGROVE: NON-US EQUITY LLC	0.	17,732.
WILLIAM BLAIR: NON-US EQUITY LLC	0.	11,810.
FAIRHOLME: ALPHA PLUS	0.	12,140.
TOTAL	127,009.	191,570.

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ARTISAN: ALPHA PLUS - 988 GAIN	0.	2,718.
ARTISAN: ALPHA PLUS - OTHER INC	0.	9,637.
SPRUCEGROVE: NON-US EQUITY - 988 LOSS	0.	-2,227.
WILLIAM BLAIR: NON-US EQUITY - 988 LOSS	0.	-3,347.
TOTALS	0.	6,781.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ACCOUNTING FEES	2,000.			2,000.
TOTALS	2,000.	0.	0.	2,000.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT FEES (GMS 14776-7)	11,275.	11,275.
INVESTMENT FEES (GMS 14777-5)	11,946.	11,946.
MISC INVESTMENT CHARGES	27.	27.
ARTISAN: ALPHA PLUS	0.	14,476.
FAIRHOLME: ALPHA PLUS	0.	14,502.
SPRUCEGROVE: NON-US EQUITY LLC	0.	8,481.
WILLIAM BLAIR: NON-US EQUITY	0.	8,040.
TOTALS	23,248.	68,747.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FEDERAL TAX PAYMENT	150.	0.
FOREIGN TAXES PAID-GMS 14776-7	188.	188.
FOREIGN TAXES PAID-ARTISAN	0.	1,946.
FOREIGN TAXES PAID-FAIRHOLME	0.	69.
FOREIGN TAXES PAID-SPRUCEGROVE	0.	1,231.
FOREIGN TAXES PD-WILLIAM BLAIR	0.	1,897.
TOTALS	338.	5,331.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
FRANCHISE TAX BOARD FILING FEE	10.	10.
COMPUTER SERVICES	11,494.	11,494.
OFFICE SUPPLIES	224.	224.
TELEPHONE EXPENSES	1,217.	1,217.
DUES & SUBSCRIPTIONS	4,187.	4,187.
INSURANCE	350.	350.
COMMUNICATIONS	2,825.	2,825.
RESEARCH & PLANNING	67,382.	65,540.
MISCELLANEOUS FEES	4,103.	4,103.
MOVING EXPENSE	946.	946.
STATIONARY & PRINTING	725.	725.
TOTALS	93,463.	91,621.

FORM 990PF, PART II - CORPORATE STOCK

ATTACHMENT 8

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
10,000 SHS WALT DISNEY HLDG CO	8,708.	315,000.
GMS 04347-3-SEE ATTACHED STMT	3,072,225.	3,238,392.
GMS 14776-7-SEE ATTACHED STMT	1,001,058.	954,500.
GMS 14777-5-SEE ATTACHED STMT	1,004,964.	975,105.
TOTALS	5,086,955.	5,482,997.

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
US STOCKS								
WALT DISNEY COMPANY (THE) CMN (DIS)	10,000 00	31.5000	315,000 00		No Cost		1 1111	3,500 00

	Quantity	Market Price	Market Value / Accrued Income	Contributions/ Distributions To Date	Net Contribution To Date	Economic Gain (Loss)
FAIRHOLME DYNAMIC EQUITY [SERIES]						
FAIRHOLME· DYNAMIC EQUITY [SERIES] CLASS 2 (GMSAF2)[12]	8,337.22	114 0700	951,027 14	1,000,000 00 0 00		(48,972 86)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
EQUITY OPTIONS/WARRANTS								
CALL/DIS @ 38 EXP 10/16/2010 (DIS 101016C00038000)	(100 00)	0 3600	(3,600 00)	1 2775	(12,774 77)	9,174 77		
TOTAL US EQUITY			**1,262,427.14**		**987,225.23**	**(39,798.09)**	**1.1111**	**3,500.00**

[12]Please refer to the end of the Holdings section for further details pertaining to these investments

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Contributions/ Distributions To Date	Net Contribution To Date	Economic Gain (Loss)		
NON-US EQUITY								
SPRUCEGROVE NON-US EQUITY LLC								
SPRUCEGROVE NON-US EQUITY LLC CLASS 2 (GMSIA2SF)[12]	5,529.06	93.7460	518,328 01	1,000,000 00 410,000.00		(71,671 99)		
WILLIAM BLAIR. NON-US EQUITY LLC								
WILLIAM BLAIR NON-US EQUITY LLC CLASS 2 (GMSIA3WF)[12]	6,738 24	82 4490	555,561 56	1,000,000.00 255,000 00		(189,438 44)		
ARTISAN DYNAMIC EQUITY (NON-US EQUITY) [SERIES]								
ARTISAN· DYNAMIC EQUITY(NON-US EQUITY)[SERIES] CLASS 2 (GMSAA2AF)[12]	7,786.38	115 8530	902,075.60	1,000,000 00 250,000 00		152,075 60		
	Quantity	**Market Price**	**Market Value / Accrued Income**	**Unit Cost**	**Cost Basis**	**Unrealized Gain (Loss)**	**Dividend Yield**	**Estimated Annual Income**
TOTAL NON-US EQUITY			**1,975,965.17**		**2,085,000.00**	**(109,034.83)**		
TOTAL PUBLIC EQUITY			**3,238,392.31**		**3,072,225.23**	**(148,832.92)**	**1.1111**	**3,500.00**

[6] Original Cost is price paid by purchaser adjusted for annual original issue discount payments and/or return of capital adjustments, if applicable Adjusted Cost reflects adjustments to Original Cost for accretion and/or amortization Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions

[12] Please refer to the end of the Holdings section for further details pertaining to these investments

DAPHNE FOUNDATION WESTFIELD: LCG
Holdings

Period Ended June 30, 2010

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
US EQUITY								
WESTFIELD LARGE CAP GROWTH								
U S DOLLAR	(1,535 94)	1 0000	(1,535 94)		(1,535 94)			
GOLDMAN SACHS BANK DEPOSIT (BDA) (*BDANOW)[14]	21,336 56	1 0000	21,336 56	1 0000	21,336 56		0.1566	33 40
	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
ADOBE SYSTEMS INC CMN (ADBE)	508 00	26.4300	13,426 44	33.3203	16,926 73	(3,500 29)		
AETNA INC CMN (AET)	724 00	26.3800	19,099.12	31.0855	22,505 91	(3,406 79)	0.1516	28.96
AIR PRODUCTS & CHEMICALS INC CMN (APD)	306 00	64 8100	19,831 86	69 9055	21,391.08	(1,559 22)	3 0242	599 76
AMAZON.COM INC CMN (AMZN)	155 00	109 2600	16,935 30	100 5794	15,589.81	1,345 49		
APPLE, INC CMN (AAPL)	191 00	251 5300	48,042 23	154 7500	29,557 24	18,484 99		
CELGENE CORPORATION CMN (CELG)	588 00	50 8200	29,882 16	57 3787	33,738.66	(3,856 50)		
CISCO SYSTEMS, INC CMN (CSCO)	1,417 00	21.3100	30,196.27	22 8392	32,363.10	(2,166 83)		
CORNING INCORPORATED CMN (GLW)	711 00	16.1500	11,482 65	17.5860	12,503.65	(1,021 00)	1.2384	142.20
EMC CORPORATION MASS CMN (EMC)	912 00	18 3000	16,689 60	17.1885	15,675.94	1,013 66		
EMERSON ELECTRIC CO CMN (EMR)	645.00	43.6900	28,180 05	38 4296	24,787.12	3,392 93	3.0671	864 30
FEDEX CORP CMN (FDX)	264.00	70.1100	18,509.04	80 3560	21,213.99	(2,704 95)	0.6846	126 72
GOODRICH CORPORATION CMN (GR)	342 00	66.2500	22,657.50 92 34	53 1109	18,163 92	4,493 58	1.6302	369.36
GOOGLE, INC. CMN CLASS A (GOOG)	72.00	444 9500	32,036.40	466.0962	33,558.93	(1,522.53)		
HALLIBURTON COMPANY CMN (HAL)	809 00	24.5500	19,860 95	33 6406	27,215.23	(7,354 28)	1.4664	291 24
HEWLETT-PACKARD CO CMN (HPQ)	368 00	43 2800	15,927 04 29 44	42 5736	15,667.08	259 96	0.7394	117.76
HONEYWELL INTL INC CMN (HON)	561.00	39 0300	21,895 83	40 1217	22,508.27	(612 44)	3.1002	678 81
ILLUMINA INC CMN (ILMN)	300.00	43.5300	13,059.00	39.3794	11,813.83	1,245.17		
INTEL CORPORATION CMN (INTC)	834 00	19 4500	16,221.30	19.7427	16,465.43	(244 13)	3.2391	525.42
INTL BUSINESS MACHINES CORP CMN (IBM)	210 00	123 4800	25,930 80	99 3579	20,865 15	5,065 65	2.1056	546 00
JPMORGAN CHASE & CO CMN (JPM)	685 00	36 6100	25,077 85	42 5505	29,147.12	(4,069 27)	0.5463	137 00
KOHL'S CORP (WISCONSIN) CMN (KSS)	415 00	47 5000	19,712 50	49 9267	20,719 58	(1,007 08)		
MARVELL TECHNOLOGY GROUP LTD CMN (MRVL)	1,062 00	15 7600	16,737 12	19 0999	20,284.10	(3,546 98)		

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit

DAPHNE FOUNDATION WESTFIELD: LCG

Holdings (Continued)

Period Ended June 30, 2010

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
WESTFIELD LARGE CAP GROWTH								
MICROSOFT CORPORATION CMN (MSFT)	1,085 00	23 0100	24,965 85	22.5757	24,494 67	471 18	2.2599	564 20
NATIONAL OILWELL VARCO, INC. COMMON STOCK CMN (NOV)	660 00	33 0700	21,826 20	53.3878	35,235 93	(13,409.73)	1 2096	264 00
NIKE CLASS-B CMN CLASS B (NKE)	359 00	67.5500	24,250.45 74 79	74 8936	26,886.81	(2,636 36)	1.5988	387.72
OCCIDENTAL PETROLEUM CORP CMN (OXY)	150 00	77 1500	11,572 50 57 00	77 9314	11,689 70	(117 20)	1.9702	228.00
ORACLE CORPORATION CMN (ORCL)	1,420 00	21 4600	30,473 20	21 2191	30,131 13	342 07	0 9320	284 00
PEABODY ENERGY CORPORATION CMN (BTU)	667 00	39 1300	26,099 71	43.9111	29,288 73	(3,189 02)	0.7156	186.76
PEPSICO INC CMN (PEP)	423.00	60.9500	25,781 85	54.0323	22,855.66	2,926.19	3.1501	812 16
QUALCOMM INC CMN (QCOM)	642 00	32 8400	21,083 28	42 6630	27,389 67	(6,306 39)	2.3143	487.92
TARGET CORPORATION CMN (TGT)	510 00	49 1700	25,076 70	34 9971	17,848.52	7,228 18	2.0338	510 00
THE BANK OF NY MELLON CORP CMN (BK)	557 00	24 6900	13,752 33	29 0806	16,197 90	(2,445 57)	1.4581	200 52
THERMO FISHER SCIENTIFIC INC CMN (TMO)	558.00	49.0500	27,369.90	51 1876	28,562.68	(1,192.78)		
UNITED TECHNOLOGIES CORP CMN (UTX)	290.00	64 9100	18,823 90	68.2321	19,787.30	(963 40)	2.6190	493 00
VIACOM INC CMN CLASS B (VIAB)	491.00	31.3700	15,402 67 73 65	23.1591	11,371 10	4,031.57	1 9127	294 60
VISA INC CMN CLASS A (V)	255.00	70 7500	18,041 25	73 7134	18,796.91	(755 66)	0 7067	127 50
WAL MART STORES INC CMN (WMT)	410 00	48.0700	19,708 70	53 2868	21,847 59	(2,138 89)	2.5172	496 10
WEATHERFORD INTERNATIONAL LTD CMN (WFT)	1,355 00	13 1400	17,804.70	16 5365	22,406 97	(4,602 27)		
ALCON, INC CMN (ACL)	137 00	148 1900	20,302 03	150.8228	20,662 73	(360 70)	2.2947	465 87
COVIDIEN PLC CMN (COV)	511 00	40 1800	20,531 98	37 8276	19,329.90	1,202.08	1.7919	367 92
ELAN CORP PLC (ADR) ADR CMN (ELN)	1,674 00	4 5000	7,533 00	19 1082	31,987.21	(24,454 21)		
SUNCOR ENERGY INC CMN (SU)	653 00	29 4400	19,224 32	28 3794	18,531 76	692 56	1 3115	252 13
SYNGENTA AG SPONSORED ADR CMN (SYT)	422 00	45 8500	19,348 70	38 6362	16,304.49	3,044 21	1 9613	379 49
TEVA PHARMACEUTICAL IND LTD ADS (TEVA)	387 00	51 9900	20,120 13	49 9804	19,342 43	777 70	1 1106	223 46

DAPHNE FOUNDATION WESTFIELD: LCG

Holdings (Continued)

Period Ended June 30, 2010

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
WESTFIELD LARGE CAP GROWTH								
WARNER CHILCOTT PLC CMN (WCRX)	1,051 00	22 8500	24,015 35	26 1149	27,446.79	(3,431 44)		
TOTAL WESTFIELD LARGE CAP GROWTH			974,300 33 327 22		1,020,859.07	(46,558 74)	1 7341	11,486.28

	Market Value	Adjusted Cost / [6] Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO	**974,627.55**	**1,020,859.07**	**(46,558.74)**	**11,486.28**

974,300	
1,536	Cash
(21,336)	Cash
954,500	

1,020,859	
1,536	Cash
(21,336)	Cash
1,001,059	

[6] Original Cost is price paid by purchaser adjusted for annual original issue discount payments and/or return of capital adjustments, if applicable Adjusted Cost reflects adjustments to Original Cost for accretion and/or amortization Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions

Goldman Sachs

Statement Detail

DAPHNE FOUNDATION DIAMOND HILL: LCV
Holdings

Period Ended June 30, 2010

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
US EQUITY								
DIAMOND HILL LARGE CAP VALUE								
U S DOLLAR	(7,375 31)	1 0000	(7,375 31)		(7,375 31)			
GOLDMAN SACHS BANK DEPOSIT (BDA) (*BDANOW)[14]	25,020 92	1 0000	25,020 92	1 0000	25,020 92		0.1546	38 67
	Quantity	**Market Price**	**Market Value / Accrued Income**	**Unit Cost**	**Cost Basis**	**Unrealized Gain (Loss)**	**Dividend Yield**	**Estimated Annual Income**
3M COMPANY CMN (MMM)	270 00	78 9900	21,327.30	81.2050	21,925.35	(598.05)	2.6586	567 00
ABBOTT LABORATORIES CMN (ABT)	617.00	46 7800	28,863 26	52 7148	32,525 04	(3,661.78)	3 7623	1,085 92
AIR PRODUCTS & CHEMICALS INC CMN (APD)	300.00	64 8100	19,443 00	69 1979	20,759.36	(1,316 36)	3 0242	588.00
ALLIANCE DATA SYSTEMS CORPORAT CMN (ADS)	175 00	59 5200	10,416 00	41 1897	7,208.19	3,207 81		
ALLSTATE CORPORATION COMMON STOCK (ALL)	363 00	28 7300	10,428 99 72 60	41 0950	14,917.49	(4,488 50)	2 7845	290 40
ANADARKO PETROLEUM CORP CMN (APC)	664 00	36 0900	23,963 76	51 0901	33,923 85	(9,960 09)	0 9975	239 04
APACHE CORP. CMN (APA)	479 00	84.1900	40,327.01	96 8185	46,376 08	(6,049 07)	0 7127	287.40
BAXTER INTERNATIONAL INC CMN (BAX)	381 00	40 6400	15,483 84 110.49	51.1617	19,492 59	(4,008 75)	2 8543	441 96
CISCO SYSTEMS, INC CMN (CSCO)	449 00	21.3100	9,568 19	23 5138	10,557 70	(989 51)		
CONAGRA INC CMN (CAG)	992 00	23 3200	23,133 44	21.9061	21,730 87	1,402 57	3 4305	793 60
DELL INC CMN (DELL)	1,040 00	12 0600	12,542.40	11 4532	11,911 33	631 07		
DEVON ENERGY CORPORATION (NEW) CMN (DVN)	623.00	60.9200	37,953.16	71 4148	44,491 43	(6,538 27)	1.0506	398.72
DOMINION RESOURCES, INC. CMN (D)	736 00	38 7400	28,512 64	33 4746	24,637.32	3,875 32	4 7238	1,346 88
DOVER CORPORATION CMN (DOV)	519 00	41 7900	21,689 01	35 7698	18,564.54	3,124 47	2 4886	539 76
EXXON MOBIL CORPORATION CMN (XOM)	367 00	57 0700	20,944 69	60 2629	22,116 50	(1,171 81)	3 0839	645 92
FLUOR CORPORATION CMN (FLR)	223 00	42.5000	9,477 50 27.88	52 5751	11,724.24	(2,246 74)	1 1765	111 50
GENERAL MILLS INC CMN (GIS)	642 00	35 5200	22,803 84	27.9640	17,952.90	4,850.94	3.1532	719 04
ILLINOIS TOOL WORKS CMN (ITW)	431 00	41 2800	17,791 68 133 61	46 8935	20,211.10	(2,419 42)	3.0039	534.44
JOHNSON & JOHNSON CMN (JNJ)	438 00	59 0600	25,868 28	63 2005	27,681 81	(1,813 53)	3 6573	946 08
JPMORGAN CHASE & CO CMN (JPM)	734 00	36 6100	26,871.74	43 5773	31,985 75	(5,114 01)	0 5463	146 80

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit

DAPHNE FOUNDATION DIAMOND HILL: LCV

Holdings (Continued)

Period Ended June 30, 2010

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
DIAMOND HILL LARGE CAP VALUE								
KIMBERLY CLARK CORP CMN (KMB)	334.00	60 6300	20,250 42 220 44	64.5925	21,573 88	(1,323.46)	4 3543	881 76
KLA-TENCOR CORPORATION CMN (KLAC)	863.00	27 8800	24,060 44	28 8886	24,930.84	(870 40)	2.1521	517 80
MARSH & MCLENNAN CO INC CMN (MMC)	675 00	22 5500	15,221 25	20 9865	14,165 87	1,055 38	3 5477	540 00
MC DONALDS CORP CMN (MCD)	342.00	65 8700	22,527 54	53 4071	18,265 23	4,262 31	3.3399	752 40
MEDTRONIC INC CMN (MDT)	960.00	36.2700	34,819 20	41.7738	40,102.82	(5,283.62)	2.4814	864.00
MERCK & CO , INC CMN (MRK)	866 00	34 9700	30,284 02 244 34	34.3178	29,719.25	564.77	4 3466	1,316 32
MICROSOFT CORPORATION CMN (MSFT)	929 00	23 0100	21,376 29	27.8873	25,907.30	(4,531 01)	2 2599	483 08
OCCIDENTAL PETROLEUM CORP CMN (OXY)	518 00	77 1500	39,963 70 196 84	71 8198	37,202 66	2,761 04	1 9702	787 36
PARKER-HANNIFIN CORP. CMN (PH)	373 00	55 4600	20,686.58	60 9549	22,736 16	(2,049 58)	1.8752	387.92
PEPSICO INC CMN (PEP)	527 00	60 9500	32,120.65	54 5401	28,742 66	3,377.99	3.1501	1,011.84
PFIZER INC. CMN (PFE)	1,855 00	14.2600	26,452.30	17 2965	32,084 93	(5,632 63)	5 0491	1,335 60
PROCTER & GAMBLE COMPANY (THE) CMN (PG)	521 00	59 9800	31,249 58	47 5809	24,789 66	6,459 92	3.2131	1,004 07
PRUDENTIAL FINANCIAL INC CMN (PRU)	424.00	53 6600	22,751.84	50 0871	21,236 95	1,514 89	1.3045	296 80
QUEST DIAGNOSTICS INCORPORATED CMN (DGX)	255 00	49 7700	12,691 35	56 5417	14,418.13	(1,726.78)	0.8037	102 00
RAYTHEON CO CMN (RTN)	334.00	48 3900	16,162 26	47.4927	15,862.56	299 70	3.0998	501 00
SUNTRUST BANKS INC $1 00 PAR CMN (STI)	387.00	23.3000	9,017.10	12 4588	4,821.57	4,195 53	0.1717	15.48
SYSCO CORPORATION CMN (SYY)	785 00	28 5700	22,427.45 196 25	27.4385	21,539.21	888 24	3.5002	785 00
THE BANK OF NY MELLON CORP CMN (BK)	504.00	24 6900	12,443 76	42.3539	21,346.35	(8,902.59)	1.4581	181.44
THE TRAVELERS COMPANIES, INC CMN (TRV)	555 00	49 2500	27,333 75	43 1205	23,931.90	3,401 85	2 9239	799 20
U.S BANCORP CMN (USB)	438 00	22.3500	9,789 30 21.90	30 4656	13,343.92	(3,554.62)	0 8949	87 60
UNITED TECHNOLOGIES CORP CMN (UTX)	564 00	64 9100	36,609.24	52 5261	29,624 75	6,984 49	2 6190	958 80

Goldman Sachs

DAPHNE FOUNDATION DIAMOND HILL: LCV

Holdings (Continued)

Period Ended June 30, 2010

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
DIAMOND HILL LARGE CAP VALUE								
UNITEDHEALTH GROUP INCORPORATE CMN (UNH)	740 00	28 4000	21,016.00	24 1621	17,879 98	3,136 02	1.7606	370 00
WAL MART STORES INC CMN (WMT)	412 00	48 0700	19,804 84	48 9798	20,179.67	(374 83)	2 5172	498 52
WELLS FARGO & CO (NEW) CMN (WFC)	728.00	25 6000	18,636 80	27.2856	19,863 94	(1,227.14)	0.7813	145 60
TOTAL DIAMOND HILL LARGE CAP VALUE			992,751 00 1,224 35		1,022,609 24	(29,858 24)	2.5160	24,344.72

	Market Value	Adjusted Cost /[6] Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO	**993,975.35**	**1,022,609.24**	**(29,858.24)**	**24,344.72**

992,751	
7,375	Cash
(25,021)	Cash
975,105	

1,022,609	
7,375	Cash
(25,021)	Cash
1,004,963	

[6] Original Cost is price paid by purchaser adjusted for annual original issue discount payments and/or return of capital adjustments if applicable Adjusted Cost reflects adjustments to Original Cost for accretion and/or amortization Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions

FORM 990PF, PART II - OTHER INVESTMENTS

ATTACHMENT 9

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
GMS 04347-3 FIX INC MUTUAL FD -SEE ATTACHED STMT	2,043,596.	2,125,164.
TOTALS	2,043,596.	2,125,164.

FIXED INCOME

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
INVESTMENT GRADE FIXED INCOME								
BARCLAYS CAPITAL US AGGREGATE BOND INDEX FUND (ISHARES)								
ISHARES BARCLAYS U S AGGREGATE BOND FUND ETF Not Rated	17,550 00	107.2500	1,882,237 50	100.8250	1,769,478.75	112,758.75		69,061.01
GOVERNMENT AND GOVERNMENT AGENCY BONDS								
FNMA 30-YR CONVENTIO #629169 6 5% 08/01/2032 08/01/2002 CITIMORTGAGE, INC FACTOR 0.16168882 06/01/2010 Not Rated	21,000 00 3,395.47	109 5310	3,719 09 17 78	108 9404	3,699 03	20 05		220.71
FNMA 30-YR CONVENTIO #733914 4 5% 08/01/2033 08/01/2003 CROWN MORTGAGE COMP FACTOR 0 84881384 06/01/2010 Not Rated	4,152 00 3,524.28	103 6250	3,652 03 12 78	96 2178	3,390.98	261 05		158 59
TOTAL GOVERNMENT AND GOVERNMENT AGENCY BONDS	25,152 00		7,371.12 30 56		7,090.01	281.10		379.30
TOTAL INVESTMENT GRADE FIXED INCOME			**1,889,608.62** **30.56**		**1,776,568.76**	**113,039.85**		**69,440.30**

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit

FIXED INCOME (Continued)

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized / Economic Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
OTHER FIXED INCOME								
GS HIGH YIELD FUND								
GOLDMAN SACHS HIGH YIELD INSTL MUTUAL FUND CLASS I	34,039 846	6.9200	235,555.73	7.8445	267,026.90	(31,471.17) 51,151.40		18,721.92
TOTAL FIXED INCOME			**2,125,164.35** **30.56**		**2,043,595.66**	**81,568.68**		**88,162.22**

[12]Please refer to the end of the Holdings section for further details pertaining to these investments

LAND, BUILDINGS, EQUIPMENT NOT HELD FOR INVESTMENT

ATTACHMENT 10

		FIXED ASSET DETAIL				ACCUMULATED DEPRECIATION DETAIL			
ASSET DESCRIPTION	METHOD/ CLASS	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE	BEGINNING BALANCE	ADDITIONS	DISPOSALS	ENDING BALANCE
OFFICE EQUIPMENT	SL	1,992			1,992	1,227	398.		1,625.
TOTALS		1,992			1,992	1,227			1,625

FORM 990PF, PART II - OTHER ASSETS

ATTACHMENT 11

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
ACCRUED INCOME	1,582.	1,582.
SECURITY DEPOSIT	851.	851.
TOTALS	2,433.	2,433.

THE DAPHNE FOUNDATION 95-4288541

FORM 990PF, PART II - OTHER LIABILITIES

ATTACHMENT 12

DESCRIPTION	ENDING BOOK VALUE
OTHER PAYABLES	2,296.
TOTALS	2,296.

FORM 990PF, PART VII-B, LINE 5C-EXPENDITURE RESPONSIBILITY STATEMENT

GRANTEE'S NAME:	CENTER FOR SUSTAINABLE ENERGY TECHNOLOGY
GRANTEE'S ADDRESS:	8TH STREET SINKOR, TUBMAN BLVD.
CITY, STATE & ZIP:	MONROVIA
FOREIGN COUNTRY:	LIBERIA
GRANT DATE:	02/01/2009
GRANT AMOUNT:	35,330.
GRANT PURPOSE:	FEASIBILITY STUDY & ACTION PLAN FOR DEVELOPMENT OF RENEWABLE ENERGY ENTERPRISES IN LIBERIA.
AMOUNT EXPENDED:	35,330.
ANY DIVERSION?	NO
DATES OF REPORTS:	02/02/2011
VERIFICATION DATE:	
RESULTS OF VERIFICATION:	

GRANTEE'S NAME:	CENTER FOR SUSTAINABLE ENERGY TECHNOLOGY
GRANTEE'S ADDRESS:	8TH STREET SINKOR, TUBMAN BLVD.
CITY, STATE & ZIP:	MONROVIA
FOREIGN COUNTRY:	LIBERIA
GRANT DATE:	08/01/2009
GRANT AMOUNT:	12,862.
GRANT PURPOSE:	IMPLEMENTATION OF THE KING GRAY SCHOOL/COMMUNITY PILOT LIGHTING PROJECT
AMOUNT EXPENDED:	12,862.
ANY DIVERSION?	NO
DATES OF REPORTS:	10/19/2009 & 4/9/2010
VERIFICATION DATE:	
RESULTS OF VERIFICATION:	

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 14

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
ABIGAIL E. DISNEY 4444 LAKESIDE DRIVE 3RD FLOOR BURBANK, CA 91505	CO-PRESIDENT < 1 HR/WEEK	0.	0.	0.
PIERRE HAUSER II 4444 LAKESIDE DRIVE 3RD FLOOR BURBANK, CA 91505	CO-PRESIDENT < 1 HR/WEEK	0.	0.	0.
LEAH DOYLE COLEMAN 4444 LAKESIDE DRIVE 3RD FLOOR BURBANK, CA 91505	TREASURER < 1 HR/WEEK	0.	0.	0.
DEBORAH HOWES 4444 LAKESIDE DRIVE 3RD FLOOR BURBANK, CA 91505	SECRETARY < 1 HR/WEEK	0.	0.	0.
	GRAND TOTALS	0.	0.	0.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ABRAHAM HOUSE P.O. BOX 305, MOTT HAVEN STATION BRONX, NY 10454	NONE / PUBLIC	GENERAL SUPPORT	35,000.
AMETHYST WOMEN'S PROJECT 1907 MERMAID AVENUE BROOKLYN, NY 11224	NONE / PUBLIC	GENERAL SUPPORT	35,000
ARAB AMERICAN FAMILY SUPPORT CENTER 150 COURT STREET, 3RD FLOOR BROOKLYN, NY 11201	NONE / PUBLIC	GENERAL SUPPORT	17,500.
BATTERED WOMEN'S RESOURCE CENTER PO BOX 20181 GREELEY SQUARE STATION NEW YORK, NY 10001	NONE / PUBLIC	GENERAL SUPPORT	35,000.
CHILD WELFARE ORGANIZING PROJECT 80 EAST 110TH STREET, #1E NEW YORK, NY 10029	NONE / PUBLIC	GENERAL SUPPORT	35,000
COMMUNITY VOICES HEARD 115 EAST 106TH ST. NEW YORK, NY 10029	NONE / PUBLIC	GENERAL SUPPORT	35,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
FAMILY HEALTH PROJECT INC. 42 BROADWAY, 20TH FLOOR NEW YORK, NY 10004	NONE / PUBLIC	GENERAL SUPPORT	5,000.
FRESH YOUTH INITIATIVES 505 W. 171ST STREET NEW YORK, NY 10032	NONE / PUBLIC	GENERAL SUPPORT	35,000
HOUR CHILDREN 36-11A 12TH STREET LONG ISLAND CITY, NY 11106	NONE / PUBLIC	GENERAL SUPPORT	35,000
INFORMATION FOR FAMILIES 332 BLEECKER STREET NEW YORK, NY 10014	NONE / PUBLIC	GENERAL SUPPORT	5,000.
KOREAN AMERICAN FAMILY SERVICE CENTER 14729 ELM AVENUE FLUSHING, NY 11355	NONE / PUBLIC	GENERAL SUPPORT	35,000.
MAKE THE ROAD BY WALKING 301 GROVE STREET BROOKLYN, NY 11237	NONE / PUBLIC	GENERAL SUPPORT	17,500

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
MAURA CLARKE & ITA FORD CENTER 138 BLEECKER STREET BROOKLYN, NY 11221	NONE / PUBLIC	GENERAL SUPPORT	35,000
MERCY CENTER 377 EAST 145TH STREET BRONX, NY 10454	NONE / PUBLIC	GENERAL SUPPORT	17,500
RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF NY 230 W 41ST ST, FL 7 NEW YORK, NY 10036	NONE / PUBLIC	GENERAL SUPPORT	35,000.
SAKHI FOR SOUTH ASIAN WOMEN P. O BOX 20208, GREELEY SQUARE STATION NEW YORK, NY 10001	NONE / PUBLIC	GENERAL SUPPORT	35,000
DOME PROJECT 486 AMSTERDAM AVENUE NEW YORK, NY 10024	NONE / PUBLIC	GENERAL SUPPORT	35,000.
CORRECTIONAL ASSOCIATION OF NEW YORK 2090 ADAM CLAYTON POWELL, JR BLVD NEW YORK, NY 10027	NONE / PUBLIC	GENERAL SUPPORT	35,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
WOMEN FOR AFGHAN WOMEN 158-24 73RD AVENUE FRESH MEADOWS, NY 11366	NONE / PUBLIC	GENERAL SUPPORT	35,000.
GRASSROOTS INITIATIVE 224 WEST 4TH STREET, SUITE 200 NEW YORK, NY 10014	NONE / PUBLIC	GENERAL SUPPORT	35,000.
TAPROOT FOUNDATION 446 GEARY STREET SAN FRANCISCO, CA 94102	NONE / PUBLIC	GENERAL SUPPORT	15,000.
WELFARE RIGHTS INITIATIVE, HUNTER COLLEGE CUNY 695 PARK AVE, HE 1222 NEW YORK, NY 10065	NONE / PUBLIC	GENERAL SUPPORT	15,000
JSI RESEARCH & TRAINING INSTITUTE INC. 44 FARNSWORTH ST BOSTON, MA 02210	NONE / PUBLIC	GENERAL SUPPORT	22,000.
CENTER FOR SUSTAINABLE ENERGY TECHNOLOGY 8TH STREET SINKOR, TUBMAN BLVD. MONROVIA LIBERIA	NONE / FOREIGN NGO	GENERAL SUPPORT	12,862.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 15 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
NEW ASSETS INC 10 TALL PINES DRIVE BARRINGTON, RI 02806	NONE / PUBLIC	GENERAL SUPPORT	16,629
		TOTAL CONTRIBUTIONS PAID	668,991