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

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation: INMAN FOUNDATION

A Employer identification number: 74-2833552

Number and street (or P O box number if mail is not delivered to street address): 3200 RIVA RIDGE RD. Room/suite

B Telephone number: (512) 370-3200

City or town, state, and ZIP code: AUSTIN, TX 78746

C If exemption application is pending, check here ☐

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

D 1. Foreign organizations, check here ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ☐

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

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

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶$ 2,769,472.

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

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

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

	Line	(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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	43.	43.		STATEMENT 1
	4 Dividends and interest from securities	90,479.	90,479.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	-7,857.			
	b Gross sales price for all assets on line 6a 632,577.				
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	82,665.	90,522.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	5,000.	2,500.		2,500.
	c Other professional fees STMT 4	24,640.	24,640.		0.
	17 Interest				
	18 Taxes STMT 5	591.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses				
	24 **Total operating and administrative expenses.** Add lines 13 through 23	30,231.	27,140.		2,500.
	25 Contributions, gifts, grants paid	144,100.			144,100.
	26 **Total expenses and disbursements.** Add lines 24 and 25	174,331.	27,140.		146,600.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	-91,666.			
	b **Net investment income** (if negative, enter -0-)		63,382.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	556,457.	670,625.	670,625.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶	288.		
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 6	2,068,402.	1,857,432.	2,090,001.
	c Investments - corporate bonds STMT 7	3,247.	8,671.	8,846.
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	2,628,394.	2,536,728.	2,769,472.
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			
	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	3,952,433.	3,952,433.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	-1,324,039.	-1,415,705.	
	30 **Total net assets or fund balances**	2,628,394.	2,536,728.	
	31 **Total liabilities and net assets/fund balances**	2,628,394.	2,536,728.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	2,628,394.
2	Enter amount from Part I, line 27a	2	-91,666.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	2,536,728.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	2,536,728.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	PUBLICLY TRADED SECURITIES	P		
b	PUBLICLY TRADED SECURITIES	P		
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	130,985.		132,150.	-1,165.
b	501,592.		508,284.	-6,692.
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				-1,165.
b				-6,692.
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	-7,857.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	139,000.	2,951,934.	.047088
2009	180,500.	2,678,112.	.067398
2008	225,100.	3,613,015.	.062303
2007	261,000.	5,155,141.	.050629
2006	288,304.	5,083,140.	.056718

2 **Total** of line 1, column (d)	2	.284136
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	.056827
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	2,893,511.
5 Multiply line 4 by line 3	5	164,430.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	634.
7 Add lines 5 and 6	7	165,064.
8 Enter qualifying distributions from Part XII, line 4	8	146,600.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)		
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	1,268.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3 Add lines 1 and 2	3	1,268.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	1,268.
6 Credits/Payments:		
a 2011 estimated tax payments and 2010 overpayment credited to 2011 — 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	0.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	14.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	1,282.
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 2012 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 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: (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? *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? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX			
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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *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

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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 instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ BOBBY R. INMAN Telephone no. ▶ (512) 370-3200

Located at ▶ 3200 RIVA RIDGE RD., AUSTIN, TX ZIP+4 ▶ 78746

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

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

			Yes	No
16	At any time during calendar year 2011, 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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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

				Yes	No
1a	During the year did the foundation (either directly or indirectly):				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	N/A	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 2011?		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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 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 2011.)*	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 2011?		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)? ☐ Yes ☒ No

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

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

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

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

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

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

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

If "Yes" to 6b, file Form 8870.

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

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b |

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
BOBBY R. INMAN 3200 RIVA RIDGE RD. AUSTIN, TX 78746	PRESIDENT/TREASURER 0.00	0.	0.	0.
THOMAS C. INMAN 3200 RIVA RIDGE RD. AUSTIN, TX 78746	VICE PRESIDENT 0.00	0.	0.	0.
WILLIAM C. INMAN 3200 RIVA RIDGE RD. AUSTIN, TX 78746	VICE PRESIDENT 0.00	0.	0.	0.
NANCY INMAN 3200 RIVA RIDGE RD. AUSTIN, TX 78746	SECRETARY 0.00	0.	0.	0.

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

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

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

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	0.
2	
3	
4	

Part IX-B **Summary of Program-Related Investments**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	2,324,039.
b	Average of monthly cash balances	1b	613,536.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	2,937,575.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	2,937,575.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	44,064.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,893,511.
6	**Minimum investment return.** Enter 5% of line 5	6	144,676.

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	144,676.
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a 1,268.		
b	Income tax for 2011. (This does not include the tax from Part VI.) — 2b		
c	Add lines 2a and 2b	2c	1,268.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	143,408.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	143,408.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	143,408.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	146,600.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	146,600.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	146,600.

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 instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				143,408.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			141,420.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 146,600.				
a Applied to 2010, but not more than line 2a			141,420.	
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 2011 distributable amount				5,180.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				138,228.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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 2011, 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) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
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 foundation 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).)

BOBBY R. INMAN

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 ▶ [X] 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 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 dunng the year				
AUSTIN CHILDREN'S MUSEUM 201 COLORADO ST AUSTIN, TX 78701	NONE	EXEMPT	EDUCATION	6,000.
CARITAS OF AUSTIN, P.O. BOX 1947 AUSTIN, TX 78767-1947	NONE	EXEMPT	PROVIDE ASSISTANCE TO THE NEEDY AND HOMELESS	3,600.
CENTER FOR AMERICAN HISTORY (UNIVERSITY OF TEXAS) 1 UNIVERSITY STATION G1050 AUSTIN, TX 78712	NONE	EXEMPT	SELECT, COLLECT, PRESERVE & DISPLAY AMERICAN HISTORY	2,500.
CENTER FOR EXCELLENCE IN EDUCATION 8201 GREENSBORO DR., STE 215 MCLEAN, VA 22102	NONE	EXEMPT	EDUCATION	2,500.
DIPLOMATIC SECURITY FOUNDATION PO BOX 228 DUNN LORING, VA 22027	NONE	EXEMPT	TO SUPPORT U.S. DEPARTMENT OF STATE'S DIPLOMATIC SEC	10,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	144,100.
b Approved for future payment NONE				
Total			▶ 3b	0.

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
	(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			14	43.	
4 Dividends and interest from securities			14	90,479.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	-7,857.	
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)		0.		82,665.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 82,665.

(See worksheet in line 13 instructions 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).

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

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

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

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

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
N/A		

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) is based on all information of which preparer has any knowledge

Signature of officer or trustee: [signature] Date: 05/15/2012 Title: PRESIDENT

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
ANITA MOTLOCH	[signature]	May 08, 2012		P01274504

Firm's name ▶ MAXWELL LOCKE & RITTER LLP — Firm's EIN ▶ 74-2900215

Firm's address ▶ 401 CONGRESS AVENUE, SUITE 1100
AUSTIN, TX 78701-9682 — Phone no. (512) 370-3200

123622
12-02-11

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
EASTSIDE COMMUNITY CONNECTION 5810 BERKMAN DR. AUSTIN, TX 78723	NONE	EXEMPT	PROVIDE LONG-TERM AND SHORT-TERM HUNGER RELIEF	3,000.
NAVAL AVIATION MUSEUM FOUNDATION P.O. BOX 33104 NAS PENSACOLA, FL 32508	NONE	EXEMPT	SELECT, COLLECT, PRESERVE & DISPLAY HISTORIC NAVAL A	1,000.
NEIGHBORHOOD LONGHORNS PROGRAM (UNIVERSITY OF TEXAS) 1 UNIVERSITY STATION G1050 AUSTIN, TX 78712	NONE	EXEMPT	DIVERISTY AND COMMUNITY ENGAGEMENT	3,500.
OPEN DOOR 3804 CHERRYWOOD ROAD AUSTIN, TX 78722	NONE	EXEMPT	PREPARE CHILDREN THROUGH QUALITY EARLY CHILDHOOD EDUCATION	3,000.
PRISCILLA POND FLAWN CHILD AND FAMILY LAB (UT AUSTIN) 1 UNIVERSITY STATION G2500 AUSTIN, TX 78712	NONE	EXEMPT	RESEARCH IN HUMAN DEVELOPMENT & FAMILY RELATIONSHIPS	25,000.
ROUND UP RIVER RANCH P.O. BOX 8589 AVON, CO 80620	NONE	EXEMPT	PROVIDING CAMP EXPERIENCES FOR CHILDREN WITH CHRONIC	1,000.
SOUTHWESTERN UNIVERSITY PO BOX 770 GEORGETOWN, TX 78627	NONE	EXEMPT	EDUCATION	1,000.
ST. JAMES SCHOOL 17641 COLLEGE ROAD ST JAMES, MD 21781	NONE	EXEMPT	EDUCATION	1,000.
STEADMAN PHILIPPON RESEARCH INSTITUTE 181 WEST MEADOW DRIVE VAIL, CO 81657	NONE	EXEMPT	ORTHOPAEDIC SPORTS MEDICINE RESEARCH	1,000.
TEXAS EXES 2110 SAN JACINTO AUSTIN, TX 78713	NONE	EXEMPT	SUPPORT UNIVERSITY OF TEXAS	40,000.
Total from continuation sheets				119,500.

INMAN FOUNDATION 74-2833552

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
THE AUSTIN PROJECT 5221 LEDMAN ROAD AUSTIN, TX 78721	NONE	EXEMPT	SUPPORT EARLY LITERACY AND SCHOOL READINESS	5,000.
THE HARRY RANSON CENTER (UNIVERSITY OF TEXAS) 1 UNIVERSITY STATION G1050 AUSTIN, TX 78712	NONE	EXEMPT	PHOTOGRAPHY COLLECTIONS	25,000.
THE TRAIL FOUNDATION P.O BOX 5195 AUSTIN, TX 78763	NONE	EXEMPT	RECREATIONAL AND TRANSPORTATION CORRIDOR	10,000.
Total from continuation sheets				

INMAN FOUNDATION 74-2833552

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

SOURCE	AMOUNT
BANK OF AMERICA	15.
WELLS FARGO	28.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	43.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DEUTSCHE BANK ALEX BROWN	88,984.	0.	88,984.
DEUTSCHE BANK ALEX BROWN	2.	0.	2.
WELLS FARGO	1,493.	0.	1,493.
TOTAL TO FM 990-PF, PART I, LN 4	90,479.	0.	90,479.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	5,000.	2,500.		2,500.
TO FORM 990-PF, PG 1, LN 16B	5,000.	2,500.		2,500.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TRANSFER FEES	32.	32.		0.
ADVISORY FEE	24,608.	24,608.		0.
TO FORM 990-PF, PG 1, LN 16C	24,640.	24,640.		0.

INMAN FOUNDATION 74-2833552

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	591.	0.		0.
TO FORM 990-PF, PG 1, LN 18	591.	0.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DELL STOCK	489,457.	797,335.
PREFERRED STOCK -8051	1,322,352.	1,249,701.
COMMON STOCK -8051	21,328.	21,056.
COMMON STOCK -9845	24,295.	21,909.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,857,432.	2,090,001.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS/REIT	8,671.	8,846.
TOTAL TO FORM 990-PF, PART II, LINE 10C	8,671.	8,846.

Stocks, options & ETFs

Stocks and ETFs

DESCRIPTION	QUANTITY	CURRENT PRICE	CURRENT MARKET VALUE	ESTIMATED ANNUAL INCOME	ESTIMATED ANNUAL YIELD (%)
PRICELINE COM INC COM NEW PCLN	27	467.7100	12,628.17	N/A	N/A
TRANSDIGM GROUP INC TDG	97	95.6800	9,280.96	N/A	N/A
Total Stocks and ETFs			**$21,909.13**		
Total Stocks, options & ETFs			**$21,909.13**		

Portfolio Holdings

Quantity	Opening Date	Account Number	Activity Ending	Opening Balance	Closing Balance	Accrued Income	Income This Year	30-Day Yield	Current Yield
Cash, Money Funds, and FDIC Deposits 5.00% of Portfolio									
Cash Balance				0.00	536.25				
FDIC Insured Bank Deposits									
INSURED DEPOSITS PROGRAM									
67,012.520	12/01/11	5ZX948051	12/30/11	102,027.35	67,012.52	0.33	26.91	N/A	N/A
Total FDIC Insured Bank Deposits				**$102,027.35**	**$67,012.52**	**$0.33**	**$26.91**		
Total Cash, Money Funds, and FDIC Deposits				**$102,027.35**	**$67,548.77**	**$0.33**	**$26.91**		

[redacted]

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities 95.00% of Portfolio								
Common Stocks								
PNC FINL SVCS GROUP INC DEP SHS RESPTG PFD SER L CUSIP: 693475881 Dividend Option: Cash	*Security Identifier: PNC PRL*							
752.000	08/10/10*	28.3610	21,327.64	28.0000	21,056.00	-271.64	1,856.50	8.81%
Total Common Stocks			**$21,327.64**		**$21,056.00**	**-$271.64**	**$1,856.50**	
Preferred Stocks *(Listed by expiration date)*								
SANTANDER FIN PFD SA UNIPERSONAL PFD SECS 2009 WITHOUT FIXED GTD FLTG RT 10.50% SER 10 CALLABLE PERP CALL 9/29/14@25 CUSIP: E8683R144 Dividend Option: Cash	*Security Identifier: STD PRE*							
974.000	08/10/10*	28.8200	28,070.68	26.2700	25,586.98	-2,483.70	2,556.75	9.99%
ARCH CAPITAL GROUP LTD 8% SER A PFD SHS CALLABLE 2/1/11 CUSIP: G0450A147 Dividend Option: Cash	*Security Identifier: ARH PRA*							
439.000	08/10/10*	26.0040	11,415.69	25.4700	11,181.33	-234.36	878.00	7.85%
ARCH CAPITAL GROUP LTD PFD SER B 7.875% ISIN#BMG0450A1541 CALLABLE 5/24/11 CUSIP: G0450A154 Dividend Option: Cash	*Security Identifier: ARH PRB*							
706.000	08/10/10*	25.9740	18,337.63	25.4100	17,939.46	-398.17	1,389.93	7.74%
AXIS CAPITAL HLDGS LTD 7.25% SER A PFD CALLABLE 10/15/10@25 ISIN#BMG0692U2089 CUSIP: G0692U208 Dividend Option: Cash	*Security Identifier: AXS PRA*							
702.000	08/10/10*	24.7600	17,381.52	25.1200	17,634.24	252.72	1,272.37	7.21%
PARTNERRE LTD SER C CALLABLE 6.75% ISIN#BMG6852T2044 CUSIP: G6852T204 Dividend Option: Cash	*Security Identifier: PRE PRC*							
430.000	08/10/10*	24.8000	10,664.00	25.3500	10,900.50	236.50	725.62	6.65%
PARTNERRE LTD PFD SER D 6.5% CALLABLE 11/15/09 @ 25 CUSIP: G68603409 Dividend Option: Cash	*Security Identifier: PRE PRD*							
649.000	08/10/10*	24.3000	15,770.70	25.0500	16,257.45	486.75	1,054.62	6.48%

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
PARTNERRE LTD PFD SER E 7.25%			*Security Identifier:* PRE PRE					
PERP/CALL 6/01/16@25 ISIN#BMG686035087								
CALLABLE								
CUSIP: G68603508								
Dividend Option: Cash								
286.000	06/10/11	24.8900	7,118.48	26.5000	7,579.00	460.52	518.37	6.83%
65.000	10/14/11	25.5140	1,658.40	26.5000	1,722.50	64.10	117.81	6.83%
351.000	**Total**		**$8,776.88**		**$9,301.50**	**$524.62**	**$636.18**	
PRUDENTIAL PLC 6.75% PERPETUAL SUB CAP			*Security Identifier:* PUK PR					
SEC MAT 12/29/49 CALLABLE 9/23/09								
PRF SHS								
CUSIP: G7293H114								
Dividend Option: Cash								
951.000	08/10/10	24.9710	23,747.70	25.3900	24,145.89	398.19	1,604.81	6.64%
PRUDENTIAL PLC 6.5% PERP SUB CAP SECS			*Security Identifier:* PUK PRA					
EXCHANGEABLE CALLABLE 9/23/10								
CUSIP: G7293H189								
Dividend Option: Cash								
1,004.000	08/10/10	24.4730	24,571.34	25.3600	25,461.44	890.10	1,631.50	6.40%
RENAISSANCERE HOLDINGS LTD			*Security Identifier:* RNR PRC					
PREF SHS C 6.08% CALLABLE								
ISIN#BMG7498P3093								
CUSIP: G7498P309								
Dividend Option: Cash								
645.000	08/10/10	22.2970	14,381.56	24.6600	15,905.70	1,524.14	980.40	6.16%
RENAISSANCERE HLDGS LTD 6.6% SER D PFD			*Security Identifier:* RNR PRD					
CALALBLE 12/1/11 @25.00								
ISIN#BMG7498P4083								
CUSIP: G7498P408								
Dividend Option: Cash								
1,131.000	08/10/10	24.4430	27,645.52	25.1600	28,455.96	810.44	1,866.15	6.55%

[redacted]

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
AEGON NV PERPETUAL CAP SECS 6.875% CALLABLE 09/15/11@25 ISIN#NL0000686368 CUSIP: N00927306 Dividend Option: Cash		*Security Identifier: AEV*						
412.000	08/10/10	22.2890	9,183.02	20.9200	8,619.04	-563.98	708.12	8.21%
AEGON NV 7.25% PERPETUAL CAP SECS ISIN#NL0006056814 CALLABLE 12/15/12@ 25.00 CUSIP: N00927348 Dividend Option: Cash		*Security Identifier: AEF*						
270.000	08/10/10*	23.5480	6,357.99	22.1100	5,969.70	-388.29	489.37	8.19%
AEGON NV PERP CAP SECS 6.375% CALLABLE 6/15/15 @25 CUSIP: 007924301 Dividend Option: Cash		*Security Identifier: AEH*						
126.000	08/18/10*	21.6230	2,724.45	19.4700	2,453.22	-271.23	200.81	8.18%
256.000	10/13/10*	23.3380	5,974.40	19.4700	4,984.32	-990.08	408.00	8.18%
154.000	10/14/10*	23.2890	3,586.51	19.4700	2,998.38	-588.13	245.44	8.18%
96.000	11/05/10*	23.2000	2,227.20	19.4700	1,869.12	-358.08	153.00	8.18%
154.000	02/28/11*	22.4000	3,449.60	19.4700	2,998.38	-451.22	245.44	8.18%
160.000	03/30/11*	22.6230	3,619.60	19.4700	3,115.20	-504.40	255.00	8.18%
90.000	05/02/11*	23.3300	2,099.70	19.4700	1,752.30	-347.40	143.43	8.18%
1,036.000	**Total**		**$23,681.46**		**$20,170.92**	**-$3,510.54**	**$1,651.12**	
AEGON NV PERP CAP SECS CALLABLE 12/15/10 ISIN#NL0000062438 CUSIP: 007924509 Dividend Option: Cash		*Security Identifier: AEB*						
757.000	08/10/10*	19.8000	14,988.40	15.9500	12,074.15	-2,914.25	765.41	6.33%
AMERIPRISE FINL INC SR NT 7.75% MAT 6/15/39 CALLABLE 6/15/14@25.00 CUSIP: 03076C205 Dividend Option: Cash		*Security Identifier: AMP PRA*						
352.000	08/10/10*	26.8200	9,440.64	28.3500	9,979.20	538.56	682.00	6.83%
BANK AMER CORP DEP SHS REPSTG 1/1200TH PFD SER MER 8.625% CALLABLE PERP/CALL 5/28/13@25 CUSIP: 060505559 Dividend Option: Cash		*Security Identifier: BML PRQ*						
234.000	08/10/10*	25.9800	6,079.32	21.9600	5,138.64	-940.68	504.56	9.81%

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
BANK AMER CORP DEP SHS REPSTG *Security Identifier: BML PRL*								
1/1200TH PFD SER 3 CALLABLE								
CUSIP: 060505617								
Dividend Option: Cash								
840.000	08/10/10*	22.3460	18,770.98	18.2300	15,313.20	-3,457.78	1,338.74	8.74%
109.000	06/30/11*	22.8250	2,487.93	18.2300	1,987.07	-500.86	173.72	8.74%
123.000	07/06/11*	22.9500	2,822.85	18.2300	2,242.29	-580.56	196.03	8.74%
126.000	07/12/11*	22.8030	2,873.24	18.2300	2,296.98	-576.26	200.81	8.74%
135.000	08/26/11*	20.9390	2,826.77	18.2300	2,461.05	-365.72	215.16	8.74%
1,333.000	**Total**		**$29,781.77**		**$24,300.59**	**-$5,481.18**	**$2,124.46**	
BANK AMER CORP 6.625% DEP SHS *Security Identifier: BAC PRI*								
REPSTG 1/1000TH PFD SER I CALLABLE								
10/1/17@25.00								
CUSIP: 060505740								
Dividend Option: Cash								
222.000	10/14/10*	24.2480	5,382.97	18.9100	4,198.02	-1,184.95	367.69	8.75%
178.000	11/16/10*	23.1940	4,128.53	18.9100	3,365.98	-762.55	294.81	8.75%
185.000	12/20/10*	22.0310	4,075.68	18.9100	3,498.35	-577.33	306.41	8.75%
92.000	02/22/11*	23.4500	2,157.40	18.9100	1,739.72	-417.68	152.37	8.75%
82.000	05/13/11*	24.9900	2,049.18	18.9100	1,550.62	-498.56	135.81	8.75%
120.000	08/26/11*	21.9910	2,638.96	18.9100	2,269.20	-369.76	198.75	8.75%
879.000	**Total**		**$20,432.72**		**$16,621.89**	**-$3,810.83**	**$1,455.84**	
BANK AMER CORP 8.2% DEP SH REPSTG *Security Identifier: BAC PRH*								
1/1000TH PFD SER H PERP/CALL 5/1/13								
@25.00 CALLABLE								
CUSIP: 060505765								
Dividend Option: Cash								
208.000	08/10/10*	25.3300	5,268.64	22.1000	4,596.80	-671.84	426.40	9.27%

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
BANK AMER CORP 6.2040% DEP SHS		*Security Identifier:* BAC PRD						
REPSTG 1/1000 PFD SER D								
CALLABLE 09/14/11@25								
CUSIP: 060505831								
Dividend Option: Cash								
247.000	09/23/10	22.3000	5,508.10	19.3600	4,781.92	-726.18	383.09	8.01%
222.000	10/04/10	22.1400	4,915.08	19.3600	4,297.92	-617.16	344.32	8.01%
469.000	**Total**		**$10,423.18**		**$9,079.84**	**-$1,343.34**	**$727.41**	
BARCLAYS BK PLC 6.6250% SER 2 ADR		*Security Identifier:* BCS PR						
REPSTG PREF SHS CALLABLE 9/15/11@25								
CUSIP: 06739F390								
Dividend Option: Cash								
1,268.000	08/10/10*	23.6240	29,955.22	18.3400	23,255.12	-6,700.10	2,100.12	9.03%
BARCLAYS BK PLC 8.125% SPON ADR PREF		*Security Identifier:* BCS PRD						
SHS SER 5 CALLABLE 6/15/13@25.00								
CUSIP: 06739H362								
Dividend Option: Cash								
110.000	06/01/11	26.2420	2,886.58	22.2800	2,450.80	-435.78	223.43	9.11%
BARCLAYS BK PLC SPONSORED ADS SER		*Security Identifier:* BCS PRC						
4 PREF SHS PERP CALL 3/15/13@25.00								
7.75%								
CUSIP: 06739H511								
Dividend Option: Cash								
614.000	08/10/10*	25.5580	15,692.34	21.0800	12,943.12	-2,749.22	1,189.62	9.19%
BARCLAYS BK PLC 7.1% SPON ADR REPSTG		*Security Identifier:* BCS PRA						
CALLABLE DOLLAR PREF SHS SER 3 CALLABLE								
12/15/12@25.00								
CUSIP: 06739H776								
Dividend Option: Cash								
899.000	08/10/10*	24.7700	22,268.23	19.7700	17,773.23	-4,495.00	1,535.72	8.97%
BERKLEY WR CAP TR II GTD TR ORIG PFD SEC		*Security Identifier:* WRB PRA						
TOPRS 6.75% CALLABLE 7/26/10 @ 25								
CUSIP: 08449Q203								
Dividend Option: Cash								
428.000	08/10/10*	24.3800	10,434.64	25.8400	11,059.52	624.88	722.25	6.53%
CBS CORP NEW SR NT 6.75% 3/27/56		*Security Identifier:* CPV						
SER CALL 03/27/12 @ 25								
CUSIP: 124857400								
Dividend Option: Cash								
1,305.000	08/10/10*	24.9370	32,543.13	25.4100	33,160.05	616.92	2,202.18	6.64%

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
CITIGROUP CAP VII CAP SEC 7.125%		*Security Identifier: C PRV*						
TRUPS PFD CALLABLE 07/31/06@25								
CUSIP: 17306N203								
Dividend Option: Cash								
844.000	08/10/10*	24.7700	20,905.88	24.2000	20,424.80	-481.08	1,503.36	7.36%
CITIGROUP CAP VIII CAP SECS 6.95%		*Security Identifier: C PRZ*						
TRUST PFD SECS CALLABLE 9/17/06 @25								
MTY 9/15/2031								
CUSIP: 17306R204								
Dividend Option: Cash								
327.000	08/10/10*	24.2900	7,942.83	23.3400	7,632.18	-310.65	568.16	7.44%
CITIGROUP CAP IX TR PFD SECS 6.00%		*Security Identifier: C PRS*						
CALLABLE 2/13/08 @25 MATY 02/14/33								
CUSIP: 173066200								
Dividend Option: Cash								
122.000	05/24/11*	23.7270	2,894.64	21.4100	2,612.02	-282.62	183.00	7.00%
97.000	07/07/11*	23.7560	2,304.38	21.4100	2,076.77	-227.61	145.50	7.00%
121.000	08/24/11*	21.7200	2,628.12	21.4100	2,590.61	-37.51	181.50	7.00%
340.000	**Total**		**$7,827.14**		**$7,279.40**	**-$547.74**	**$510.00**	
CITIGROUP CAP XIII 7.875% TR PFD SECS		*Security Identifier: C PRN*						
FIXED/FLTG								
CUSIP: 173080201								
Dividend Option: Cash								
188.000	09/30/10*	25.0000	4,700.00	26.0600	4,899.28	199.28	370.12	7.55%
79.000	10/07/10*	26.0800	2,060.32	26.0600	2,058.74	-1.58	155.53	7.55%
71.000	12/17/10*	26.5900	1,887.89	26.0600	1,850.26	-37.63	139.78	7.55%
71.000	04/29/11*	27.7700	1,971.67	26.0600	1,850.26	-121.41	139.78	7.55%
77.000	06/08/11*	27.8000	2,140.60	26.0600	2,006.62	-133.98	151.60	7.55%
486.000	**Total**		**$12,760.48**		**$12,665.16**	**-$95.32**	**$956.81**	

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
CITIGROUP CAP XV ENHANCED TR PFD SECS 6.50% 9/15/66 SERIES CALLABLE 09/15/11@25 CUSIP: 17310G202 Dividend Option: Cash		*Security Identifier:* C PRU						
87.000	09/16/10*	23.6100	2,054.07	21.7900	1,895.73	-158.34	141.37	7.45%
CITIGROUP CAP XVI GTD ENHANCED TR PFD SECS 6.45% 12/31/66 CALLABLE 12/31/11@25 CUMULATIVE CUSIP: 17310L201 Dividend Option: Cash		*Security Identifier:* C PRW						
87.000	09/16/10*	23.7700	2,067.99	21.4800	1,868.76	-199.23	140.29	7.50%
149.000	08/12/11	22.8500	3,404.65	21.4800	3,200.52	-204.13	240.26	7.50%
236.000	**Total**		**$5,472.64**		**$5,069.28**	**-$403.36**	**$380.55**	
COMCAST CORP NEW NT 7.00% 09/15/55 SER CALLABLE 09/15/11@25 CUSIP: 20030N408 Dividend Option: Cash		*Security Identifier:* CCW						
742.000	08/10/10*	25.8390	19,172.43	25.5900	18,987.78	-184.65	1,298.50	6.83%
COMCAST CORP NEW 6.625% NT 5/15/56 CALLABLE 5/15/12@25.00 CUSIP: 20030N507 Dividend Option: Cash		*Security Identifier:* CCS						
774.000	08/10/10*	25.1390	19,457.53	26.0900	20,193.66	736.13	1,281.93	6.34%
CREDIT SUISSE 7.9% GUERNSEY BRH CAP NT TIER 1 PFD SHS CALLABLE 3/28/13@ 25.00 CUSIP: 225448208 Dividend Option: Cash		*Security Identifier:* CRP						
1,013.000	08/10/10*	26.5700	26,915.41	25.5500	25,882.15	-1,033.26	2,000.68	7.72%
1,347.000	08/11/10*	26.5460	35,758.08	25.5500	34,415.85	-1,342.23	2,660.32	7.72%
2,360.000	**Total**		**$62,673.49**		**$60,298.00**	**-$2,375.49**	**$4,661.00**	
DTE ENERGY CO JR SUB DEB PFD STOCK CALLABLE 12/1/16@25 DIV RT 6.5% CUSIP: 233331602 Dividend Option: Cash		*Security Identifier:* DTZ						
138.000	11/29/11	25.1130	3,465.55	26.8600	3,706.68	241.13		

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
DOMINION RES INC VA NEW ENHANCED JR SUB *Security Identifier: DRU*								
NTS SER A 8.375% DUE 06/15/2064								
CALL/EXT CALL 06/15/14 @ 25								
CUSIP: 25746U604								
Dividend Option: Cash								
501.000	08/10/10	28.7290	14,393.10	29.3700	14,714.37	321.27	1,048.96	7.12%
ENTERGY LA LLC 1ST MTG BD SER *Security Identifier: ELA*								
EXP 06/15/41								
CUSIP: 29364W405								
Dividend Option: Cash								
84.000	12/09/10	24.4980	2,057.87	27.2300	2,287.32	229.45	123.37	5.39%
EVEREST RE CAP TR II TR PFD SECS *Security Identifier: RE PRB*								
CALLABLE 6.20% MTY 3/29/34								
CUSIP: 29980R202								
Dividend Option: Cash								
88.000	08/03/11	24.2000	2,129.60	24.7200	2,175.36	45.76	136.40	6.27%
FIFTH THIRD CAP TR VI GTD TR PFD *Security Identifier: FTB PRB*								
SECS CALLABLE 11/15/12@25.00								
7.25%								
CUSIP: 31678V206								
Dividend Option: Cash								
468.000	08/10/10	24.8140	11,612.77	25.3200	11,849.76	236.99	848.25	7.15%
FIFTH THIRD CAP TR V 7.25% GTD TR PFD *Security Identifier: FTB PRA*								
SECS MAT 8/15/67 CALLABLE 8/15/12@25								
CUSIP: 31678W204								
Dividend Option: Cash								
443.000	08/10/10	24.7420	10,960.66	25.3000	11,207.90	247.24	802.93	7.16%
FIRST NIAGRA FINL GROUP INC NEW PFD *Security Identifier: FNFG PRB*								
NON CUM SER B FXD FLTG								
CUSIP: 33582V207								
Dividend Option: Cash								
498.000	12/08/11	25.2700	12,584.46	25.6000	12,748.80	164.34		

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
GENERAL ELEC CAP CORP 6.00% PUBLIC			*Security Identifier:* GEJ					
INCOME NT PINES DUE 04/24/47								
CALLABLE 04/24/12@25								
CUSIP: 36962245I								
Dividend Option: Cash								
123.000	08/10/10*	25.2180	3,101.83	25.8700	3,182.01	80.18	184.50	5.79%
GENERAL ELEC CAP CORP NT 6.05% PFD			*Security Identifier:* GEC					
SHS DUE 02/06/47 CALLABLE 02/06/12@25								
CUSIP: 369622469								
Dividend Option: Cash								
368.000	08/10/10*	25.3280	9,320.74	25.6500	9,439.20	118.46	556.60	5.89%
GOLDMAN SACHS GROUP INC DEPOSITARY SHS			*Security Identifier:* GS-PRA					
REPSTG 1/1000TH PFD SER A FLOATING QRTLY								
CALLABLE 4/25/10								
CUSIP: 38143Y665								
Dividend Option: Cash								
396.000	08/10/10*	20.7340	8,210.77	16.6700	6,601.32	-1,609.45	379.49	5.74%
GOLDMAN SACHS GROUP INC DEP SHS RESTG			*Security Identifier:* GS-PRD					
1/1000 PFD SER D FLTG								
CALLABLE 5/24/11								
CUSIP: 38144G804								
Dividend Option: Cash								
1,805.000	08/10/10*	20.9850	37,877.34	17.1800	31,009.90	-6,867.44	1,845.14	5.95%
95.000	10/20/11*	18.3280	1,741.17	17.1800	1,632.10	-109.07	97.11	5.95%
1,900.000	**Total**		**$39,618.51**		**$32,642.00**	**-$6,976.51**	**$1,942.25**	
GOLDMAN SACHS GROUP INC 6.20% DEP SHS			*Security Identifier:* GS-PRB					
REPSTG 1/1000 PFD SER B								
CALLABLE 10/31/10@25								
CUSIP: 38144X500								
Dividend Option: Cash								
583.000	08/24/10*	25.1860	14,683.31	24.0100	13,997.83	-685.48	903.65	6.45%
74.000	12/14/10*	24.3700	1,803.38	24.0100	1,776.74	-26.64	114.70	6.45%
657.000	**Total**		**$16,486.69**		**$15,774.57**	**-$712.12**	**$1,018.35**	
GOLDMAN SACHS GROUP INC NT 6 1/8%			*Security Identifier:* GSF					
EXP 11/01/2060								
CUSIP: 38145X111								
Dividend Option: Cash								
106.000	01/05/11*	23.4400	2,484.68	24.7700	2,625.62	140.94	162.31	6.18%
98.000	02/18/11*	24.0530	2,357.23	24.7700	2,427.46	70.23	150.06	6.18%
204.000	**Total**		**$4,841.91**		**$5,053.08**	**$211.17**	**$312.37**	

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
HSBC HLDGS PLC ADR SER A REP 1/40			*Security Identifier:* HBC PRA					
SER A 6.20% CALLABLE 12/16/10								
ISIN#US4042806046								
CUSIP: 404280604								
Dividend Option: Cash								
1,989.000	08/10/10*	23.3860	46,513.79	23.9000	47,537.10	1,023.31	3,082.95	6.48%
HSBC HLDGS PLC 8.125% PERPETUAL SUB			*Security Identifier:* HCS					
CAP SEC CALLABLE 4/15/13@25.00								
ISIN#US4042807036								
CUSIP: 404280703								
Dividend Option: Cash								
192.000	08/10/10*	26.7680	5,139.48	25.7500	4,944.00	-195.48	390.00	7.88%
HSBC HLDGS PLC PERP SUB CAP SECS EXCH			*Security Identifier:* HCS PRB					
PREF SHS SER 2 8% ISIN#US4042808026								
CALLABLE								
CUSIP: 404280802								
Dividend Option: Cash								
333.000	08/10/10*	26.3570	8,777.04	26.0600	8,677.98	-99.06	666.00	7.67%
16.000	11/10/10*	27.7600	444.16	26.0600	416.96	-27.20	32.00	7.67%
75.000	11/15/10*	27.7700	2,082.75	26.0600	1,954.50	-128.25	150.00	7.67%
191.000	01/21/11	27.4750	5,247.71	26.0600	4,977.46	-270.25	382.00	7.67%
82.000	03/08/11*	27.3460	2,242.39	26.0600	2,136.92	-105.47	164.00	7.67%
697.000	**Total**		**$18,794.05**		**$18,163.82**	**-$630.23**	**$1,394.00**	
ING GROEP NV PERPETUAL DEBT SECS			*Security Identifier:* IND					
7.05% CALLABLE 08/15/07@25								
CUSIP: 456837202								
Dividend Option: Cash								
563.000	08/10/10*	22.4680	12,649.54	18.1100	10,195.93	-2,453.61	992.28	9.73%
88.000	08/31/10*	22.4550	1,976.02	18.1100	1,593.68	-382.34	155.10	9.73%
81.000	11/11/10*	24.1200	1,953.72	18.1100	1,466.91	-486.81	142.76	9.73%
118.000	12/01/11*	18.0880	2,134.33	18.1100	2,136.98	2.65	207.98	9.73%
850.000	**Total**		**$18,713.61**		**$15,393.50**	**-$3,320.11**	**$1,498.12**	

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
ING GROEP N V PERPETUAL DEBT SECS		*Security Identifier: INZ*						
7.2% CALLABLE 07/18/08@25.00								
CUSIP: 456837301								
Dividend Option: Cash								
466.000	08/10/10*	22.8700	10,657.42	18.7000	8,714.20	-1,943.22	838.80	9.62%
143.000	03/09/11*	23.5380	3,365.91	18.7000	2,674.10	-691.81	257.40	9.62%
40.000	04/07/11*	23.9570	958.26	18.7000	748.00	-210.26	72.00	9.62%
71.000	04/08/11*	23.8400	1,692.63	18.7000	1,327.70	-364.93	127.80	9.62%
121.000	04/26/11*	23.8420	2,884.87	18.7000	2,262.70	-622.17	217.80	9.62%
841.000	**Total**		**$19,559.09**		**$15,726.70**	**-$3,832.39**	**$1,513.80**	
ING GROEP N V PERPETUAL DEBT SECS		*Security Identifier: ISG*						
6.1250% CALLABLE								
CUSIP: 456837509								
Dividend Option: Cash								
569.000	08/10/10*	20.4280	11,623.59	16.3100	9,280.39	-2,343.20	871.27	9.38%
135.000	04/28/11*	21.6520	2,922.97	16.3100	2,201.85	-721.12	206.72	9.38%
704.000	**Total**		**$14,546.56**		**$11,482.24**	**-$3,064.32**	**$1,077.99**	
ING GROEP N V 8.5% PERPETUAL HYBRID CAP		*Security Identifier: IGK*						
SECS MAT 2038 CALLABLE 9/15/13@25								
ISIN#US4568378065								
CUSIP: 456837806								
Dividend Option: Cash								
108.000	08/10/10*	24.9780	2,697.63	21.7800	2,352.24	-345.39	229.50	9.75%
79.000	04/28/11*	26.1000	2,061.92	21.7800	1,720.62	-341.30	167.87	9.75%
79.000	06/08/11*	25.3380	2,001.70	21.7800	1,720.62	-281.08	167.88	9.75%
266.000	**Total**		**$6,761.25**		**$5,793.48**	**-$967.77**	**$565.25**	
JPMORGAN CHASE & CO DEP SHS REPSTG		*Security Identifier: JPM PRI*						
1/400 NON-CUM (PFD SER J) 8.625%								
CALLABLE 9/1/13 @25.00								
CUSIP: 46625H621								
Dividend Option: Cash								
1,248.000	08/10/10*	27.4330	34,236.86	27.6000	34,444.80	207.94	2,690.99	7.81%
70.000	05/20/11*	27.4970	1,924.81	27.6000	1,932.00	7.19	150.94	7.81%
1,318.000	**Total**		**$36,161.67**		**$36,376.80**	**$215.13**	**$2,841.93**	
JP MORGAN CHASE CAP XI CAP SECS		*Security Identifier: JPM PRK*						
SER K 5.875% CALLABLE								
ISIN#US46626V2079								
CUSIP: 46626V207								
Dividend Option: Cash								
138.000	08/10/10*	24.4600	3,375.48	25.0100	3,451.38	75.90	202.68	5.87%

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
JPMORGAN CHASE CAP XXVIII GTD CAP SECS	*Security Identifier: JPM PRB*							
SER BB								
CUSIP: 48124Y204								
Dividend Option: Cash								
169.000	08/10/10*	26.3800	4,458.22	25.5100	4,311.19	-147.03	304.20	7.05%
JPMORGAN CHASE CAP XXIX GTD CAP SECS	*Security Identifier: JPM PRC*							
SER CC EXP 04/02/40								
CUSIP: 48125E207								
Dividend Option: Cash								
557.000	08/10/10*	24.9800	13,913.86	25.5200	14,214.64	300.78	932.97	6.56%
LLOYDS BANKING GROUP PLC PUBLIC INCOME	*Security Identifier: LYG PRA*							
NT-PINES 7.75 % 07/15/50 SERIES								
CALL 7/15/15 @ 25 ISIN#US5394398029								
CUSIP: 539439802								
Dividend Option: Cash								
105.000	08/10/10*	25.6800	2,696.40	25.5500	2,682.75	-13.65	201.60	7.51%
103.000	12/09/10*	25.8360	2,661.14	25.5500	2,631.65	-29.49	197.76	7.51%
80.000	02/14/11*	25.7000	2,056.00	25.5500	2,044.00	-12.00	153.60	7.51%
84.000	06/21/11*	25.7690	2,164.63	25.5500	2,146.20	-18.43	161.28	7.51%
117.000	08/08/11*	24.1850	2,829.61	25.5500	2,989.35	159.74	224.64	7.51%
117.000	08/22/11*	24.8040	2,902.10	25.5500	2,989.35	87.25	224.64	7.51%
114.000	08/22/11*	24.8660	2,834.72	25.5500	2,912.70	77.98	218.88	7.51%
108.000	08/24/11*	25.1100	2,711.88	25.5500	2,759.40	47.52	207.36	7.51%
106.000	09/08/11*	25.7470	2,729.19	25.5500	2,708.30	-20.89	203.52	7.51%
167.000	09/12/11*	25.1790	4,204.81	25.5500	4,266.85	62.04	320.64	7.51%
122.000	09/22/11*	24.3160	2,966.58	25.5500	3,117.10	150.52	234.24	7.51%
1,223.000	**Total**		**$30,757.06**		**$31,247.65**	**$490.59**	**$2,348.16**	
MARKEL CORP SR DEB 7.50% MTY 08/22/2046	*Security Identifier: MKV*							
CALLABLE 08/22/11 @25								
CUSIP: 570535203								
Dividend Option: Cash								
218.000	08/10/10*	26.7100	5,822.78	25.3285	5,521.61	-301.17	408.75	7.40%

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
METLIFE INC PFD SER B 6.50%		*Security Identifier: MET PRB*						
CALLABLE 9/15/10 @25								
CUSIP: 59156R603								
Dividend Option: Cash								
1,679.000	08/10/10	24.8370	41,701.91	25.4800	42,780.92	1,079.01	2,728.37	6.37%
MORGAN STANLEY CAP TR III CAP SECS PFD		*Security Identifier: MWR*						
6.25% CALLABLE 03/01/08@25								
CUSIP: 617460209								
Dividend Option: Cash								
96.000	08/17/11	23.3790	2,244.42	20.6500	1,982.40	-262.02	149.99	7.56%
MORGAN STANLEY CAP TR VI CAP SECS 6.60%		*Security Identifier: MSJ*						
MTY 2/1/46 CALLABLE 02/01/11@25								
CUSIP: 61746I207								
Dividend Option: Cash								
144.000	10/03/11	21.3000	3,067.16	21.7100	3,126.24	59.08	237.60	7.60%
MORGAN STANLEY CAP TR IV GTD CAP SECS		*Security Identifier: MWG*						
CALLABLE DUE 4/01/33 6.25%								
CUSIP: 617462205								
Dividend Option: Cash								
148.000	08/10/10	23.7180	3,510.28	20.7600	3,072.48	-437.80	231.24	7.52%
MORGAN STANLEY CAP TR V CAP SECS PFD		*Security Identifier: MWO*						
5.75% 7/15/2033 CALLABLE 7/16/08								
CUSIP: 617466206								
Dividend Option: Cash								
325.000	08/10/10	22.8480	7,425.63	20.4200	6,636.50	-789.13	467.18	7.03%
MORGAN STANLEY DEP SHS REPSTG		*Security Identifier: MS PRA*						
1/1000 PFD SER A CALLABLE								
CUSIP: 617475504								
Dividend Option: Cash								
1,957.000	08/10/10	20.3750	39,874.53	14.7100	28,787.47	-11,087.06	2,000.52	6.94%
96.000	05/13/11	21.0300	2,018.88	14.7100	1,412.16	-606.72	98.13	6.94%
127.000	11/08/11	16.6190	2,110.66	14.7100	1,868.17	-242.49	129.83	6.94%
2,180.000	**Total**		**$44,004.07**		**$32,067.80**	**-$11,936.27**	**$2,228.48**	
MORGAN STANLEY CAP TR VIII GTD CAP SEC		*Security Identifier: MSK*						
6.45% MAT 04/15/2067 CALLABLE 07/15/12@25								
CUSIP: 61753R200								
Dividend Option: Cash								
107.000	07/11/11	24.2270	2,592.30	21.7600	2,328.32	-263.98	172.53	7.41%
87.000	07/15/11	24.6400	2,143.68	21.7600	1,893.12	-250.56	140.29	7.41%
194.000	**Total**		**$4,735.98**		**$4,221.44**	**-$514.54**	**$312.82**	

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
NATIONAL CITY CAP TR 6.625% TR PFD SEC MAT 5/25/47 CALLABLE 5/25/12@ 25.00 CUSIP: 63540X201 Dividend Option: Cash			*Security Identifier:* NCC PRB					
115.000	08/10/10*	24.7400	2,845.10	25.5900	2,942.85	97.75	190.46	6.47%
PNC CAP TR E 7.75% GTD TR PFD SHS MAT 3/15/68 CALLABLE 3/15/13@25.00 CUSIP: 69350S208 Dividend Option: Cash			*Security Identifier:* PNH					
203.000	08/10/10*	26.4780	5,375.05	26.1300	5,304.39	-70.66	393.31	7.41%
PRUDENTIAL FINL INC 9% JR SUB NTS MAT 6/15/38 CALLABLE 6/15/13@25.00 CUSIP: 744320508 Dividend Option: Cash			*Security Identifier:* PHR					
392.000	08/10/10*	27.9990	10,975.58	27.2600	10,685.92	-289.66	882.00	8.25%
QWEST CORP NT MTY DTD 06/01/2051 7.3750% CALL DTD 06/01/2016@25.00 CALLABLE CUSIP: 74913G204 Dividend Option: Cash			*Security Identifier:* CTQ					
85.000	07/06/11*	25.4500	2,163.25	26.5400	2,255.90	92.65	156.72	6.94%
79.000	09/13/11*	25.0800	1,981.32	26.5400	2,096.66	115.34	145.65	6.94%
164.000	**Total**		**$4,144.57**		**$4,352.56**	**$207.99**	**$302.37**	
QWEST CORP NT 7.50% DUE 09/15/2051 CALLABLE 09/15/16@25 CUSIP: 74913G303 Dividend Option: Cash			*Security Identifier:* CTW					
276.000	09/15/11*	24.9270	6,879.80	26.4000	7,286.40	406.60	517.50	7.10%
79.000	09/22/11*	24.7420	1,954.58	26.4000	2,085.60	131.02	148.13	7.10%
52.000	09/27/11*	24.9150	1,295.59	26.4000	1,372.80	77.21	97.50	7.10%

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
QWEST CORP NT 7.50% DUE 09/15/2051 *(continued)*								
61.000	10/14/11	24.9300	1,520.73	26.4000	1,610.40	89.67	114.37	7.10%
468.000	**Total**		**$11,650.70**		**$12,355.20**	**$704.50**	**$877.50**	
ROYAL BK SCOTLAND GROUP PLC SPON ADR			*Security Identifier:* RBS PRL					
SER L REPSTG PREF SHS SER L 5.75%								
CALLABLE 9/30/09 @25								
CUSIP: 780097788								
Dividend Option: Cash								
112.000	05/12/11	19.4000	2,172.80	14.7500	1,652.00	-520.80	161.00	9.74%
229.000	05/19/11	19.1000	4,373.99	14.7500	3,377.75	-996.24	329.19	9.74%
157.000	05/26/11	19.1730	3,010.14	14.7500	2,315.75	-694.39	225.69	9.74%
217.000	06/10/11	19.0000	4,123.00	14.7500	3,200.75	-922.25	311.94	9.74%
113.000	06/22/11	18.3500	2,073.55	14.7500	1,666.75	-406.80	162.44	9.74%
27.000	06/23/11	17.9820	485.51	14.7500	398.25	-87.26	38.81	9.74%
134.000	06/24/11	17.9380	2,403.64	14.7500	1,976.50	-427.14	192.62	9.74%
164.000	10/05/11	14.9490	2,451.58	14.7500	2,419.00	-32.58	235.75	9.74%
45.000	11/23/11	14.9990	674.97	14.7500	663.75	-11.22	64.69	9.74%
149.000	12/14/11	14.6750	2,186.51	14.7500	2,197.75	11.24	214.18	9.74%
1,347.000	**Total**		**$23,955.69**		**$19,868.25**	**-$4,087.44**	**$1,936.31**	
UBS PFD FDG TR IV TR PFD SEC FLTG RT			*Security Identifier:* UBS PRD					
CALLABLE 6/15/08								
CUSIP: 90263W201								
Dividend Option: Cash								
1,332.000	08/10/10	15.4820	20,621.69	10.2500	13,653.00	-6,968.69	336.63	2.46%
US BANCORP DEL DEPOSITARY SHS			*Security Identifier:* USB PRH					
REPSTG 1/100TH PFD SER B CALLABLE								
CUSIP: 902973155								
Dividend Option: Cash								
1,191.000	08/10/10	21.6400	25,773.24	21.8756	26,053.84	280.60	1,065.27	4.08%
US BANCORP DEL DEP SHS REPSTG 1/1000TH			*Security Identifier:* USB PRL					
PERP PFD SER D 7.875%								
CALLABLE 3/15/13 @25								
CUSIP: 902973882								
Dividend Option: Cash								
117.000	08/10/10	28.2900	3,309.93	27.3300	3,197.61	-112.32	235.46	7.36%
USB CAP XI GTD TR PFD SECS 6.60%			*Security Identifier:* USB PRJ					
MTY 09/15/66 CALLABLE 09/15/11 @25								
CUSIP: 903300200								
Dividend Option: Cash								
310.000	08/10/10	25.1160	7,786.10	25.1500	7,796.50	10.40	511.50	6.56%

Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
VIACOM INC NEW SR NT EXP 12/15/55		*Security Identifier: VNV CL*						
CUSIP: 92553P300								
Dividend Option: Cash								
1,068.000	08/10/10	25.9020	27,662.81	25.1000	26,806.80	-856.01	1,828.95	6.82%
VORNADO RLTY LP PUBLIC INCOME NT		*Security Identifier: VNOD*						
REIT 7.875% 10/01/39 CALLABLE 10/01/14@25								
CUSIP: 929043602								
Dividend Option: Cash								
1,070.000	08/10/10	25.9940	27,813.52	27.4800	29,403.60	1,590.08	2,106.56	7.16%
WEINGARTEN RLTY INVS PFD SER G 8.10%		*Security Identifier: WRD*						
DUE 09/15/2019								
CUSIP: 948741848								
Dividend Option: Cash								
561.000	08/10/10	22.7460	12,760.57	24.0000	13,464.00	703.43	908.82	6.75%
WELLS FARGO & CO NEW DEP SHS SER J		*Security Identifier: WFC PRJ*						
PFD SHS CALLABLE								
CUSIP: 949746879								
Dividend Option: Cash								
1,299.000	08/10/10	27.8160	36,133.42	28.4300	36,930.57	797.15	2,598.00	7.03%
81.000	02/14/11	28.0000	2,268.00	28.4300	2,302.83	34.83	162.00	7.03%
65.000	05/04/11	28.9000	1,878.50	28.4300	1,847.95	-30.55	130.00	7.03%
132.000	05/23/11	29.1290	3,845.09	28.4300	3,752.76	92.33	264.00	7.03%
69.000	05/25/11	29.2280	2,016.70	28.4300	1,961.67	-55.03	138.00	7.03%
87.000	06/22/11	28.3000	2,462.10	28.4300	2,473.41	11.31	174.00	7.03%
141.000	06/30/11	28.5580	4,026.66	28.4300	4,008.63	-18.03	282.00	7.03%
1,874.000	**Total**		**$52,630.47**		**$53,277.82**	**$647.35**	**$3,748.00**	

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Portfolio Holdings *(continued)*

Quantity	Acquisition Date	Unit Cost	Cost Basis	Market Price	Market Value	Unrealized Gain/Loss	Estimated Annual Income	Estimated Yield
Equities *(continued)*								
Preferred Stocks *(continued)*								
WELLS FARGO CAP XI ENHANCED TR PFD SECS *Security Identifier: FWF*								
TRUPRS 6.25% 6/15/67								
CALLABLE 06/15/12@25								
CUSIP: 94979S207								
Dividend Option: Cash								
266.000	08/10/10	24.8480	6,609.59	25.1700	6,695.22	85.63	415.62	6.20%
Total Preferred Stocks			**$1,322,352.41**		**$1,249,700.87**	**-$72,651.54**	**$89,474.73**	
Real Estate Investment Trusts								
COMMONWEALTH REIT CUM RED PFD SER E 7 *Security Identifier: CWH PRE*								
25%								
CUSIP: 203233606								
Dividend Option: Cash								
82.000	10/04/11	23.8500	1,955.70	24.4501	2,004.91	49.21	148.62	7.41%
DIGITAL RLTY TR INC REDEEMABLE PFD *Security Identifier: DLR PRE*								
SER E 7.00% PERP/CALL 9/15/16@25								
CUSIP: 253868707								
Dividend Option: Cash								
139.000	09/16/11	24.9500	3,468.05	25.6000	3,558.40	90.35	243.25	6.83%
PUBLIC STORAGE 6.625% SER M *Security Identifier: PSA PRM*								
DEP SHS REPSTG 1/1000TH PFD SHS								
CALLABLE 1/9/12@ 25								
CUSIP: 74460D232								
Dividend Option: Cash								
129.000	08/10/10	25.1700	3,246.93	25.4500	3,283.05	36.12	213.65	6.50%
Total Real Estate Investment Trusts			**$8,670.68**		**$8,846.36**	**$175.68**	**$605.52**	
Total Equities			**$1,352,350.73**		**$1,279,603.23**	**-$72,747.50**	**$91,936.75**	

	Cost Basis	Market Value	Unrealized Gain/Loss	Accrued Interest	Estimated Annual Income
Total Portfolio Holdings	**$1,419,899.50**	**$1,347,152.00**	**-$72,747.50**	**$0.00**	**$91,963.66**