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** 10-01 **, 2009, and ending** 09-30 **, 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: DISCOVERERS FUND, INC.

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

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

**A** Employer identification number: 39-6045588

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

**C** If exemption application is pending, check here ▶ ☐

**D** 1. Foreign organizations, check here ▶ ☐

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

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

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

**H** Check type of organization: ☑ 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)* ▶ $ 550,255

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

JAN 22 2011
ENVELOPE POSTMARK DATE

SCANNED FEB 17 2011

RECEIVED
JAN 31 2011
OGDEN, UT

| | | **Part I** **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)* | **(a)** Revenue and expenses per books | **(b)** Net investment income | **(c)** Adjusted net income | **(d)** Disbursements for charitable purposes (cash basis only) |
|---|---|---|---|---|---|---|
| Revenue | 1 | Contributions, gifts, grants, etc., received (attach schedule) | 1,000 | | | |
| | 2 | Check ▶ ☐ if the foundation is **not** required to attach Sch. B | | | | |
| | 3 | Interest on savings and temporary cash investments | | | | |
| | 4 | Dividends and interest from securities ST. 1 | 25,186 | 25,186 | 25,186 | |
| | 5a | Gross rents | | | | |
| | b | Net rental income or (loss) St. 3 | | | | |
| | 6a | Net gain or (loss) from sale of assets not on line 10 | 15,916 | | | |
| | b | Gross sales price for all assets on line 6a 224,810 | | | | |
| | 7 | Capital gain net income (from Part IV, line 2) | | 15,916 | | |
| | 8 | Net short-term capital gain | | | -0- | |
| | 9 | Income modifications | | | | |
| | 10a | Gross sales less returns and allowances | | | | |
| | b | Less: Cost of goods sold | | | | |
| | c | Gross profit or (loss) (attach schedule) | | | | |
| | 11 | Other income (attach schedule) | | | | |
| | 12 | **Total.** Add lines 1 through 11 | 42,102 | 41,102 | 25,186 | |
| 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) | | | | |
| | c | Other professional fees (attach schedule) | | | | |
| | 17 | Interest | | | | |
| | 18 | Taxes (attach schedule) (see page 14 of the instructions) ST. 4 | 507 | 172 | | |
| | 19 | Depreciation (attach schedule) and depletion | | | | |
| | 20 | Occupancy | | | | |
| | 21 | Travel, conferences, and meetings | | | | |
| | 22 | Printing and publications | | | | |
| | 23 | Other expenses (attach schedule) ST | 66 | 66 | | |
| | 24 | **Total operating and administrative expenses.** Add lines 13 through 23 | 573 | 238 | | |
| | 25 | Contributions, gifts, grants paid ST. 2 | 24,900 | | | 24,900 |
| | 26 | **Total expenses and disbursements.** Add lines 24 and 25 | 25,473 | 476 | | 24,900 |
| | 27 | Subtract line 26 from line 12: | | | | |
| | a | **Excess of revenue over expenses and disbursements** | 16,631 | | | |
| | b | **Net investment income** (if negative, enter -0-) | | 40,626 | | |
| | c | **Adjusted net income** (if negative, enter -0-) | | | 25,186 | |

**For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions.** Cat. No. 11289X Form **990-PF** (2009)

## 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 | 43,401 | 6491 | 6,491 |
| | 2 | Savings and temporary cash investments ACCRUED INT. | 427 | 1398 | 1398 |
| | 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 | | | |
| | 10a | Investments—U.S. and state government obligations (attach schedule) | 136,779 | | |
| | b | Investments—corporate stock (attach schedule) | | 252,983 | 300,722 |
| | c | Investments—corporate bonds (attach schedule) | 7065 | 45,875 | 53,343 |
| | 11 | Investments—land, buildings, and equipment: basis ▶ | | | |
| | | Less: accumulated depreciation (attach schedule) ▶ | | | |
| | 12 | Investments—mortgage loans | | | |
| | 13 | Investments—other (attach schedule) MUT. FUNDS | 273,295 | 136,384 | 149,914 |
| | 14 | Land, buildings, and equipment: basis ▶ | | | |
| | | Less: accumulated depreciation (attach schedule) ▶ | | | |
| | 15 | Other assets (describe ▶ ) | 12,671 | 40,970 | 38,388 |
| | 16 | **Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I) | 473,638 | 484,101 | 550,256 ✕ |
| Liabilities | 17 | Accounts payable and accrued expenses | | | |
| | 18 | Grants payable | | | |
| | 19 | Deferred revenue | | | |
| | 20 | Loans from officers, directors, trustees, and other disqualified persons | | | |
| | 21 | Mortgages and other notes payable (attach schedule) | | | |
| | 22 | Other liabilities (describe ▶ ) | | | |
| | 23 | **Total liabilities** (add lines 17 through 22) | -0- | -0- | |
| Net Assets or Fund Balances | | **Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.** | | | |
| | 24 | Unrestricted | | | |
| | 25 | Temporarily restricted | | | |
| | 26 | Permanently restricted | | | |
| | | **Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.** | | | |
| | 27 | Capital stock, trust principal, or current funds | | | |
| | 28 | Paid-in or capital surplus, or land, bldg., and equipment fund | | | |
| | 29 | Retained earnings, accumulated income, endowment, or other funds | 473,638 | 484,101 | |
| | 30 | **Total net assets or fund balances** (see page 17 of the instructions) | 473,638 | 484,101 | |
| | 31 | **Total liabilities and net assets/fund balances** (see page 17 of the instructions) | 473,638 | 484,101 | |

## 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 | 473,638 |
| 2 | Enter amount from Part I, line 27a | 2 | 16,631 |
| 3 | Other increases not included in line 2 (itemize) ▶ PART I, LINE 1; OFFICER'S CONTRIBUTION | 3 | 1,000 |
| 4 | Add lines 1, 2, and 3 | 4 | 491,269 |
| 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 | 491,269 |

✕ FROM SCHWAB 09-30-2010 STATEMENT ATTACHED

## 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 STATEMENTS 3-A + 3-B | | | |
| 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 | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |

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

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

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } 2 15,916

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 -0-

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col (b) divided by col (c)) |
|---|---|---|---|
| 2008 | 21,843 | 431,648 | 0.050604 |
| 2007 | 26,000 | 586,177 | 0.044356 |
| 2006 | 35,027 | 634,508 | 0.055203 |
| 2005 | 20,000 | 446.687 | 0.044774 |
| 2004 | 19,848 | 305,941 | 0.064875 |

| | | | |
|---|---|---|---|
| 2 | Total of line 1, column (d) . . . . . . . . . . . . . . . . . . . . . | 2 | 0.259812 |
| 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 | 0.051962 |
| 4 | Enter the net value of noncharitable-use assets for 2009 from Part X, line 5 . . . . . . | 4 | 515,010 |
| 5 | Multiply line 4 by line 3 . . . . . . . . . . . . . . . . . . . . | 5 | 26,761 |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b) . . . . . . . . | 6 | 406 |
| 7 | Add lines 5 and 6 . . . . . . . . . . . . . . . . . . . . . | 7 | 27,167 |
| 8 | Enter qualifying distributions from Part XII, line 4 . . . . . . . . . . . . . . . | 8 | 24,900 |

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.<br>Date of ruling or determination letter: ________ **(attach copy of letter if necessary—see instructions)** | | | |
| **b** | Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b | 1 | 813 | |
| **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 | 813 | |
| **4** | Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | 4 | | |
| **5** | **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0- | 5 | 813 | |
| **6** | Credits/Payments: | | | |
| **a** | 2009 estimated tax payments and 2008 overpayment credited to 2009 **6a** | | | |
| **b** | Exempt foreign organizations—tax withheld at source **6b** | | | |
| **c** | Tax paid with application for extension of time to file (Form 8868) **6c** | | | |
| **d** | Backup withholding erroneously withheld **6d** | | | |
| **7** | Total credits and payments. Add lines 6a through 6d | 7 | | |
| **8** | Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached | 8 | 813 | |
| **9** | **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶ | 9 | | |
| **10** | **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶ | 10 | | |
| **11** | Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶    **Refunded** ▶ | 11 | | |

## Part VII-A Statements Regarding Activities

| | | | Yes | No |
|---|---|---|---|---|
| **1a** | During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign? | 1a | | X |
| **b** | Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? | 1b | | X |
| | *If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.* | | | |
| **c** | Did the foundation file **Form 1120-POL** for this year? | 1c | | X |
| **d** | Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:<br>**(1)** On the foundation. ▶ $ -0- **(2)** On foundation managers. ▶ $ -0- | | | |
| **e** | Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ -0- | | | |
| **2** | Has the foundation engaged in any activities that have not previously been reported to the IRS?<br>*If "Yes," attach a detailed description of the activities.* | 2 | | X |
| **3** | Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes* | 3 | | X |
| **4a** | Did the foundation have unrelated business gross income of $1,000 or more during the year? | 4a | | X |
| **b** | If "Yes," has it filed a tax return on **Form 990-T** for this year? | 4b | | |
| **5** | Was there a liquidation, termination, dissolution, or substantial contraction during the year?<br>*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:<br>• By language in the governing instrument, or<br>• 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) ▶ | | | |
| **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? N/A | 12 | | |
| 13 | Did the foundation comply with the public inspection requirements for its annual returns and exemption application? | 13 | X | |

Website address ▶ NONE

14 The books are in care of ▶ C. W. FIRARI Telephone no ▶ 608-238-3257

Located at ▶ 5025 SHEBOYGAN AVE; MADISON, WI ZIP+4 ▶ 53705-2813

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):<br>**(1)** Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No<br>**(2)** Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No<br>**(3)** Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No<br>**(4)** Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No<br>**(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<br>**(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 | | |
| | 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<br>If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____ | | | |
| b | Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 20 of the instructions.) N/A | 2b | | |
| c | If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here<br>▶ 20____ , 20____ , 20____ , 20____ | | | |
| 3a | Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No | | | |
| b | If "Yes," did it have excess business holdings in 2009 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.)* N/A | 3b | | |
| 4a | Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | | X |
| b | Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009? | 4b | | X |

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

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

**(1)** Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

**(2)** Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

**(3)** Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

**(4)** Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No

**(5)** Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b**

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

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

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

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

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

*If "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**

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

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|---|---|---|
| SCOTT FIRARI<br>REEDSBURG, WI | PRESDENT<br>.25 | -0- | -0- | -0- |
| PHILIP HAARIS<br>MADISON, WI | V. PRESIDENT<br>-0- | -0- | -0- | -0- |
| RANDALL LUEDERS<br>COLUMBUS, WI | DIRECTOR<br>-0- | -0- | -0- | -0- |
| C. W. FIRARI<br>MADISON, WI | SEC./TREAS<br>1-2 | -0- | -0- | -0- |

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

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

**Total** number of other employees paid over $50,000 ▶

## Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors *(continued)*

**3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."**

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

**Total** number of others receiving over $50,000 for professional services . . . . . . . . . . . . . . ▶ -0-

## Part IX-A Summary of Direct Charitable Activities

| List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc | Expenses |
|---|---|
| 1 N/A | |
| 2 | |
| 3 | |
| 4 | |

## Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|---|---|
| 1 N/A | |
| 2 | |
| All other program-related investments See page 24 of the instructions | |
| 3 | |
| **Total.** Add lines 1 through 3 . . . . . . . . . . . . . . . . . . . . . . . . . . . . ▶ | |

## Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

| | | | | | |
|---|---|---|---|---|---|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes: | | | | |
| a | Average monthly fair market value of securities | | | 1a | 502,555 |
| b | Average of monthly cash balances | | | 1b | 20,298 |
| c | Fair market value of all other assets (see page 24 of the instructions) | | | 1c | |
| d | **Total** (add lines 1a, b, and c) | | | 1d | 522,853 |
| 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 | 522,853 |
| 4 | Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions) | | | 4 | 7843 |
| 5 | **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4 | | | 5 | 515,010 |
| 6 | **Minimum investment return.** Enter 5% of line 5 | | | 6 | 25,751 |

## 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 | 25,751 |
| 2a | Tax on investment income for 2009 from Part VI, line 5 | 2a | 813 | | |
| b | Income tax for 2009. (This does not include the tax from Part VI.) | 2b | | | |
| c | Add lines 2a and 2b | | | 2c | 813 |
| 3 | Distributable amount before adjustments. Subtract line 2c from line 1 | | | 3 | 24938 |
| 4 | Recoveries of amounts treated as qualifying distributions | | | 4 | |
| 5 | Add lines 3 and 4 | | | 5 | 24938 |
| 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 | 24,938 |

## 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 | 24,900 |
| b | Program-related investments—total from Part IX-B | 1b | |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes | 2 | |
| 3 | Amounts set aside for specific charitable projects that satisfy the: | | |
| a | Suitability test (prior IRS approval required) | 3a | |
| b | Cash distribution test (attach the required schedule) | 3b | |
| 4 | **Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 24,900 |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions) | 5 | |
| 6 | **Adjusted qualifying distributions.** Subtract line 5 from line 4 | 6 | 24,900 |

**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)<br>Corpus | (b)<br>Years prior to 2008 | (c)<br>2008 | (d)<br>2009 |
|---|---|---|---|---|
| 1 Distributable amount for 2009 from Part XI, line 7 | | | | 24,938 |
| 2 Undistributed income, if any, as of the end of 2009: | | | | |
| a Enter amount for 2008 only | | | 93 | |
| b Total for prior years: 20___,20___,20___ | | -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: ▶ $ 24,900 | | | | |
| a Applied to 2008, but not more than line 2a | | | 93 | |
| 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 | | | | 38 |
| e Remaining amount distributed out of corpus | | | | |
| 5 Excess distributions carryover applied to 2009 *(If an amount appears in column (d), the same amount must be shown in column (a).)* | | | | |
| 6 **Enter the net total of each column as indicated below:** | | | | |
| a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 | | | | |
| 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 | | | | 131 |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions) | | | | |
| 8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions) | | | | |
| 9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a | | | | |
| 10 Analysis of line 9: | | | | |
| a Excess from 2005 | | | | |
| b Excess from 2006 | | | | |
| c Excess from 2007 | | | | |
| d Excess from 2008 | | | | |
| e Excess from 2009 | | | | |

## Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling . . . . . ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

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

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

**1 Information Regarding Foundation Managers:**

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

N/A

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

N/A

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

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d. N/A

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

C.W. FIRARI ; 5025 SHEBOYGAN AVE. -# 316
MADISON, WI 53705 608-238-3257

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

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

c Any submission deadlines

NO.

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

NO.

**Part XV** **Supplementary Information** (continued)

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

| Recipient<br>Name and address (home or business) | If recipient is an individual, show any relationship to any foundation manager or substantial contributor | Foundation status of recipient | Purpose of grant or contribution | Amount |
|---|---|---|---|---|
| **a** *Paid during the year* | | | | |
| FROM SEPARATE SHEET.<br>(STATEMENT 2) | | | | 24,900- |
| **Total** . . . . . . . . . . . . ▶ **3a** | | | | 24,900- |
| **b** *Approved for future payment* | | | | |
| **Total** . . . . . . . . . . . . ▶ **3b** | | | | |

## Part XVI-A Analysis of Income-Producing Activities

| *Enter gross amounts unless otherwise indicated.* | Unrelated business income | | Excluded by section 512, 513, or 514 | | (e) Related or exempt function income (See page 28 of the instructions ) |
|---|---|---|---|---|---|
| | (a) Business code | (b) Amount | (c) Exclusion code | (d) Amount | |
| 1 Program service revenue: | | | | | |
| a | | | | | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| f | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 2 Membership dues and assessments | | | | | |
| 3 Interest on savings and temporary cash investments | | | | | |
| 4 Dividends and interest from securities | | | | | |
| 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 | | | | | |
| 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) | | | | | |

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

(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 ) |
|---|---|
| | |

## 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 |
|---|---|---|---|
| | | | |

**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 | Title |
|---|---|---|
| | 01-21-2011 | Sec./Treas. |

**Paid Preparer's Use Only**

| | | | |
|---|---|---|---|
| Preparer's signature | Date | Check if self-employed ▶ ☐ | Preparer's identifying number (see **Signature** on page 30 of the instructions) |
| Firm's name (or yours if self-employed), address, and ZIP code | | EIN ▶ | |
| | | Phone no. | |

DISCOVERERS FUND, INC. 39-6048588

# DIVIDENDS + INTEREST - STATEMENT 1

| | DIVIDENDS | L.T. CAP GAINS | INTEREST | ACCRUED INT. AT PURCHASE | | FOREIGN TAX WITHHELD |
|---|---|---|---|---|---|---|
| SCHWAB | | | 11 35 | | | |
| PIMCO TOTAL RTV | 3841 78 | 200 67 | | | | |
| WEST. ASSET | 2743 50 | + | | | | |
| VANGUARD | 537 50 | + | | | | |
| TEXAS COMP. ELECT | | | 555 21 | | | |
| ENERGY FUTURES | | | 242 12 | | | |
| CBS | 102 49 | | | | | |
| HARTFORD FIN. | 101 81 | | | | | |
| ALTRIA | 778 74 | | | | | |
| GE | 80 — | - | | | | |
| NU STAR | 877 47 | | | | | |
| TEEKAY TNKS. | 540 00 | - | | | | |
| ARTIO | 1847 73 | | | | | |
| WILLIAMS COAL | 91 22 | | | | | |
| NEW FLYER | 1126 40 | + | | | | 66 70 |
| PFIZER | 567 53 | | | | | |
| GEN MARITIME | 227 50 | - | | | | |
| ELI LILLY | 1030 30 | - | | | | |
| SOUTHERN CO. | 937 74 | | | | | |
| DUPONT | 424 36 | | | | | |
| CRM | 67 53 | | | | | |
| DUKE | 1016 65 | | | | | |
| WELLS FARGO | 58 29 | | | | | |
| PERKINS MID CAP | 50 65 | | | | | |
| DODGE + COX | 214 52 | | | | | |
| MET LIFE | 544 21 | | | | | |
| COHEN + STEERS | 1181 77 | | | | | |
| I-SHARES - REM | 777 92 | | | | | |
| REPSOL | 570 11 | | | | | 105 30 |
| AT+T | 506 71 | | | | | |
| VERIZON | 1187 50 | - | | | | |
| BARCLAYS BANK | 145 32 | | | | | |
| CENTURY LINK | 1015 — | - | | | | |
| FRONT. COMM. | 125 — | + | | | | |
| CAPSTEAD | 180 | - | | | | |
| US ECOLOGY | 90 | - | | | | |
| CHIMERA | 85 | - | | | | |
| VODAFONE | 435 16 | | | | | |
| LEAR | | | 572 14 < | 118 49 > | | |
| LORILARD | | | -0- < | 54 43 > | | |
| U. S STEEL | | | -0- < | 129 06 > | | |
| | 24106 81 | 200 67 | 1380 82 < | 301 98 > | | 172 — |

INTEREST 1078.84

TOTAL - INT. + DIV 25,185.65

301.98 -

1078 84 NET INTEREST

# PART XV - STATEMENT 2

| | |
|---|---|
| DOCTORS W/O BORDERS - NY/NY | 5.500- |
| LCMS WORLD RELIEF & HUMAN CARE<br>ST LOUIS, MO | 7,500- |
| SOCIETY OF ST VINCENT DE PAUL<br>MADISON, WI | 2,000- |
| UNIV. OF WISC FOUNDATION - MADISON, WI | 6,000- |
| FREEDOM FROM HUNGER - DAVIS, CA | 500- |
| OXFAM/AMERICA - BOSTON, MA. | 1000- |
| ACTION AGAINST HUNGER | 500- |
| FOOD FOR THE HUNGRY - PHOENIX, AZ | 500- |
| GOODMAN CENTER - MADISON, WI | 500- |
| FINCA INTL. - WASHINTON, DC | 500. |
| INTL. RESCUE COMM - WASHINGTON, DC | 400- |
| | 24,900- |

DISCOVERERS FUND, INC. 39-6048588

STATEMENT 3-A

**Long-Term Capital Gains and Losses—Assets Held More Than One Year** L.T./ST CALCULATED BY BROKER *

| **(a)** Description of property (Example 100 sh XYZ Co) | **(b)** Date acquired (Mo, day, yr) | **(c)** Date sold (Mo, day, yr) | **(d)** Sales price (see page D-7 of the instructions) | **(e)** Cost or other basis (see page D-7 of the instructions) | **(f)** Gain or (loss) Subtract (e) from (d) |
|---|---|---|---|---|---|
| 8/3,193.559<br>ARTIO INTL. EQUITY | MULTIPLE<br>* | 03-29-10 | 37,732 | 40,280 | < 2548 > |
| 573.59<br>CRM MID CAP VALUE | * | 03 29-10 | 14,583 | 16,275 | < 1692 > |
| 629.622<br>DODGE + COX | * | 03-29-10 | 20,684 | 22,691 | < 2007 > |
| 1,931.519<br>TOCHSTONE SANDS CAP | * | 03-29-10 | 22,124 | 21,474 | 650 |
| 2,175.787<br>WELLS FARGO ADV. | * | 03-29-10 | 19,054 | 21,339 | < 2285 > |
| 926.61F<br>PERKINS MID CAP. | * | 03-29-10 | 19.465 | 21,333 | < 1868 > |
| 500<br>DU PONT | 2-2009 | 5-05-10 | 18,914 | 10,288 | 8626 |
| 505.9453<br>HARTFORD FIN | 2-19-09<br>+<br>MULTIPLE | 5-05-10 | 13,529 | 5056 | 8473 |
| 509.4765<br>CBS | MULTIPLE | 8-17-10 | 7318. | 2438 | 4880 |
| | | | | | |
| | | | 173,403 | 161,174 | 12,229 |
| L.T. CAP GAINS FROM STATEMENT 1 | | | | | 201 |
| S.T. CAP. GAINS ST 3-B | | | 51 407 | 47,921 | 3486 * |
| | | | | | |
| | | | 224,810 | 209,095 | 15,916 |

* DISCOVERERS FUND, INC. IS A IS A NON-OPERATING FOUNDATION.

DISCOVERERS FUND, INC. 39-6048588

STATEMENT 3-B

## Short-Term Capital Gains and Losses—Assets Held One Year or Less

| | (a) Description of property (Example 100 sh XYZ Co.) | (b) Date acquired (Mo, day, yr) | (c) Date sold (Mo, day, yr) | (d) Sales price (see page D-7 of the instructions) | (e) Cost or other basis (see page D-7 of the instructions) | (f) Gain or (loss) Subtract (e) from (d) |
|---|---|---|---|---|---|---|
| 1 | 155,795<br>ARTIO INTL EQUITY | 12-29-09 | 03-29-10 | 1841 | 1965 | < 124 > |
| | 2.826<br>CRM MID CAP VALUE | 12-15-09 | 03 29-10 | 72 | 80 | < 8 > |
| | 8.7790<br>DODGE + COX | 12-21-09 | 03-29-10 | 288 | 316 | < 28 > |
| | 7.55<br>PERKINS MID CAP | MULTIPLE | 03-29-10 | 159 | 174 | < 15 > |
| | 7.117<br>WELLS FARGO ADV | 12-17-09 | 03-29-10 | 62 | 70 | < 8 > |
| | 1,000.0<br>GLOBAL SHIP LEASE | 10-15-09 | 4-28-10 | 3145 | 1603 | 1542 |
| | 300<br>ALTRIA | 8-18-09 | 5-05-10 | 6377 | 5305 | 1072 |
| | 26.7452<br>DU PONT | 3-15-10<br>+<br>MULTIPLE | 5-05-10 | 1012 | 838 | 174 |
| | 8.4028<br>HARTFORD FINL | 4-05-10<br>+<br>MULTIPLE | 5-05-10 | 225 | 152 | 73 |
| | 500<br>PPL | 4 28-10 | 5-05-10 | 12,275 | 12,943 | < 668 > |
| | 500<br>SAPPI | 8-18-09 | 5-05-10 | 1943 | 1830 | 113 |
| | 300<br>VIVENDI | 8-18-09 | 5-05-10 | 7463 | 7813 | < 350 > |
| | 500<br>USG | 8-18-09 | 12-07-09 | 5125 | 4108 | 1017 |
| | 7.7888<br>CBS | MULTIPLE<br>+<br>07-02-10 | 8-17-10 | 112 | 102 | 10 |
| | 860.00<br>FRONT COMM. | MULTIPLE | 8-17-10 | 6571 | 6745 | < 174 > |
| | 500.00<br>SUNSTONE HOTEL | 10-15-09 | 8-17-10 | 4737 | 3877 | 860 |
| | | | | | | |
| | | | | 51,407 | 47,921 | 3486 |

DISCOVERERS FUND, INC. 39-6048588

FOR FORM 990-PF TAX YEAR ENDING 09-30-2010

STATEMENT 4- PART 1-LINE 18 -TAXES

| | | |
|---|---|---|
| U.S. TREASURY | 335 - | |
| FOREIGN - FROM STATEMENT 1 | 172 - | |
| | | 507 - |

STATEMENT 5- PART 1, LINE 23 - OTHER EXP.

| | | |
|---|---|---|
| WISC CORP. REPORT | 10- | |
| SUBSCRIPTION | 20- | |
| U.S. POSTAGE | 36 - | |
| | | 66- |

*G000049050208*

**charles SCHWAB**

Schwab One® Account of
**DISCOVERERS FUND INC**

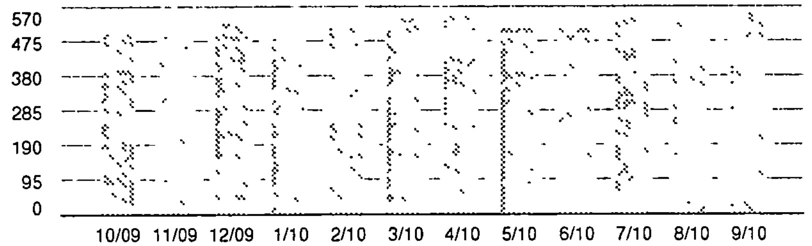
Account Number
**5063-3767**

Statement Period
**September 1-30, 2010**

## Change in Account Value

| | This Period | Year to Date |
|---|---|---|
| **Starting Value** | **$ 523,534.95** | **$ 525,263.53** |
| Cash Value of Purchases & Sales | (1,522.55) | 8,041.51 |
| Investments Purchased/Sold | 1,522.55 | (8,041.51) |
| Deposits & Withdrawals | (1,900.00) | (25,291.31) |
| Dividends & Interest | 3,371.22 | 17,268.22 |
| Fees & Charges | 0.00 | (10.00) |
| Transfers | 0 00 | 0.00 |
| Income Reinvested | (1,523.03) | (9,742.43) |
| Change in Value of Investments | 25,374.04 | 41,369 17 |
| **Ending Value on 09/30/2010** | **$ 548,857.18** | **$ 548,857.18** |
| *Accrued Interest* | *1,398 04* | |
| ***Ending Value with Accrued Interest*** | ***$ 550,255.22*** | |
| **Total Change in Account Value:** | | |
| **Including Deposits and Withdrawals** | **$ 25,322.23**<br>**4.84%** | **$ 23,593.65**<br>**4.49%** |
| ***Incl. Deposits, W/Ds, & Accrued Int.*** | ***$ 26,720.27*** | |

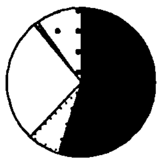
### Account Value ($) Over Last 12 Months [in Thousands]



## Asset Composition

| | Market Value | % of Account Assets |
|---|---|---|
| Cash and Money Market Funds [Sweep] | $ 6,490.85 | 1% |
| Fixed Income | 53,342.60 | 10% |
| Equities | 300,721 51 | 55% |
| Bond Funds | 149,913.81 | 27% |
| Other Assets | 38,388.41 | 7% |
| **Total Assets Long** | **$ 548,857.18** | |
| **Total Account Value** | **$ 548,857.18** | **100%** |
| *Accrued Interest* | *1,398.04* | |
| ***Total Value with Accrued Interest*** | ***$ 550,255.22*** | |

### Overview



| | |
|---|---|
| ■ | 55% Equities |
| ☐ | 7% Other Assets |
| ☐ | 27% Bond Funds |
| ▨ | 1% Cash, MMFs [Sweep] |
| ⊡ | 10% Fixed Income |

### Gain or (Loss) Summary

**Realized Gain or (Loss) This Period**

| | |
|---|---|
| Short Term | $0.00 |
| Long Term | $0 00 |

**Unrealized Gain or (Loss)**

| | |
|---|---|
| All Investments | $60,374 84[bi] |

*Values may not reflect all of your gains/losses*

### Account Notes

- Accrued Interest is $1,398 04

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

CT9R4803-004905 214405

| **Income Summary** | This Period | | Year to Date | |
|---|---|---|---|---|
| | Federally Tax-Exempt | Federally Taxable | Federally Tax-Exempt | Federally Taxable |
| Money Funds Dividends | 0 00 | 0 48 | 0.00 | 8 70 |
| Cash Dividends | 0.00 | 2,798.60 | 0.00 | 15,243.29 |
| Partnership Distributions | 0.00 | 0.00 | 0.00 | 1,201.97 |
| Corporate Bond Interest | 0.00 | 572 14 | 0.00 | 814.26 |
| **Total Income** | **0.00** | **3,371.22** | **0.00** | **17,268.22** |
| Accrued Interest Paid[4] | 0.00 | 0 00 | 0.00 | (162.14) |

[4] Certain accrued interest paid on taxable bonds may be deductible; consult your tax advisor

## Investment Detail - Cash and Money Market Funds [Sweep]

| **Cash** | **Market Value** | **% of Account Assets** |
|---|---|---|
| Cash | 590.32 | <1% |
| **Total Cash** | **590.32** | **<1%** |

| **Money Market Funds [Sweep]** | **Quantity** | **Market Price** | **Market Value** | **Current Yield** | **% of Account Assets** |
|---|---|---|---|---|---|
| SCHWAB CASH RESERVES. SWSXX | 5,900.5300 | 1.0000 | 5,900.53 | 0 06% | 1% |
| **Total Money Market Funds [Sweep]** | | | **5,900.53** | | **1%** |
| **Total Cash and Money Market Funds [Sweep]** | | | **6,490.85** | | **1%** |

## Investment Detail - Fixed Income

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

|  | Par | Market Price | Market Value | Adjusted Cost Basis | % of Account Assets | Unrealized Gain or (Loss) | Estimated Annual Income |
|---|---|---|---|---|---|---|---|
| **Corporate Bonds** |  |  | *Cost Basis* |  |  |  | Yield to Maturity |
| **ENERGY FUTURE<br>9.75%19** | 3,000.0000 | 96.7500 | 2,902.50 | N/A[i] | <1% | N/A[i] | 292.50 |
| NOTES DUE 10/15/19<br>CALLABLE 10/15/14 AT<br>104 87500<br>CUSIP: 292680AF2<br>MOODY'S. Caa3 S&P: B+ |  |  | *please provide*[i] |  |  |  | N/A<br>***Accrued Interest: 134.88*** |
| **ENERGY FUTURE IN<br>9.75%19** | 3,000.0000 | 96.7500 | 2,902.50 | N/A[i] | <1% | N/A[i] | 292.50 |
| NOTES DUE 10/15/19<br>CALLABLE 10/15/14 AT<br>104.87500<br>CUSIP: 292681AA1<br>MOODY'S: N/R S&P B+ |  |  | *please provide*[i] |  |  |  | N/A<br>***Accrued Interest: 134.88*** |
| **LEAR CORP 8.125%20** | 15,000.0000 | 106.5000 | 15,975.00 | 15,402.36 | 3% | 572.64[b] | 1,218.75 |
| NOTES DUE 03/15/20<br>CALLABLE 03/15/15 AT<br>104.06300<br>CUSIP: 521865AS4<br>MOODY'S: N/A S&P· BB+ |  |  | *15,415.00* |  |  |  | 7.72%<br>***Accrued Interest: 54.17*** |
| **LORILLARD TOBAC<br>6.875%20** | 15,000.0000 | 106.1673 | 15,925.10 | 15,225.73 | 3% | 699.37[b] | 1,031.25 |
| BONDS DUE 05/01/20<br>CUSIP: 544152AB7<br>MOODY'S: N/A S&P· N/A |  |  | *15,232 30* |  |  |  | 6.65%<br>***Accrued Interest: 484.11*** |

## Investment Detail - Fixed Income (continued)

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

| Corporate Bonds (continued) | Par | Market Price | Market Value<br>*Cost Basis* | Adjusted Cost Basis | % of Account Assets | Unrealized Gain or (Loss) | Estimated Annual Income<br>Yield to Maturity |
|---|---|---|---|---|---|---|---|
| **US STEEL CORP**<br>**7.375%20**<br>NOTES DUE 04/01/20<br>CALLABLE<br>CUSIP· 912909AF5<br>MOODY'S. N/A S&P. N/A | 15,000.0000 | 104.2500 | 15,637.50<br>*15,227 50* | 15,222.00 | 3% | 415.50 [b] | 1,106.25<br>7.15% |
| | | | | | | | ***Accrued Interest: 590.00*** |
| **Total Corporate Bonds** | | | **53,342.60** | **45,850.09** [i] | **10%** | **1,687.51** [bi] | **3,941.25** |
| | Total Cost Basis· | | 45,874 80 [i] | | | | |

***Total Accrued Interest for Corporate Bonds: 1,398.04***

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Total Fixed Income** | | | **53,342.60** | **45,850.09** [i] | **10%** | **1,687.51** [bi] | **3,941.25** |
| | Total Cost Basis. | | 45,874.80 [i] | | | | |

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

## Investment Detail - Equities

Accounting Method
Equities. First In First Out [FIFO]

| Equities | Quantity | Market Price | Market Value<br>*Cost Basis* | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---|---|---|---|---|---|---|---|
| **A T & T INC NEW** ♀<br>SYMBOL: T | 412.8150 | 28.6000 | 11,806.51<br>*10,698.86* | 2% | 1,107.65 | 5.87% | 693.53 |

## Investment Detail - Equities (continued)

Accounting Method
Equities: First In First Out [FIFO]

| Equities (continued) | Quantity | Market Price | Market Value<br>*Cost Basis* | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---|---|---|---|---|---|---|---|
| **ADVANTA CORP CL B**<br>SYMBOL: ADVBQ | 5,000.0000 | 0.0085 | 42.50<br>*2,503.65* | <1% | (2,461.15) | 0.00% | 0.00 |
| **ALTRIA GROUP INC ♀**<br>SYMBOL: MO | 738.4254 | 24.0200 | 17,736.98<br>*14,804 17* | 3% | 2,932.81 | 6.32% | 1,122.41 |
| **CENTURYLINK INC**<br>SYMBOL. CTL | 700.0000 | 39.4600 | 27,622.00<br>*23,514.33* | 5% | 4,107.67 | 7.34% | 2,030.00 |
| **COHEN & STEERS ♀**<br>INFRASTRUCTURE FUND INC<br>SYMBOL: UTF | 1,118.6003 | 15.9200 | 17,808.12<br>*12,489.79* | 3% | 5,318.33 | 9.04% | 1,610.78 |
| **DUKE ENERGY CORP NEW ♀**<br>SYMBOL: DUK | 1,091.0370 | 17.7100 | 19,322.27<br>*13,503.45* | 4% | 5,818.82 | 5.53% | 1,069.22 |
| **GEN MARITIME CORP NEW F**<br>SYMBOL: GMR | 500.0000 | 4.9100 | 2,455.00<br>*4,151 39* | <1% | (1,696.39) | 6.51% | 160.00 |
| **GENERAL ELECTRIC COMPANY**<br>SYMBOL: GE | 200.0000 | 16.2500 | 3,250.00<br>*3,112 95* | <1% | 137.05 | 2.95% | 96.00 |
| **LILLY ELI & COMPANY ♀**<br>SYMBOL: LLY | 544.2891 | 36.5300 | 19,882.88<br>*16,536 73* | 4% | 3,346.15 | 5.36% | 1,066.81 |
| **LLOYDS BANKING GP ADR F**<br>SPONSORED ADR<br>1 ADR REPS 4 ORD<br>SYMBOL: LYG | 500.0000 | 4.6100 | 2,305.00<br>*2,088.95* | <1% | 216.05 | 0.00% | 0.00 |

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

## Investment Detail - Equities (continued)

<u>Accounting Method</u>
Equities. First In First Out [FIFO]

| Equities (continued) | Quantity | Market Price | Market Value<br>*Cost Basis* | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---|---|---|---|---|---|---|---|
| **MAGYAR TELEKOM TEL ADR F**<br>SPONSORED ADR<br>1 ADR REP 5 B ORDS<br>SYMBOL: MTA | 1,000.0000 | 16.3100 | 16,310.00<br>*17,887.95* | 3% | (1,577.95) | 0.00% | 0.00 |
| **METLIFE INC A PERP PFD ◊**<br>SERIES A NON-CUM FLTG<br>RATE<br>SYMBOL MET+A | 551.5791 | 23.3200 | 12,862.82<br>*6,946 29* | 2% | 5,916.53 | 4.38% | 563.84 |
| **NEW FLYER INDS INC IDR F**<br>INCOME DEPOSIT SECS<br>1 IDR = 1 CM + $5.53 P/A<br>SYMBOL· NFYIF | 1,000.0000 | 11.5029 | 11,502.90<br>*6,877.99* | 2% | 4,624.91 | 3.33% | 383.95 |
| **PFIZER INCORPORATED ◊**<br>SYMBOL· PFE | 941.2853 | 17.1700 | 16,161.87<br>*14,313.90* | 3% | 1,847.97 | 4.19% | 677.73 |
| **RAINIER PAC FINL GROUP**<br>SYMBOL· RPFG | 5,000.0000 | 0.0110 | 55.00<br>*2.962 20* | <1% | (2,907.20) | 0.00% | 0.00 |
| **REPSOL YPF S A ADR F**<br>SPONSORED ADR<br>1 ADR REP 1 ORD<br>SYMBOL. REP | 500.0000 | 25.7300 | 12,865.00<br>*8,472.95* | 2% | 4,392.05 | 0.00% | 0.00 |
| **TEEKAY TANKERS LTD CL AF**<br>SYMBOL: TNK | 500.0000 | 13.0100 | 6,505.00<br>*4,000 41* | 1% | 2,504.59 | 10.45% | 680.00 |
| **THE SOUTHERN COMPANY ◊**<br>SYMBOL. SO | 542.6333 | 37.2400 | 20,207.66<br>*15,391.50* | 4% | 4,816.16 | 4.88% | 987.59 |

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## Investment Detail - Equities (continued)

Accounting Method
Equities. First In First Out [FIFO]

| Equities (continued) | Quantity | Market Price | Market Value<br>*Cost Basis* | % of Account Assets | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---|---|---|---|---|---|---|---|
| **US ECOLOGY INC**<br>SYMBOL: ECOL | 500.0000 | 16.0000 | 8,000.00<br>*7,777.95* | 1% | 222.05 | 4.50% | 360.00 |
| **VANGUARD NATURAL RES LLC**<br>SYMBOL· VNR | 500.0000 | 25.4600 | 12,730.00<br>*12,270 11* | 2% | 459.89 | 8.64% | 1,100.00 |
| **VERIZON COMMUNICATIONS**<br>SYMBOL. VZ | 1,500.0000 | 32.5900 | 48,885.00<br>*41,713 72* | 9% | 7,171.28 | 5.83% | 2,850.00 |
| **VODAFONE GROUP NEW ADR F**<br>SPONSORED ADR<br>1 ADR REP 10 ORD<br>SYMBOL: VOD | 500.0000 | 24.8100 | 12,405.00<br>*10,963.45* | 2% | 1,441.55 | 0.00% | 0.00 |
| **Total Equities** | | | 300,721.51 | 55% | 47,738.82 | | 15,451.86 |
| | | Total Cost Basis: | 252,982 69 | | | | |

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

## Investment Detail - Mutual Funds

Accounting Method
Mutual Funds· Average

| Bond Funds | Quantity | Market Price | Market Value | % of Account Assets | Average Cost Basis | Cost Basis | Unrealized Gain or (Loss) |
|---|---|---|---|---|---|---|---|
| **PIMCO TOTAL RETURN FUND** ♀<br>INSTL CL<br>SYMBOL· PTTRX | 8,604.5840 | 11.6000 | 99,813 17 | 18% | 10.40 | 89,517.17 | 10,296.00 |

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

## Investment Detail - Mutual Funds (continued)

Accounting Method
Mutual Funds: Average

| Bond Funds (continued) | Quantity | Market Price | Market Value | % of Account Assets | Average Cost Basis | Cost Basis | Unrealized Gain or (Loss) |
|---|---|---|---|---|---|---|---|
| **WESTERN ASSET CORE PLUS** ◊<br>BOND PORTFOLIO<br>SYMBOL: WACPX | 4,571.2260 | 10.9600 | 50,100.64 | 9% | 10 25 | 46,866.80' | 3.233 84 |
| **Total Bond Funds** | | | **149,913.81** | **27%** | | **136,383.97** | **13,529.84** |
| **Total Mutual Funds** | | | **149,913.81** | **27%** | | **136,383.97** | **13,529.84** |

## Investment Detail - Other Assets

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

| Other Assets | Quantity | Market Price | Market Value<br>*Cost Basis* | % of Account Assets | Unrealized Gain or (Loss) |
|---|---|---|---|---|---|
| **BARCLAYS BANK 7.75%ADR F**<br>SPONSORED ADS SER 4 PFD<br>SUBJ TO XTRO REDEMPTION<br>SYMBOL BCS+C | 100.0000 | 25.3600 | 2,536.00<br>*2,302.45* | <1% | 233.55 |
| **CAPSTEAD MORTGAGE CP NEW**<br>REIT<br>SYMBOL· CMO | 500.0000 | 10.8700 | 5,435.00<br>*5,863.45* | <1% | (428.45) |
| **CHIMERA INVESTMENT CORP**<br>REIT<br>SYMBOL. CIM | 500.0000 | 3.9500 | 1,975.00<br>*2,053 95* | <1% | (78.95) |
| **FIRST INDUSTRIAL RLTY TR** ◊<br>REIT<br>SYMBOL. FR | 500.0000 | 5.0700 | 2,535.00<br>*2,012.95* | <1% | 522.05 |
| **ISHARES FTSE NAREIT MTG**<br>PLUS CAPPED INDEX FUND<br>SYMBOL: REM | 500.0000 | 14.5700 | 7,285.00<br>*5,939 62* | 1% | 1,345.38 |

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

## Investment Detail - Other Assets (continued)

Accounting Method
Other Assets First In First Out [FIFO]

| Other Assets (continued) | Quantity | Market Price | Market Value<br>*Cost Basis* | % of Account Assets | Unrealized Gain or (Loss) |
|---|---|---|---|---|---|
| **K SEA TRANSN PARTNERS LP**<br>SYMBOL: KSP | 1,000.0000 | 4.0900 | 4,090.00<br>*9,455 85* | <1% | (5,365.85) |
| **NUSTAR ENERGY LP ♀**<br>SYMBOL· NS | 215.8166 | 61.7300 | 13,322.36<br>*11,415 02* | 2% | 1,907.34 |
| **WILLIAMS COAL SEAM GAS**<br>ROYALTY TRUST<br>SYMBOL: WTU | 500.0000 | 2.4201 | 1,210.05<br>*1,926 45* | <1% | (716.40) |
| **Total Other Assets** | | | 38,388.41 | 7% | (2,581.33) |
| | | Total Cost Basis: | 40,969.74 | | |

| | |
|---|---|
| **Total Investment Detail** | 548,857.18 |
| **Total Account Value** | 548,857.18 |
| Total Cost Basis | 476,211.20 |

## Transaction Detail - Purchases & Sales

### Equities Activity

| Settle Date | Trade Date | Transaction | Description | Quantity | Unit Price | Total Amount |
|---|---|---|---|---|---|---|
| 09/02/10 | 09/02/10 | Reinvested Shares | PFIZER INCORPORATED. PFE | 10 2226 | 16 3941 | (167 59) |
| 09/08/10 | 09/08/10 | Reinvested Shares | THE SOUTHERN COMPANY. SO | 6.5896 | 37.0129 | (243 90) |
| 09/13/10 | 09/13/10 | Reinvested Shares | LILLY ELI & COMPANY· LLY | 7.3907 | 35 5960 | (263 08) |

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

## Transaction Detail - Purchases & Sales (continued)

### Equities Activity (continued)

| Settle Date | Trade Date | Transaction | Description | Quantity | Unit Price | Total Amount |
|---|---|---|---|---|---|---|
| 09/16/10 | 09/16/10 | Reinvested Shares | METLIFE INC A PERP PFD<br>SERIES A NON-CUM FLTG MET+A | 5 9437 | 23 4600 | (139.44) |
| 09/17/10 | 09/17/10 | Reinvested Shares | DUKE ENERGY CORP NEW DUK | 15 0015 | 17 5735 | (263 63) |
| **Total Equities Activity** | | | | | | **(1,077.64)** |

### Bond Funds Activity

| Settle Date | Trade Date | Transaction | Description | Quantity | Unit Price | Total Amount |
|---|---|---|---|---|---|---|
| 09/30/10 | 09/30/10 | Reinvested Shares | PIMCO TOTAL RETURN FUND<br>INSTL CL: PTTRX | 21.7720 | 11 6000 | (252 56) |
| 09/30/10 | 09/30/10 | Reinvested Shares | WESTERN ASSET CORE PLUS<br>BOND PORTFOLIO· WACPX | 17 5500 | 10 9600 | (192 35) |
| **Total Bond Funds Activity** | | | | | | **(444.91)** |

| | |
|---|---|
| **Total Purchases & Sales** | **(1,522.55)** |

## Transaction Detail - Deposits & Withdrawals

| Transaction Date | Process Date | Activity | Description | Location | Credit/(Debit) |
|---|---|---|---|---|---|
| 09/01/10 | 09/01/10 | Funds Paid | SCHWAB ONE CHECK 0237 | | (500.00) |
| 09/02/10 | 09/02/10 | Funds Paid | SCHWAB ONE CHECK 0239 | | (500 00) |
| 09/09/10 | 09/09/10 | Funds Paid | SCHWAB ONE CHECK 0244 | | (500.00) |
| 09/28/10 | 09/28/10 | Funds Paid | SCHWAB ONE CHECK 0245 | | (400 00) |
| **Total Deposits & Withdrawals** | | | | | **(1,900.00)** |

The total deposits activity for the statement period was $0 00 The total withdrawals activity for the statement period was $1,900 00

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

## Transaction Detail - Dividends & Interest (including Money Market Fund dividends reinvested)

| Transaction Date | Process Date | Activity | Description | Credit/(Debit) |
|---|---|---|---|---|
| 09/01/10 | 09/01/10 | Qual Div Reinvest | PFIZER INCORPORATED. PFE | 167.59 |
| 09/03/10 | 09/03/10 | Cash Dividend | GEN MARITIME CORP NEW F· GMR | 40 00 |
| 09/04/10 | 09/07/10 | Qual Div Reinvest | THE SOUTHERN COMPANY: SO | 243 90 |
| 09/10/10 | 09/10/10 | Qual Div Reinvest | LILLY ELI & COMPANY. LLY | 263.08 |
| 09/15/10 | 09/15/10 | Qualified Dividend | BARCLAYS BANK 7.75%ADR F: BCS+C | 48.44 |
| 09/15/10 | 09/15/10 | Bond Interest | LEAR CORP 8.125%20: 521865AS4 | 572.14 |
| 09/15/10 | 09/15/10 | Qual Div Reinvest | METLIFE INC A PERP PFD MET+A | 139.44 |
| 09/15/10 | 09/15/10 | Dividend | SCHWAB CASH RESERVES. SWSXX | 0 48 |
| 09/15/10 | 09/16/10 | Special Dividend | NEW FLYER INDS INC IDR F: NFYIF | 62 59 |
| 09/15/10 | 09/16/10 | Cash Dividend | NEW FLYER INDS INC IDR F. NFYIF | 32.00 |
| 09/15/10 | 09/16/10 | Foreign Tax Paid | NEW FLYER INDS INC IDR F. NFYIF | (4.80) |
| 09/16/10 | 09/16/10 | Qual Div Reinvest | DUKE ENERGY CORP NEW: DUK | 263.63 |
| 09/20/10 | 09/20/10 | Qualified Dividend | CENTURYLINK INC: CTL | 507.50 |
| 09/30/10 | 09/30/10 | Div For Reinvest | COHEN & STEERS UTF | 402 70 |
| 09/30/10 | 09/30/10 | Cash Dividend | ISHARES FTSE NAREIT MTG· REM | 187 62 |
| 09/30/10 | 09/30/10 | Div For Reinvest | PIMCO TOTAL RETURN FUND. PTTRX | 252 56 |
| 09/30/10 | 09/30/10 | Div For Reinvest | WESTERN ASSET CORE PLUS: WACPX | 192 35 |
| **Total Dividends & Interest** | | | | **3,371.22** |

| | |
|---|---|
| **Total Transaction Detail** | **(51.33)** |

## Money Funds Detail

### SCHWAB CASH RESERVES Activity

| Settle Date | Transaction | Quantity | Unit Price | Purchase/Debit | Sale/Credit |
|---|---|---|---|---|---|
| **Opening # of Shares: 6,542.1800** | | | | | |
| 09/01/10 | Redeemed | 500 0000 | 1.0000 | | 500.00 |
| 09/02/10 | Redeemed | 332 4100 | 1 0000 | | 332.41 |

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

## Money Funds Detail (continued)

### SCHWAB CASH RESERVES Activity (continued)

| Settle Date | Transaction | Quantity | Unit Price | Purchase/Debit | Sale/Credit |
|---|---|---|---|---|---|
| 09/03/10 | Redeemed | 167.5900 | 1.0000 | | 167.59 |
| 09/07/10 | Purchased | 40.0000 | 1.0000 | 40.00 | |
| 09/09/10 | Redeemed | 500.0000 | 1.0000 | | 500 00 |
| 09/15/10 | Dividend | 0 4800 | 1.0000 | 0.48 | |
| 09/16/10 | Purchased | 620.5800 | 1.0000 | 620.58 | |
| 09/17/10 | Purchased | 89.7900 | 1.0000 | 89.79 | |
| 09/21/10 | Purchased | 507.5000 | 1.0000 | 507.50 | |
| 09/28/10 | Redeemed | 400 0000 | 1.0000 | | 400 00 |
| **Closing # of Shares: 5,900.5300** | | | | | |
| **Total SCHWAB CASH RESERVES Activity** | | | | **1,258.35** | **1,900.00** |
| **Total Money Funds Detail** | | | | **1,258.35** | **1,900.00** |

*SCH CASH RESERVES Average Yield For The Most Recent Pay Period 0 07%, 7-Day Yield 0 06%*

## Pending Corporate Actions

| | Transaction | Quantity | Payable Date | Rate per Share | Share Distribution | Cash Distribution |
|---|---|---|---|---|---|---|
| ALTRIA GROUP INC | Qualified Dividend | 738.4254 | 10/12/10 | 0.3800 | | 280 60 |
| GENERAL ELECTRIC COMPANY | Qualified Dividend | 200.0000 | 10/25/10 | 0.1200 | | 24 00 |
| **Total Pending Corporate Actions** | | | | | | **304.60** |

*Pending transactions are not included in account value*

## Endnotes For Your Account

| Symbol | Endnote Legend |
|---|---|
| ◊ | Dividends paid on this security will be automatically reinvested. |

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