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

2010

Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning 8/01, **2010, and ending** 7/31, **2011**

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

LGT FOUNDATION
C/O SOSIN KRIEGEL-3000 MARCUS AVE #2E4
LAKE SUCCESS, NY 11042

A Employer identification number
06-1281494
B Telephone number (see the instructions)
(212) 570-4600
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, column (c), line 16)
 ▶ \$ 5,734,876.
J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis)

Part I	Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))</i>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc. received (att sch)	3,743,703.			
2	Ck <input type="checkbox"/> if the foundn is not req to att Sch B				
3	Interest on savings and temporary cash investments			N/A	
4	Dividends and interest from securities	25,517.	25,517.		
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain/(loss) from sale of assets not on line 10	1,365,758.			
b	Gross sales price for all assets on line 6a <u>1,790,333.</u>				
7	Capital gain net income (from Part IV, line 2)		1,365,758.		
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/(loss) (att sch)				
11	Other income (attach schedule)				
12	Total. Add lines 1 through 11	5,134,978.	1,391,275.		
13	Compensation of officers, directors, trustees, etc	16,500.	3,000.		15,000.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule) SEE ST 1	6,848.			
b	Accounting fees (attach sch) SEE ST 2	11,607.			
c	Other prof fees (attach sch) SEE ST 3	1,504.			1,504.
17	Interest				
18	Taxes (attach schedule)(see instr) SEE STM 4	1,000.			
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) SEE STATEMENT 5	3,342.	1,126.		1,985.
24	Total operating and administrative expenses. Add lines 13 through 23	40,801.	4,126.		18,489.
25	Contributions, gifts, grants paid STMT 6	25,000.			25,000.
26	Total expenses and disbursements. Add lines 24 and 25	65,801.	4,126.		43,489.
27	Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements	5,069,177.			
	b Net investment income (if negative, enter -0-)		1,387,149.		
	c Adjusted net income (if negative, enter -0-)				

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing			9,212.	9,212.
	2	Savings and temporary cash investments		2,011.	243,851.	243,851.
	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 the instructions)				
	7	Other notes and loans receivable (attach sch) ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – U.S. and state government obligations (attach schedule)				
		b Investments – corporate stock (attach schedule)		371,945.	2,171,556.	2,370,502.
		c Investments – corporate bonds (attach schedule)		82,828.	146,402.	141,371.
	11	Investments – land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation (attach schedule) ▶					
12	Investments – mortgage loans					
13	Investments – other (attach schedule)					
14	Land, buildings, and equipment: basis ▶	3,496.				
	Less: accumulated depreciation (attach schedule) SEE STMT 7 ▶	3,496.				
15	Other assets (describe ▶ SEE STATEMENT 8)			2,969,940.	2,969,940.	
16	Total assets (to be completed by all filers – see instructions Also, see page 1, item I)		456,784.	5,540,961.	5,734,876.	
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & 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. ▶ <input type="checkbox"/>					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds		456,784.	5,540,961.	
30	Total net assets or fund balances (see the instructions)		456,784.	5,540,961.		
31	Total liabilities and net assets/fund balances (see the instructions)		456,784.	5,540,961.		

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	456,784.
2	Enter amount from Part I, line 27a	2	5,069,177.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	15,000.
4	Add lines 1, 2, and 3	4	5,540,961.
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	5,540,961.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE STATEMENT 10			
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			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(f) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
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	1,365,758.
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 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.

(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 (column (b) divided by column (c))
2009	25,000.	569,312.	0.043913
2008	31,791.	458,541.	0.069331
2007	30,441.	634,044.	0.048011
2006	28,000.	643,389.	0.043520
2005	25,000.	574,036.	0.043551

2 Total of line 1, column (d)	2	0.248326
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	0.049665
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	927,510.
5 Multiply line 4 by line 3	5	46,065.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	13,871.
7 Add lines 5 and 6	7	59,936.
8 Enter qualifying distributions from Part XII, line 4	8	43,489.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1 Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instr.)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	27,743.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-).		2	0.
3 Add lines 1 and 2		3	27,743.
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	27,743.
6 Credits/Payments:			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010.	6 a	992.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c	35,000.	
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	35,992.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid.	10	8,249.	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> 8,249. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>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.</i>		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		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? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) NY		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

Part VII-A Statements Regarding Activities (Continued)

<p>11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)</p>	11		X
<p>12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?</p>	12		X
<p>13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>HTTP://WWW.LENORETAWNEY.COM/</u></p>	13	X	
<p>14 The books are in care of ▶ <u>ELLYN A. SOSIN</u> Telephone no ▶ <u>516-570-4600</u> Located at ▶ <u>3000 MARCUS AVE LAKE SUCCESS NY</u> ZIP + 4 ▶ <u>11042</u></p>			
<p>15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year .</p>	15	N/A	N/A
<p>16 At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If 'Yes,' enter the name of the foreign country ▶</p>	16	Yes	No
			X

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
<p>1a During the year did the foundation (either directly or indirectly):</p> <p>(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>			
<p>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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/></p>	1b	N/A	
<p>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 2010?</p>	1c		X
<p>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)):</p> <p>a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>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 the instructions.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ 20__ , 20__ , 20__ , 20__</p>	2b	N/A	
<p>3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If 'Yes,' did it have excess business holdings in 2010 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 2010.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	3b	N/A	
<p>4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?</p>	4a		X
<p>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 2010?</p>	4b		X

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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 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 instructions)? Yes No

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). N/A

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

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

If 'Yes' to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

5b	N/A	
6b		X
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 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
JANICE GORDON 19 WEST 10TH STREET NEW YORK, NY 10011	DIRECTOR 1	0.	0.	0.
KATHLEEN MANGAN 133 SACKETT STREET BROOKLYN, NY 11231	EXEC DIR/SEC 30	6,000.	0.	0.
ELLYN A SOSIN 3000 MARCUS AVE-STE 2E4 LAKE SUCCESS, NY 11042	TREASURER 1	0.	0.	0.
PAUL J SMITH 1349 LEXINGTON AVENUE NEW YORK, NY 10128	PRESIDENT 30	10,500.	0.	0.

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

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

Total number of other employees paid over \$50,000 0

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

3 Five highest-paid independent contractors for professional services (see 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 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 instructions 3 ----- -----	
Total. Add lines 1 through 3 ▶	0.

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1 a	893,168.
b Average of monthly cash balances	1 b	48,467.
c Fair market value of all other assets (see instructions)	1 c	
d Total (add lines 1a, b, and c)	1 d	941,635.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	941,635.
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	14,125.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	927,510.
6 Minimum investment return. Enter 5% of line 5	6	46,376.

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

1 Minimum investment return from Part X, line 6	1	46,376.
2a Tax on investment income for 2010 from Part VI, line 5	2 a	27,743.
b Income tax for 2010 (This does not include the tax from Part VI)	2 b	
c Add lines 2a and 2b	2 c	27,743.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	18,633.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	18,633.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	18,633.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1 a	43,489.
b Program-related investments — total from Part IX-B	1 b	
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)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	43,489.
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 instructions)	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	43,489.

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.

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Form 990-PF (2010)

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				18,633.
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			24,851.	
b Total for prior years: 20 ____, 20 ____, 20 ____		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ <u>43,489.</u>				
a Applied to 2009, but not more than line 2a			24,851.	
b Applied to undistributed income of prior years (Election required – see instructions).		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2010 distributable amount				18,633.
e Remaining amount distributed out of corpus	5.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	5.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount – see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions).	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	5.			
10 Analysis of line 9.				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010	5.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, 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) 2010	(b) 2009	(c) 2008	(d) 2007	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test – enter:					
(1) Value of all assets.					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test – enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year – see 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))
 NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
 NONE

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

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

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

c Any submission deadlines:

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

Part XV Supplementary Information (continued)

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

Recipient	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
Name and address (home or business)				
<i>a Paid during the year</i>				
Total			▶ 3a	
<i>b Approved for future payment</i>				
Total			▶ 3b	

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

2010

Name of the organization

LGT FOUNDATION

Employer identification number

06-1281494

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Form 990-PF

Section:

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

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

LGT FOUNDATION

06-1281494

Part I Contributors (see instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	LENORE TAWNEY ESTATE ----- 32 WEST 20TH STREET ----- NEW YORK, NY 10011 -----	\$ 3,743,703.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization LGT FOUNDATION	Employer identification number 06-1281494
---	---

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete cols (a) through (e) and the following line entry.

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year (Enter this information once. See instructions.) ▶ \$ **N/A**

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

LGT FOUNDATION

06-1281494

STATEMENT 1
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	\$ 6,848.			
TOTAL	<u>\$ 6,848.</u>	<u>\$ 0.</u>	<u></u>	<u>\$ 0.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOOKKEEPING SERVICES; TAX PREPARATION	\$ 11,607.			
TOTAL	<u>\$ 11,607.</u>	<u>\$ 0.</u>	<u></u>	<u>\$ 0.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OUTSIDE ART SERVICES	\$ 1,504.			\$ 1,504.
TOTAL	<u>\$ 1,504.</u>	<u>\$ 0.</u>	<u></u>	<u>\$ 1,504.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX EXTENSION PMT.	\$ 1,000.			
TOTAL	<u>\$ 1,000.</u>	<u>\$ 0.</u>	<u></u>	<u>\$ 0.</u>

LGT FOUNDATION

06-1281494

**STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
APPRAISAL COSTS	\$ 613.			\$ 613.
BANK FEES	131.			
DUES AND MEMBERSHIPS	695.			695.
FILING FEES	100.			
FILM EXPENSES	390.			390.
FOREIGN TAX	55.	\$ 55.		
MISCELLANEOUS PER K1	287.			287.
	1,071.	1,071.		
TOTAL	\$ 3,342.	\$ 1,126.		\$ 1,985.

**STATEMENT 6
FORM 990-PF, PART I, LINE 25
CONTRIBUTIONS, GIFTS, AND GRANTS**
NONCASH GRANTS AND ALLOCATIONS

CLASS OF ACTIVITY:	RESTRICTED GRANT	
DONEE'S NAME:	KOHLER FOUNDATION INC	
DONEE'S ADDRESS:	725 X WOODLAKE ROAD KOHLER, WI 53044	
RELATIONSHIP OF DONEE:	NONE	
ORGANIZATIONAL STATUS OF DONEE:	501(C)(3)	
FMV OF PROPERTY:		\$ 25,000.
DESCRIPTION OF PROPERTY:	ALBERT ZAHN CARVED ANGEL	
DATE OF GIFT:	6/30/2011	
BOOK VALUE:	10,000.	
METHOD USED TO DETERMINE BV:	DATE OF DEATH VALUE	
METHOD USED TO DETERMINE FMV:	APPRAISAL ATTACHED	
	TOTAL	\$ 25,000.

**STATEMENT 7
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT**

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	\$ 3,496.	\$ 3,496.	\$ 0.	\$ 0.
TOTAL	\$ 3,496.	\$ 3,496.	\$ 0.	\$ 0.

LGT FOUNDATION

06-1281494

STATEMENT 10 (CONTINUED)
 FORM 990-PF, PART IV, LINE 1
 CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
7	5,033.		4,033.	1,000.				\$ 1,000.
8	10,000.		10,000.	0.				0.
9	15,000.		15,944.	-944.				-944.
10	15,000.		15,972.	-972.				-972.
11	10,000.		10,407.	-407.				-407.
12	37.		0.	37.				37.
13	0.		27.	-27.				-27.
14	3.		0.	3.				3.
15	0.		5.	-5.				-5.
16	0.		62.	-62.				-62.
17	1599050.		275,000.	1324050.				1324050.
18	30,000.		25,000.	5,000.				5,000.
19	18,000.		5,000.	13,000.				13,000.
20	45,000.		20,000.	25,000.				25,000.
							TOTAL	\$ <u>1365758.</u>

LENORE G. TAWNEY FOUNDATION

June 21, 2011

Ms Terri Yoho
Executive Director
Kohler Foundation, Inc
725 X Woodlake Road
Kohler, WI 53044

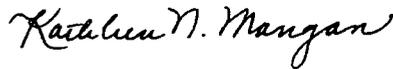
Dear Terri

The Lenore G Tawney Foundation is pleased to return to you our executed copy of a Declaration of Gift from The Lenore G Tawney Foundation to the Kohler Foundation of the work of art by Albert Zahn described therein. This gift is in fact a grant to the Kohler Foundation, Inc designed to serve as a qualifying grant by The Lenore G Tawney Foundation. As such, The Lenore G Tawney Foundation requests that the Kohler Foundation, Inc make a distribution as required under §4942(g)(3) of the Internal Revenue Code not later than the end of its first taxable year after the taxable year in which this grant is received. This grant is subject to the terms set forth in the attached Grant Terms and Conditions, and by accepting this work of art on behalf of the Kohler Foundation, Inc you are indicating that you agree to its terms.

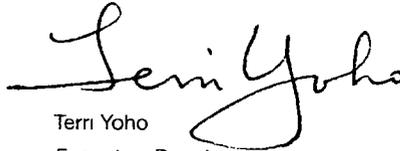
Recognition of "The Lenore G Tawney Foundation" would be appreciated. We wish you continued success in this valuable program.

Sincerely yours,

Agreed to.



Kathleen N Mangan
Administrative Director
The LGT Foundation
d/b/a/ The Lenore G Tawney Foundation



Terri Yoho
Executive Director
Kohler Foundation, Inc

The LGT Foundation
d/b/a The Lenore G. Tawney Foundation
GRANT TERMS AND CONDITIONS

Grant Amount: Untitled (angel) sculpture by Albert Zahn

Grant Recipient: Kohler Foundation, Inc.

(a) Your Tax-Exempt Status: You are exempt under Internal Revenue Code Section 501(c)(3) and currently are classified as a private foundation, not a public charity pursuant to Internal Revenue Code Section 509(a)(1), (2) or (3) (an "Exempt Public Charity").

(b) Grant Purpose: You are to undertake whatever conservation you deem necessary to display the grant to the public and/or to use the grant for educational purposes. After conservation is complete you will redistribute the granted sculpture to the John Michael Kohler Arts Center, Inc., an Exempt Public Charity. The distribution shall be made in accordance with §4942(g)(3) of the Internal Revenue Code no later than the end of the first taxable year after the taxable year in which the grant is received. The grant will be utilized only for educational, scientific, literary, religious or other charitable purposes. You will not use the grant, or income thereon, to conduct tests for public safety, to influence any legislation or the outcome of any election, to conduct a voter registration drive, to satisfy a charitable pledge or obligation of any person or organization other than the Foundation or to provide any tangible economic benefit to any Foundation manager or substantial contributor, or their respective family members. You understand that you will not use the grant for any other purpose without the Foundation's prior approval in writing.

(c) Return of Grant: You will return the grant if not used for the charitable purposes outlined above to the Foundation at the address specified above. You also will return the grant if your organization is no longer recognized by the Internal Revenue Service as tax exempt under Internal Revenue Code Section 501(c)(3).

(d) Foundation Connection: If a Foundation member is an employee, trustee, director or officer of yours or otherwise exercises a position of control or management over you, alone or with others, the grant may be subject to additional terms or rescission. If this is the case, you must notify the Foundation immediately. Additional conditions may apply and it may be necessary for you to return the grant.

(e) Annual Report: You agree to provide an annual report on the use of this grant for the purposes described above and a final report upon completion of conservation and transfer to the John Michael Kohler Arts Center, Inc.

(f) Other Terms: These Grant Terms and Conditions control over and supersede any conflicting terms of any document that you may have received concerning the conditions under which this grant is made and are in addition to all other terms and conditions the Foundation may have provided. This grant is subject to these Terms and Conditions and by accepting the grant, you are indicating that you agree to its terms.

As used herein the term "you" and the like means the recipient of the Grant. The term "Foundation" means The LGT Foundation making the Grant.

DECLARATION OF GIFT
OF
A SCULPTURE BY ALBERT ZAHN

I, Kathleen N. Mangan, on behalf of the Lenore G. Tawney Foundation give, transfer, and assign to Kohler Foundation, Inc., Kohler, Wisconsin one (1) sculpture by artist Albert Zahn as detailed below.

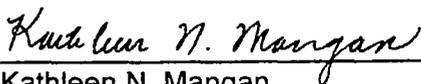
Untitled (angel)
by Albert Zahn
c. 1924 – 1950
Cedar, metal and paint
26" x 15 ½" x 7 ½"

I warrant that the Lenore G. Tawney Foundation is the lawful owner of this sculpture and that Kohler Foundation, Inc. shall have all right, title and interest in this work (including all our copyright, intellectual copyrights, and other rights, if any, therein throughout the world, effective nunc pro tunc as of the creation of the work) for itself, its successors, and assigns.

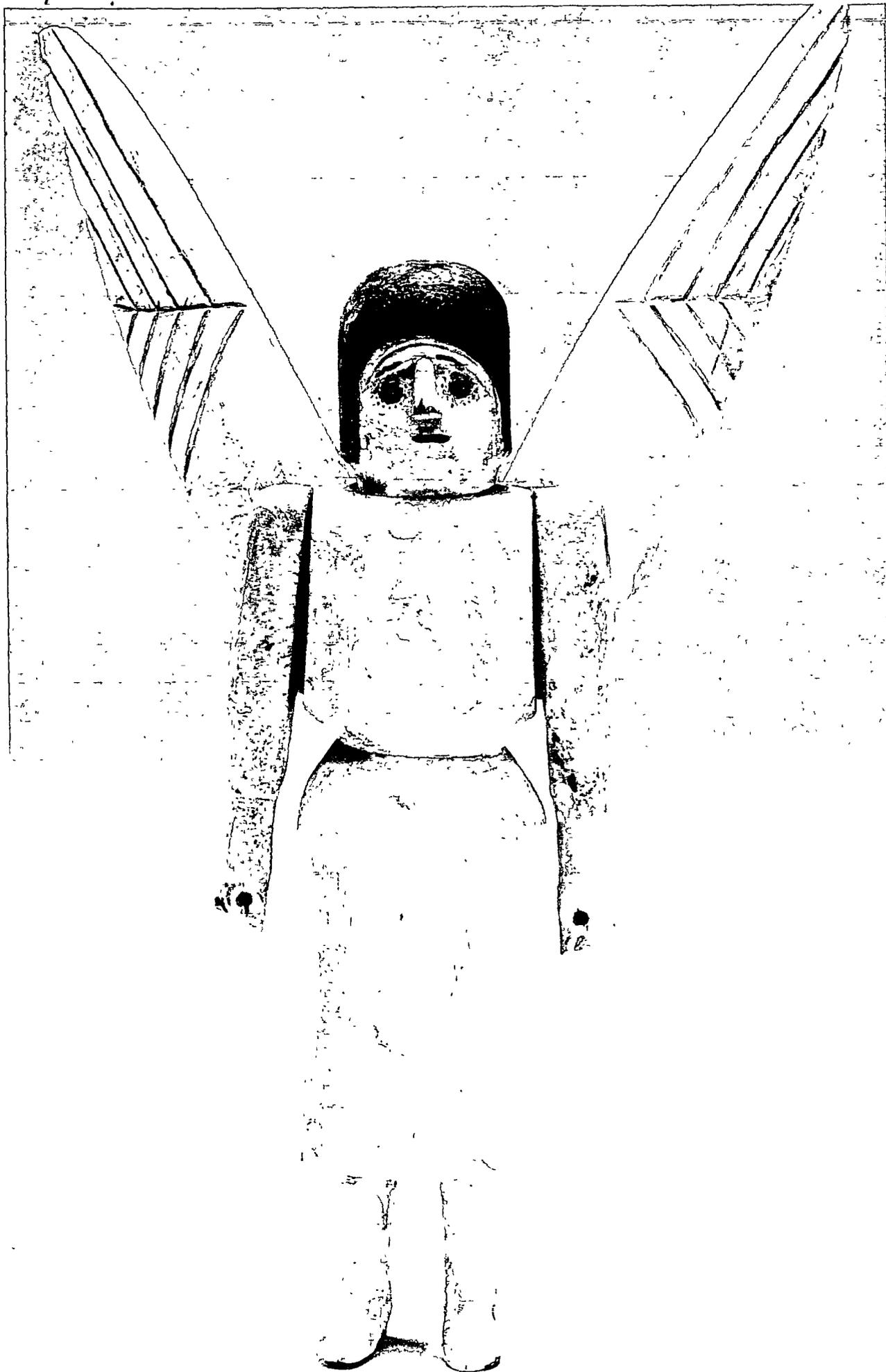
The gift will be noted as a "Gift of the Lenore G. Tawney Foundation and Kohler Foundation, Inc. It is understood that Kohler Foundation will place this work at the John Michael Kohler Arts Center in Sheboygan, Wisconsin for its long term care and exhibition.

In witness whereof I have hereto subscribed by name.

June 21, 2011



Kathleen N. Mangan
Administrative Director
Lenore G. Tawney Foundation



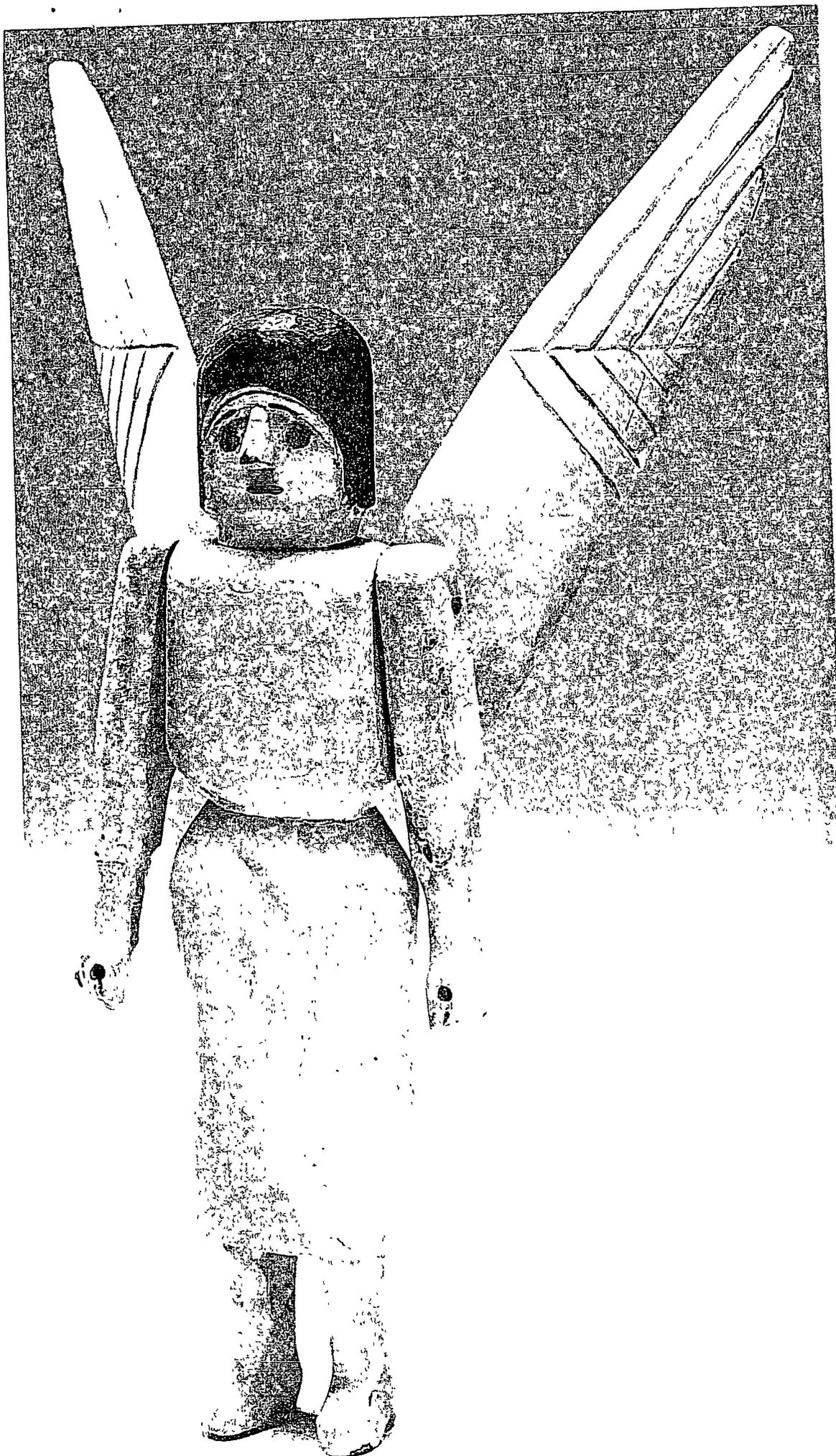
ALBERT ZAHN
ANGEL, C 1930-45
Carved and painted c
225 x 1475 x 625 ir
572 x 375 x 159 cm

173 see



ALBERT ZAHN
ANGEL, C 1930-45
Carved and painted ced
22.5 x 14.75 x 6.25 inch
57.2 x 37.5 x 15.9 cm

2)3 su



ALBERT ZAHN
ANGEL, C. 1930-45
Carved and painted cedar
22.5 x 14.75 x 6.25 inches
57.2 x 37.5 x 15.9 cm

3/3 sue

SHARI CAVIN--FINE ART APPRAISALS

*AAA Certified
USPAP Compliant
(212) 226 3768*

APPRAISER'S CERTIFICATION

I CERTIFY THAT:

I, Shan Cavin, am a certified member in good standing of the Appraisers Association of America (AAA), qualified to appraise personal property, including fine art. I hold myself out to the public as a professional appraiser of Fine Art, including work by self-taught artists, as included in this report. I have never been disqualified by the IRS from preparing IRS appraisals.

I have successfully completed a 15-hour course and examination on the Uniform Standards of Professional Appraisal Practice (USPAP), the Congressionally-recognized set of appraisal standards promulgated by the Appraisal Foundation: completed on May 17th, 2011, effective through May 17th, 2016. This appraisal has been prepared using the guidelines presented by USPAP, using the 2010-11 guidelines.

I subscribe to the Code of Ethics of the Appraiser's Association of America.

I have been actively involved in appraising property of the kind described in this appraisal for a period of sixteen years. A current resume of my qualifications is on pages 12 -13 of this report.

The facts and data by this appraiser and used in the appraisal process are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions stated in this review report and are my professional, unbiased, personal opinions.

I prepared this appraisal without significant contribution of any other person.

I am without any past, present, or contemplated future financial interest in the articles examined, and I have no personal interest with respect to the parties involved.

I have no personal interest or bias with respect to the property that is the subject of this appraisal or bias or to the parties involved with this assignment.

I examined the described property personally at the request of Kathleen Mangnan, Administrative Director of the Lenore G. Tawney Foundation, at the studio of Lenore Tawney in New York, NY in February 2008. I also had a high-resolution digital image of the work examined.

My compensation is not contingent on an action or event resulting from the analyses, opinions or conclusions in this review or from its use. My fee is based on an hourly rate plus expense.

No one provided significant appraisal, appraisal review, or appraisal consulting assistance to the person signing this certification.

Although these certification pages include salient information regarding the methodology of the report, additional information regarding the scope of work, assignment conditions, and disclaimers are important to understand the entire appraisal process. As such, the entire report is required to fully understand the assignment and this certification page that encompasses the entire report and is not valid without reading and understanding the entire report.

Total pages in report: Thirteen
Total number of articles appraised: One
Total number of digital images: One
Total number of photographs: Four
Examination Date: February 2008
Research Dates: June 1-4, 2011
Anticipated Date of Donation: June 30, 2011
Effective Valuation Date: June 4, 2011
Issue Date of the Report: June 4, 2011



Shan Cavin, AAA Certified
USPAP valid until 5/11/2016
552 78 9327

SHARI CAVIN—FINE ART APPRAISALS

AAA Certified
USPAP Compliant
(212) 226 3768

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Bibliography	Page	11
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Additional Photographs	Addendum (1 page)	

SHARI CAVIN--FINE ART APPRAISALS

*AAA Certified
USPAP Compliant
(212) 226 3768*

VALUATION SUMMARY

For Kathleen N. Mangan, Administrative Director of the Lenore G. Tawney Foundation

The attached schedule is, in my professional judgment and opinion a complete and accurate description of the property examined, and a reasonable assessment of its condition.

The valuations herein represent the fair market values for contribution purposes and are based on comparable items of property of similar kind, quality and condition as of the date of this appraisal.

The appraised property is valued as of June 4, 2011

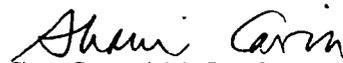
Effective Valuation Date June 30, 2011.

The Appraisal Report was completed on: June 4, 2011

The appraised Fair Market Value of each article or group of articles is set opposite the description of the same. The total fair market value of the appraised property is \$25,000.00 (twenty-five thousand dollars). The attached schedule consists of thirteen pages, and three additional pages of high resolution digitally printed photographs. Each page has been signed or initialed by me, and must be present in its entirety to be valid.

This appraisal is to be used for donation purposes only and is not to be used by any other person than the individual or firm named above, their designated attorneys or accountants

The expected date of the contribution to Kohler Foundation, a tax-exempt organization of the appraised property is June 30, 2011. To the best of my knowledge there is no agreement between the donor and the donee organization relating to the use, sale or other disposition of the appraised property.



Shan Cavin, AAA Certified
USPAP valid until 5/11/2016
552-78-9327

SCOPE OF WORK. APPRAISAL METHOD AND DEFINITION OF VALUE

PROBLEM TO SOLVE. The appraiser was asked by the named parties to establish fair market value for donation purposes.

CATEGORIES OF ITEMS EXAMINED One carved and painted angel by Albert Zahn

CLIENT: Kathleen N Mangan, Administrative Director of the Lenore G Tawney Foundation

OWNER. Lenore Tawney Estate

OWNERSHIP INTEREST/ART LOSS REGISTRY: The question of title was not an issue. As such, I did not do a title search with Art Loss Registry.

EFFECTIVE DATE OF APPRAISAL Values expressed in this appraisal are effective June 30, 2011.

USE OF APPRAISAL: Non-cash charitable donation

USERS OF APPRAISAL: This appraisal can be used and relied upon by the client and a designated accountant and attorney. Any other user is considered an unintended user.

SPECIFIC ASSIGNMENT CONDITIONS. I was given adequate time to examine the item and to do research

METHOD OF EXAMINATION. Shari Cavin, Certified Member, Appraisers Association of America, examined all items in this report. The carving was examined in February of 2008 at the studio of Lenore Tawney in New York, NY. Examination consisted of a visual inspection to identify medium, style, quality, date, and conditions of the work.

Signature and markings were noted, if found.

Measurements were taken by me to the nearest 1/8 inch; height precedes width precedes depth, unless otherwise stated.

Information concerning provenance or sales history was made available to the appraiser.

The carving has a condition report of "good". Condition refers to what is considered generally acceptable, with ordinary wear and tear for its type, unless otherwise noted.

PHOTOGRAPHY: Photographs were given to me at by Paul J. Smith, co-executor to the Lenore Tawney estate

METHOD OF RESEARCH: Research was done in the office of the appraiser. Further research was conducted on the Internet

APPROACH TO VALUE I employed the market comparison approach to arrive at the appraised fair market value. The income approach and the cost approach were considered and deemed inappropriate for this particular appraisal.

MARKET EXAMINED. The market comparison approach analyses recent sales of comparable articles at national and regional fine art auctions, private and public sales, shows and exhibitions, as well as prevailing prices at retail galleries where the article may normally be traded. For this particular appraisal I examined the Milwaukee, WI, and Chicago, IL marketplace, as well as Internet auction sites. Adjustments have been made for each article, which consider age, condition, rarity, artistic merit, technical workmanship, current trends and availability of an article as compared to such recent sales.

TYPE OF VALUATION: Appraised fair market value is defined by the Internal Revenue Service as "the price that property would sell for on the open market. It is the price that would be agreed on by a willing buyer and a willing seller, with neither being required to act and both having reasonable knowledge of the relevant facts. If any restriction is put on the use of property donated, the Fair Market Value must reflect that restriction". When applicable, sales and/or import tax, commissions and/or premiums are included in this amount

SOURCE OF DEFINITION OF VALUE: All About Appraising: the Definitive Appraisal Handbook, Appraisal Institute of America and The Educational Foundation of the Appraisers Association of America, Helaine Fendelman, AAA and Victor Wiener, co-Editors, and IRS Tax Code 2020 31-B (Fair Market Value).

TYPE OF APPRAISAL: This report should be considered a self-contained appraisal report according to the rules of USPAP (Uniform Standard of Professional Appraisal Practice). Comparable sales history is included in the report. These records will be kept on file for at least five years from the date of issue listed on the Certification Page of this report, or two years after final disposition of any judicial proceedings involving the appraiser, whichever period expires last.

USPAP COMPLIANCY: This appraisal report follows the guidelines of USPAP 2010-11 by providing all the necessary information and analysis to satisfy the report-writing requirements of a Self-Contained Appraisal as defined in Standard 8 (Personal Property, Reporting).

USPAP COMPLIANCY: I, Shari Cavin, AAA, have successfully completed a 15-hour course and examination on the Uniform Standards of Professional Appraisal Practice (USPAP), the Congressionally recognized set of appraisal standards promulgated by The Appraisal Foundation. The course was completed on May 17, 2011, and is effective through May 17, 2016, which is 5 years after completion.

DISCLAIMERS, LIMITING CONDITIONS AND ASSUMPTIONS

This document consists of 13 pages of appraisal report, and three addendum pages of photography, all having been signed and/or initialed by me and must be presented in its entirety to be valid.

The appraiser is not required to give testimony, be present in any court of law, or appear before any commission or board by reason of this appraisal accordance with the law, unless prior arrangements have been made with the appraiser.

The appraiser is relying upon the client's statement and documents as true and apparent proof of full ownership of appraised items and for other specific data in the appraisal.

I have not seen the appraised Albert Zahn carving since 2008, and, therefore, I am relying on the testimony of Kathleen Mangan that it's present condition is the same as it was in my last viewing

The appraiser has not personally seen the comparable sculptures listed in this appraisal report.

The appraiser is not a conservator as such did not prepare a condition report. This appraisal is limited by the appraiser's visual inspection of the sculpture

Although the appraiser exercised diligence in researching work, this appraisal is based on the readily apparent identity of the item appraised, and no further opinion nor guarantee of authenticity, genuineness, attribution, or authorship is made

It is not a representation or warranty that the item will realize that value if offered for sale at an auction or otherwise. The value expressed is based on current information on the date made. No opinion is hereby expressed as to any future value, nor unless otherwise stated, as to any past value

The appraiser's personal knowledge is often confirmed by additional research and consultations. Information furnished by consulting sources, references, and published text, is assumed to be reliable but is not guaranteed

As the appraiser I understand that a substantial or gross valuation misstatement resulting from an appraisal of the value of property that I know or reasonably should have known would be used in connection with a return or claim for refund, may subject me, as the appraiser to a civil penalty under Section 6695A.

Charitable donations are tax deductible as permitted by law. I make no representations or provide any tax advice with regard to any such donations. Donor should confer with his/her tax advisor in that regard

I request that I be immediately notified should Kathleen Kathleen N. Mangan, Administrative Director of the Lenore G. Tawney Foundation, be contacted by the IRS regarding this appraisal report.

Descriptions

Artist: Albert Zahn (b. 1864, Pomerania, Germany, d. 1953, Door County, Wisconsin)

Nationality: American

Date of carving: c. 1930 - 1945

Title: Untitled angel

Medium: Carved and painted cedar

Size: 25.5 x 14.75 x 6.25 inches

Signed: Unsigned

Condition: Good

Description: Zahn's angels tend to be somber if not somewhat stern, and this piece is no exception. It is in good condition. It is painted white, it has piercing blue eyes and small painted arched brows. Its mouth is carved in a straight horizontal line and painted red. Zahn treats the hair almost like a helmet. It covers the head as a solid black mass. The wings have been beautifully carved on the top outer edges to resemble layers of feathers, and then incised with diagonal lines. The arms are straight and articulated at the shoulders. The hands are clenched in fists and both have holes in them so something—a sword or a shield, perhaps, could be inserted. The legs are carved as part of the body and extend rigidly from the gown of the angel.

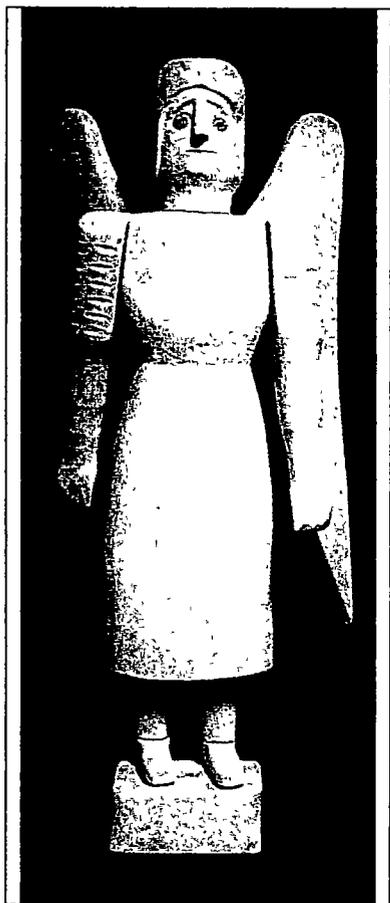
Fair Market Value: \$25,000.00



The Albert Zahn angel *in situ* in the studio of Lenore Tawney
(See addendum 3 photographs for full view)

Comparables

Large angels, although a well-documented part of Zahn's oeuvre, rarely come up for sale on the retail market. Carl Hammer, of Carl Hammer Gallery, Chicago, IL, an early and continuous promoter of Zahn's carvings, has two angels on his website. The sculpture measures 16 x 7 x 5 inches. It has a retail value of \$20,000.00.

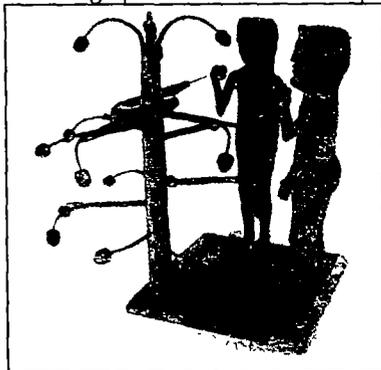


Another example on Hammer's website shows a variation on Zahn's angels, usually referred to as Hessian-style angels because of their color and military aspect. This angel measures 34.5 x 29.5 x 16 inches, taller than that in the Tawney estate, and with a much broader wingspan (Tawney angel measures 25.5 x 14.75 x 6.25 inches). It has a retail value of \$35,000.00.



Albert Zahn Hessia angel from Carl Hammer

Although Albert Zahn is a nationally recognized artist, his regional appeal is particularly strong. Other carvers with national recognition and strong regional appeal include Edgar Tolson (KY), and Charlie Willetto. A Tolson tableau measuring 11 x 11 x 11 inches sold at Slotin's Folk Art Auction on 5/1-2/10 (lot 216) with a hammer price of \$14,500. There are no Tolson carvings the size of the Zahn angels. This is considered a new high price for Tolson. The piece is early and in good condition.



Large, fine carvings by Charlie Willetto, a Navaho from Arizona who lived in New Mexico, rarely come to the marketplace, although his smaller less-spectacular carvings are sometimes for sale in Santa Fe, or found at Slotin Folk Art Auction. In 2007 Phyllis Kind Gallery exhibited at least fifteen major Willetto carvings at the 2007 Outsider Art Fair. The largest ranged in value from \$20,000 to \$26,000. This established a new price point for the artist. The largest was slightly larger than the Zahn angel from the Tawney estate. (No pictures available. Reference http://antiquesandthearts.com/Antiques/AntiquesShows/2007-02-13_08-51-21.html) Large, strong, Willetto carvings have maintained their value during the economic downturn because of their rarity.

Analysis: Zahn's large angels and soldiers are not common on the marketplace and when they are available they are priced in the \$20,000 to \$35,000 range. I will assume that Hammer Gallery offers a 10% discount to buyers. The Tawney estate Zahn falls in between the retail values of the two angels he has for sale. I have

adjusted the price to reflect size (larger by one third than the simple white angel) and smaller by ten inches than the Hessian angel, to arrive at a fair market value of \$25,000.00

Biography:

Early in its history, Bailey's Harbor, located on a bay in Door County, Wisconsin, was surrounded by forests. The harbor served as a port where logs and shingles from local mills were shipped to cities of the Great Lakes. Settlers also had to clear the deeply wooded land for farming. Albert Zahn was a local German immigrant who used this surplus of pine to his creative advantage: he kept a whittling knife in his pocket, and looked toward the sky for inspiration. Hawks, owls, and little songbirds became his subject for "Birds Park," Zahn's tremendous collection of hundreds of sculptural renderings that transfigured his home environment situated on a 160-acre plot of open land into an artistic landscape.

In 1924, Albert Zahn created and built the Birds Park of Bailey's Harbor as his retirement home. The home was built of tiers of formed concrete, and the exterior and yard were filled with his craft. Carved wooden birds, totem poles, angels, insects, and animals were mounted on poles or attached to the house. In the front yard he also built square concrete platforms that were used as fishponds. In 1968, one Door County artist called it "a strange house ... a fairy tale house." Later, in a 1989 article printed in *The Door County Advocate*, writer Norbert Blei explained: "Nobody passes by without wondering, questioning its existence."

Zahn's seemingly simplistic works are strong in the elements of art: form, color, and texture. With the use of the crudest of tools, his sculptures show off the vernacular beauty of the wood that is native to Wisconsin. The imaginative designs also implemented building materials such as hinges and metal pegs and rods in order to transform carvings into animated structures.

Albert Zahn died in 1953 and vandalism deteriorated the outdoor art. Many of the freestanding pieces that decorated the interior of the home were sold off to vernacular art enthusiasts or given as gifts to Zahn's extended family. The artist's work is now on display at the Smithsonian Institute, as well as other galleries in the nation. The art of this Mid-western artist is also featured in several folk art books, such as John Beardsley's *Environments of Visionary Artists*. Zahn's home is now on the National Register of Historic Places and thankfully it is slowly being restored. In 2007 The John Michael Kohler Art Center (JMKAC), in Sheboygan, Wisconsin, opened an exhibition titled *Sublime Spaces and Visionary Worlds*. Zahn was one of the 22 featured artists in the exhibition. The JMKAC has the largest collection of Zahn sculpture of any museum in the country.

Bibliography:

Sublime Spaces and Visionary Worlds, 2007, Ed. Umberger, Leslie (JMKAC)
I'll Fly Away, 2003, Umberger, Leslie, JMKAC
Environments of Visionary Artists, Beardsley, John

SHARI CAVIN

Education

BA, Dance and BA, English Literature, University of California, Santa Barbara

MFA, Dance and Theatre, University of California, Santa Barbara

Professional Appraisal Experience

Certification: Appraisers Association of America, 6/23/08

Elected: Board of Directors June 2008, 2011

Member, Appraisers Association of America Ethics Committee, 2008, 2011

USPAP: 1998, 2007, 2011, valid through May 16, 2016.

Theory and Methodology, April 7, 2011

Appraising Art By Self-Taught Artists: Chapter in Everything You Need to Know About Appraising (pending)

Lecture: Collecting Trends: Self-Taught and Outsider Artists, National Convention, November 2011 (pending)

Lectures: Appraisers Association of America

2003: Reconsidering Outsider Art: An Aesthetic and Financial Itinerary, Appraisers Association of America, Lecture

2005: Outsider Environments, Yale Club, Appraisers Association of America, lecture

2007: Panelist, Appraisers Association of America, Damage and Loss, New York, NY.

Other Experience:

Associate Professor, University of California, Santa Barbara, 1974 - 1976, dance technique, choreography and aesthetics

Gallery Director, Tropics Gallery, New York City, 1978 – 1980. In charge of sales of tribal and fine art and antiquities from Indonesia

Co-Founder and Co-Owner, Cavin-Morris Gallery, New York, New York. The gallery specializes in the work of self-taught artists from around the world, specializing in the work of self-taught artists from Haiti, Jamaica, the United States, Africa and Europe, as well as Japanese country textiles, and Contemporary Studio Ceramics.

Art Lectures and Writings

1986: University of Rhode Island, Department of Art, Lecture, An Overview of Self-Taught Artists in the United States, 1945 to the Present

Lecture, Aljira Gallery (Non-Profit gallery, Newark, NJ), 20th Century Black Self-Taught Artists of Haiti and the United States

1987: Lecture, Museum of American Folk Art, Pre-Columbian Influence in Contemporary Mexican Masking

1988: Clarion Magazine, Article, Bessie Harvey: The Spirit in the Wood

Syracuse University, Lecture and Critique: Self-Taught Masters of Haiti and the United States

Channing, Dale Throckmorton Gallery, Santa Fe, New Mexico, Lecture, Collecting Mexican and Guatemalan Masks

1990, 1993, 1996, Panelist, Museum of American Folk Art, topics varied from issues of dealing art to aesthetics in art

1999: Curated: Daniel Pressley: Sweet and Bitter Streets, Diggs Gallery, Winston-Salem, NC (with brochure and lecture)

Co-curated with Randall Morris: Justin McCarthy, Noyes Museum, Oceanside, NJ, with brochure

2001: Locating Anna Zemánková: Prague and Beyond, American Folk Art Museum, Eva and Morris Feld Gallery. Lecture

2002: Outsider Art, Queens Museum of Art, Lecture

2004: The Healing Machines of Emery Blagdon, School of Visual Arts, lecture

2007: Panelist, The Road Less Traveled, John Michael Kohler Art Center, Sheboygan, WI

2008: The Encyclopedia of Southern Art, Ole Miss Press, chapter on Consuelo Gonzalez Amezcua

2010: The Encyclopedia of Outsider Art, Colin Rhodes, Ed Entry on Zdeneck Kosek (pending publication)

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box
- 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.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

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.

Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization	Employer identification number
	LGT FOUNDATION	06-1281494
	Number, street, and room or suite number. If a P.O. box, see instructions	
	C/O SOSIN KRIEGEL-3000 MARCUS AVE #2E4	
City, town or post office, state, and ZIP code. For a foreign address, see instructions		
LAKE SUCCESS, NY 11042		

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

● The books are in the care of ▶ ELLYN A. SOSIN -----

Telephone No. ▶ 516-570-4600 FAX No ▶ 516-352-5216

- 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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 3/15, 20 12, to file the exempt organization return for the organization named above.
 The extension is for the organization's return for:

- ▶ calendar year 20 ____ or
- ▶ tax year beginning 8/01, 20 10, and ending 7/31, 20 11.

2 If the tax year entered in line 1 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	\$	35,992.
3b 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.	3b	\$	35,992.
3c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

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.