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Form 990-PF

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

OMB No 1545-0052

2011

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 2011, or tax year beginning 06-01-2011, and ending 05-31-2012

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

Name of foundation: THE GOLDSTONE FUND INC. % JANET L MULLIGAN. Number and street: C/O TANTON COMPANY LLP, 37 WEST 57TH STREET 5TH FLOOR. City or town, state, and ZIP code: NEW YORK, NY 10019. A Employer identification number: 13-6028782. B Telephone number: (212) 583-1100. H Check type of organization: Section 501(c)(3) exempt private foundation. I Fair market value of all assets at end of year: \$ 5,855,285. J Accounting method: Cash. 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.

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes (cash basis only). Rows include Revenue (1-12) and Operating and Administrative Expenses (13-26), followed by summary rows 27-29.

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

| Part II Balance Sheets | | Beginning of year | | End of year | |
|--|---|-------------------|----------------|-----------------------|--|
| | | (a) Book Value | (b) Book Value | (c) Fair Market Value | |
| Assets | 1 Cash—non-interest-bearing | 610,227 | 258,691 | 258,691 | |
| | 2 Savings and temporary cash investments | | | | |
| | 3 Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____ | | | | |
| | 4 Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____ | | | | |
| | 5 Grants receivable | | | | |
| | 6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions) | | | | |
| | 7 Other notes and loans receivable (attach schedule) ▶ _____ Less allowance for doubtful accounts ▶ _____ | | | | |
| | 8 Inventories for sale or use | | | | |
| | 9 Prepaid expenses and deferred charges | | | | |
| | 10a Investments—U S and state government obligations (attach schedule) | | | | |
| | b Investments—corporate stock (attach schedule) | 3,137,754 | 3,259,600 | 5,595,089 | |
| | c Investments—corporate bonds (attach schedule) | | | | |
| | 11 Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____ | | | | |
| | 12 Investments—mortgage loans | | | | |
| | 13 Investments—other (attach schedule) | | | | |
| | 14 Land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____ | | | | |
| 15 Other assets (describe ▶ _____) | 1,505 | 1,505 | 1,505 | | |
| 16 Total assets (to be completed by all filers—see the instructions Also, see page 1, item I) | 3,749,486 | 3,519,796 | 5,855,285 | | |
| Liabilities | 17 Accounts payable and accrued expenses | 104,000 | 111,500 | | |
| | 18 Grants payable | | | | |
| | 19 Deferred revenue | | | | |
| | 20 Loans from officers, directors, trustees, and other disqualified persons | | | | |
| | 21 Mortgages and other notes payable (attach schedule) | | | | |
| | 22 Other liabilities (describe ▶ _____) | | | | |
| 23 Total liabilities (add lines 17 through 22) | 104,000 | 111,500 | | | |
| Net Assets or Fund Balances | Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> 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 ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31. | | | | |
| | 27 Capital stock, trust principal, or current funds | | | | |
| | 28 Paid-in or capital surplus, or land, bldg, and equipment fund | 3,645,486 | 3,408,296 | | |
| 29 Retained earnings, accumulated income, endowment, or other funds | | | | | |
| 30 Total net assets or fund balances (see page 17 of the instructions) | 3,645,486 | 3,408,296 | | | |
| 31 Total liabilities and net assets/fund balances (see page 17 of the instructions) | 3,749,486 | 3,519,796 | | | |

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 | 3,645,486 |
| 2 | Enter amount from Part I, line 27a | 2 | -237,190 |
| 3 | Other increases not included in line 2 (itemize) ▶ _____ | 3 | |
| 4 | Add lines 1, 2, and 3 | 4 | 3,408,296 |
| 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 | 3,408,296 |

Part IV Capital Gains and Losses for Tax on Investment Income

| (a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co) | | (b) How acquired P—Purchase D—Donation | (c) Date acquired (mo, day, yr) | (d) Date sold (mo, day, yr) |
|--|---|---|--|--------------------------------|
| 1a | See Additional Data Table | | | |
| 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 | See Additional Data Table | | | |
| b | | | | |
| 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) FMV as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col (i) over col (j), if any | | |
| a | See Additional Data Table | | | |
| 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 | 2,787 |
| 3 | Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8 | | } | 3 |

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

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

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

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

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

| (a) Base period years Calendar year (or tax year beginning in) | (b) Adjusted qualifying distributions | (c) Net value of noncharitable-use assets | (d) Distribution ratio (col (b) divided by col (c)) |
|--|--|--|---|
| 2010 | 279,941 | 6,062,034 | 0.046179 |
| 2009 | 290,234 | 5,593,689 | 0.051886 |
| 2008 | 374,320 | 5,722,689 | 0.06541 |
| 2007 | 353,867 | 7,682,933 | 0.046059 |
| 2006 | 329,019 | 7,163,317 | 0.045931 |

| | | | |
|----------|--|----------|-----------|
| 2 | Total of line 1, column (d). | 2 | 0.255465 |
| 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 | 0.051093 |
| 4 | Enter the net value of noncharitable-use assets for 2011 from Part X, line 5. | 4 | 6,006,745 |
| 5 | Multiply line 4 by line 3. | 5 | 306,903 |
| 6 | Enter 1% of net investment income (1% of Part I, line 27b). | 6 | 819 |
| 7 | Add lines 5 and 6. | 7 | 307,722 |
| 8 | Enter qualifying distributions from Part XII, line 4. | 8 | 310,780 |

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

| | | | |
|-----------|---|-----------|-------|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions) | | |
| b | Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b | 1 | 819 |
| c | All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b) | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | 2 | |
| 3 | Add lines 1 and 2. | 3 | 819 |
| 4 | Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | 4 | |
| 5 | Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0- | 5 | 819 |
| 6 | Credits/Payments | | |
| a | 2011 estimated tax payments and 2010 overpayment credited to 2011 | 6a | 1,000 |
| 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 | 1,000 |
| 8 | Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached | 8 | |
| 9 | Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed | 9 | |
| 10 | Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid | 10 | 181 |
| 11 | Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> 181 Refunded <input type="checkbox"/> | 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? | | No |
| b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? <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> | | No |
| c Did the foundation file Form 1120-POL for this year? | | |
| d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____ | | |
| e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____ | | |
| 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> | | No |
| 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> | | No |
| 4a Did the foundation have unrelated business gross income of \$1,000 or more during the year? | | No |
| b If "Yes," has it filed a tax return on Form 990-T for this year? | | |
| 5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i> | | No |
| 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? | Yes | |
| 7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV</i> | Yes | |
| 8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> 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 General Instruction G? <i>If "No," attach explanation .</i> | Yes | |
| 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 on page 27)? <i>If "Yes," complete Part XIV</i> | | No |
| 10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i> | | No |

Part VII-A Statements Regarding Activities (continued)

| | | | | | |
|---|-----------|------------|-----------|--|--|
| 11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions). | 11 | | No | | |
| 12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? | 12 | | No | | |
| 13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ _____ | 13 | Yes | | | |
| 14 The books are in care of ▶ <u>JANET L MULLIGAN</u> Telephone no ▶ <u>(212) 583-1100</u> Located at ▶ <u>37 W 57TH ST 5TH FL NEW YORK NEW YORK NY</u> ZIP+4 ▶ <u>10019</u> | | | | | |
| 15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 —Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ <table border="1" style="display:inline-table; vertical-align:middle;"><tr><td style="width:50px; text-align:center;">15</td><td style="width:100px;"></td></tr></table> | 15 | | | | |
| 15 | | | | | |
| 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 | Yes | No | | |

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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Organizations relying on a current notice regarding disaster assistance check here. ▶ <input checked="" type="checkbox"/> | 1b | | | |
| c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? | 1c | | | No |
| 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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ 20____, 20____, 20____, 20____ | | | | |
| b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions). | 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 ▶ 20____, 20____, 20____, 20____ | | | | |
| 3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.</i>) | 3b | | | |
| 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? | 4a | | | No |
| 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 | | | No |

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

| | | |
|--|-----------|-----------|
| <p>5a During the year did the foundation pay or incur any amount to</p> <p>(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(3) Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions). . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here. <input checked="" type="checkbox"/></p> <p>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? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach the statement required by Regulations section 53.4945–5(d).</p> <p>6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" to 6b, file Form 8870.</p> <p>7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> | 5b | |
| | 6b | No |
| | 7b | No |

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

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

| (a) Name and address | (b) Title, and average hours per week devoted to position | (c) Compensation (If not paid, enter -0-) | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|---|---|---------------------------------------|
| ARTHUR H GOLDSTONE C/O TANTON CO LLP NEW YORK, NY 10019 | PRESIDENT 0 5 | 0 | | |
| JANET L MULLIGAN C/O TANTON CO LLP NEW YORK, NY 10019 | TREASURER/SECRETARY 0 5 | 0 | | |
| JANE G RITTMASER 911 PARK AVENUE NEW YORK, NY 10021 | VICE PRESIDENT 0 5 | 0 | | |

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

| (a) Name and address of each employee paid more than \$50,000 | (b) Title, and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans and deferred compensation | (e) Expense account, other allowances |
|---|---|------------------|---|---------------------------------------|
| | | | | |
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| | | | | |
| | | | | |

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

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

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

| (a) Name and address of each person paid more than \$50,000 | (b) Type of service | (c) Compensation |
|---|---------------------|------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

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

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 | |
| 2 | |
| 3 | |
| 4 | |

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

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|--|--------|
| 1 | |
| 2 | |
| All other program-related investments. See page 24 of the instructions 3 | |

Total. Add lines 1 through 3. ▶

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

| | | | |
|----------|--|-----------|-----------|
| 1 | Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes | | |
| a | Average monthly fair market value of securities. | 1a | 6,098,218 |
| b | Average of monthly cash balances. | 1b | 0 |
| c | Fair market value of all other assets (see page 24 of the instructions). | 1c | 0 |
| d | Total (add lines 1a, b, and c). | 1d | 6,098,218 |
| e | Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation). | 1e | |
| 2 | Acquisition indebtedness applicable to line 1 assets. | 2 | 0 |
| 3 | Subtract line 2 from line 1d. | 3 | 6,098,218 |
| 4 | Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions). | 4 | 91,473 |
| 5 | Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4 | 5 | 6,006,745 |
| 6 | Minimum investment return. Enter 5% of line 5. | 6 | 300,337 |

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

| | | | |
|-----------|--|-----------|---------|
| 1 | Minimum investment return from Part X, line 6. | 1 | 300,337 |
| 2a | Tax on investment income for 2011 from Part VI, line 5. | 2a | 819 |
| b | Income tax for 2011 (This does not include the tax from Part VI). | 2b | |
| c | Add lines 2a and 2b. | 2c | 819 |
| 3 | Distributable amount before adjustments Subtract line 2c from line 1. | 3 | 299,518 |
| 4 | Recoveries of amounts treated as qualifying distributions. | 4 | |
| 5 | Add lines 3 and 4. | 5 | 299,518 |
| 6 | Deduction from distributable amount (see page 25 of the instructions). | 6 | |
| 7 | Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1. | 7 | 299,518 |

Part XII Qualifying Distributions (see page 25 of the instructions)

| | | | |
|----------|---|-----------|---------|
| 1 | Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes | | |
| a | Expenses, contributions, gifts, etc —total from Part I, column (d), line 26. | 1a | 310,780 |
| b | Program-related investments—total from Part IX-B. | 1b | 0 |
| 2 | Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes. | 2 | 0 |
| 3 | Amounts set aside for specific charitable projects that satisfy the | | |
| a | Suitability test (prior IRS approval required). | 3a | 0 |
| b | Cash distribution test (attach the required schedule). | 3b | 0 |
| 4 | Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 310,780 |
| 5 | Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions). | 5 | 819 |
| 6 | Adjusted qualifying distributions. Subtract line 5 from line 4. | 6 | 309,961 |

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

| | (a) Corpus | (b) Years prior to 2010 | (c) 2010 | (d) 2011 |
|--|---------------|----------------------------|-------------|-------------|
| 1 Distributable amount for 2011 from Part XI, line 7 | | | | 299,518 |
| 2 Undistributed income, if any, as of the end of 2011 | | | | |
| a Enter amount for 2010 only. | | | 275,756 | |
| b Total for prior years 2009 , 2008 , 2007 | | | | |
| 3 Excess distributions carryover, if any, to 2011 | | | | |
| a From 2006. | | | | |
| b From 2007. | | | | |
| c From 2008. | | | | |
| d From 2009. | | | | |
| e From 2010. | | | | 0 |
| f Total of lines 3a through e. | 0 | | | |
| 4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ <u>310,780</u> | | | | |
| a Applied to 2010, but not more than line 2a | | | 275,756 | |
| b Applied to undistributed income of prior years (Election required—see page 26 of the instructions) | | | | |
| c Treated as distributions out of corpus (Election required—see page 26 of the instructions). | | | | |
| d Applied to 2011 distributable amount. | | | | 35,024 |
| e Remaining amount distributed out of corpus | 0 | | | |
| 5 Excess distributions carryover applied to 2011 <i>(If an amount appears in column (d), the same amount must be shown in column (a).)</i> | 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 | | | | |
| c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed. | | | | |
| d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions | | | | |
| e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions | | | | |
| f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011 | | | | 264,494 |
| 7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions). | | | | |
| 8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions). | | | | |
| 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. | 0 | | | |

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling.

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

| | Tax year | Prior 3 years | | | (e) Total |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| | (a) 2011 | (b) 2010 | (c) 2009 | (d) 2008 | |
| 2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed | | | | | |
| b 85% of line 2a | | | | | |
| c Qualifying distributions from Part XII, line 4 for each year listed | | | | | |
| d Amounts included in line 2c not used directly for active conduct of exempt activities | | | | | |
| e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c | | | | | |
| 3 Complete 3a, b, or c for the alternative test relied upon | | | | | |
| a "Assets" alternative test—enter | | | | | |
| (1) Value of all assets | | | | | |
| (2) Value of assets qualifying under section 4942(j)(3)(B)(i) | | | | | |
| b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. | | | | | |
| c "Support" alternative test—enter | | | | | |
| (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) | | | | | |
| (2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii). | | | | | |
| (3) Largest amount of support from an exempt organization | | | | | |
| (4) Gross investment income | | | | | |

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

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

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 <i>Paid during the year</i> See Additional Data Table | | | | |
| Total | | | | 3a 309,200 |
| b <i>Approved for future payment</i> | | | | |
| Total | | | | 3b |

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

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...
a Transfers from the reporting foundation to a noncharitable exempt organization of
(1) Cash.
(2) Other assets.
b Other transactions
(1) Sales of assets to a noncharitable exempt organization.
(2) Purchases of assets from a noncharitable exempt organization.
(3) Rental of facilities, equipment, or other assets.
(4) Reimbursement arrangements.
(5) Loans or loan guarantees.
(6) Performance of services or membership or fundraising solicitations.
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.
d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (a) Line No, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... [] Yes [x] No

b If "Yes," complete the following schedule
(a) Name of organization (b) Type of organization (c) Description of relationship

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.
Signature of officer or trustee: ***** Date: 2012-07-16 Title: *****
Preparer's Signature: [] Date: [] Check if self-employed: [] PTIN: []
Firm's name: TANTON AND COMPANY LLP Firm's EIN: []
Firm's address: 37 WEST 57TH STREET - 5TH FLOOR NEW YORK, NY 100193411 Phone no: (212) 583-1100

May the IRS discuss this return with the preparer shown above? See instructions [x] Yes [] No

Additional Data

Software ID:

Software Version:

EIN: 13-6028782

Name: THE GOLDSTONE FUND INC

Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns a - d

| (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) |
|--|---|---|---|
| MANPOWERGROUP (1200) | P | 2005-03-07 | 2011-06-01 |
| MANPOWERGROUP (300) | P | 2005-05-09 | 2011-06-01 |
| TEXAS INSTRUMENTS (2000) | P | 2004-05-11 | 2012-01-18 |
| TEXAS INSTRUMENTS (500) | P | 2004-06-16 | 2012-01-18 |
| INDIA FUND (1200) | P | 2005-06-21 | 2012-01-19 |
| INDIA FUND (300) | P | 2005-09-23 | 2012-01-19 |
| INDIA FUND (500) | P | 2006-08-04 | 2012-01-19 |
| INDIA FUND (666) | P | 2009-08-13 | 2012-01-19 |
| JPMORGAN CHASE 3 125 | P | 2008-11-28 | 2011-12-01 |
| UST-BILL 05-17-12 | P | 2011-12-12 | 2012-05-17 |
| SECURITIES LITIGATION STTLMNT | P | | 2011-12-31 |

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns e - h

| (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) |
|------------------------------|---|--|---|
| 70,422 | | 54,009 | 16,413 |
| 17,605 | | 11,876 | 5,729 |
| 66,023 | | 52,428 | 13,595 |
| 16,506 | | 12,205 | 4,301 |
| 25,930 | | 48,517 | -22,587 |
| 6,482 | | 11,367 | -4,885 |
| 10,804 | | 17,000 | -6,196 |
| 14,391 | | 17,594 | -3,203 |
| 200,000 | | 200,448 | -448 |
| 400,000 | | 400,000 | |
| 68 | | | 68 |

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Columns i - l

| 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 | |
| | | | 16,413 |
| | | | 5,729 |
| | | | 13,595 |
| | | | 4,301 |
| | | | -22,587 |
| | | | -4,885 |
| | | | -6,196 |
| | | | -3,203 |
| | | | -448 |
| | | | |
| | | | 68 |

Form 990PF Part XV Line 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) | | | | |
| a <i>Paid during the year</i> | | | | |
| SAKONNET PRESERVATION ASSOCIATION 162 WEST MAIN ROAD LITTLE COMPTON, RI 02837 | | 501(c)(3) | GENERAL PURPOSE | 5,000 |
| FRIENDS OF BROWNELL LIBRARY 6 LINCOLN STREET ESSEX JUNCTION, VT 05452 | | 501(c)(3) | GENERAL PURPOSE | 1,500 |
| LITTLE COMPTON HISTORICAL SOCIETY 548 WEST MAIN ROAD LITTLE COMPTON, RI 02837 | | 501(c)(3) | GENERAL PURPOSE | 1,500 |
| FRIENDS OF THE SAKONNET LIGHTHOUSE INC PO BOX 154 LITTLE COMPTON, RI 02837 | | 501(c)(3) | GENERAL PURPOSE | 2,500 |
| AUDUBON SOCIETY 225 VARICK STREET NEW YORK, NY 10014 | | 501(c)(3) | GENERAL PURPOSE | 1,500 |
| LINCOLN CENTER FOR THE PERFORMING ARTS 132 WEST 65TH STREET NEW YORK, NY 10023 | | 501(c)(3) | GENERAL PURPOSE | 5,000 |
| CARNEGIE HALL SOCIETY INC 881 SEVENTH AVENUE NEW YORK, NY 10019 | | 501(c)(3) | GENERAL PURPOSE | 5,000 |
| CENTRAL PARK CONSERVANCY 14 EAST 60TH STREET NEW YORK, NY 10022 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| FUND FOR PARK AVENUE 445 PARK AVENUE SUITE 1000 NEW YORK, NY 10022 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| MT SINAI SAVIONE GUSTAVE L LEVY PLACE BOX 1670 NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| NATIONAL ALOPECIA AREATA FOUNDATION 14 MITCHELL BOULEVARD SAN RAFAEL, CA 94903 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| STANLEY MIRSKY MD DIABETES EDUC UNIT-MT SINAI HOSPONE GUSTAVE L LEVY PLACE NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 2,500 |
| THE FRESH AIR FUND 633 THIRD AVENUE NEW YORK, NY 10017 | | 501(c)(3) | GENERAL PURPOSE | 2,500 |
| THE CHILDRENS AID SOCIETY 105 EAST 22ND STREET NEW YORK, NY 10010 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| MT SINAI ADOLESCENT HEALTH CENTER 312 EAST 94TH STREET NEW YORK, NY 10128 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| THE JEWISH MUSEUM 1109 FIFTH AVENUE NEW YORK, NY 10128 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| BRUCE MUSEUM 1 MUSEUM DRIVE GREENWICH, CT 06839 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| PLAY FOR PINK 175 EAST 74TH STREET NEW YORK, NY 10021 | | 501(c)(3) | GENERAL PURPOSE | 500 |
| MT SINAI WOMENS HEALTH 5 EAST 98TH STREET NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 7,500 |
| GREENWICH HOSPITALS 5 PERRY RIDGE ROAD GREENWICH, CT 06830 | | 501(c)(3) | GENERAL PURPOSE | 3,000 |
| RICHARD TUCKER MUSIC FOUNDATION 1790 BROADWAY SUITE 715 NEW YORK, NY 10019 | | 501(c)(3) | GENERAL PURPOSE | 3,000 |
| JEWISH GUILD FOR THE BLIND 15 WEST 65TH STREET NEW YORK, NY 10023 | | 501(c)(3) | GENERAL PURPOSE | 4,800 |
| NYU HOSPITAL FOR JOINT DESEASES 301 EAST 17TH STREET NEW YORK, NY 10003 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| CONGREGATION EMANU-EL OF THE CITY OF NEW YORK 1 EAST 65TH STREET NEW YORK, NY 10065 | | 501(c)(3) | GENERAL PURPOSE | 2,500 |
| MT SINAI BREAST HEALTH RESOURCE PROGRAM ONE GUSTAVE L LEVY PLACE NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| NEW ALTERNATIVES FOR CHILDREN 37 WEST 26TH STREET NEW YORK, NY 10010 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| CONGREGATION KOL AMI 252 SOUNDVIEW AVENUE WHITE PLAINS, NY 10606 | | 501(c)(3) | GENERAL PURPOSE | 2,000 |
| KENT PLACE SCHOOL 42 NORWOOD AVENUE SUMMIT, NJ 07902 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| BLYTHDALE CHILDRENS HOSPITAL 95 BRADHURST AVENUE VALHALLA, NY 10595 | | 501(c)(3) | GENERAL PURPOSE | 30,000 |
| HORACE MANN SCHOOL 231 WEST 246TH STREET BRONX, NY 10471 | | 501(c)(3) | GENERAL PURPOSE | 20,000 |

Form 990PF Part XV Line 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 <i>Paid during the year</i> | | | | |
| JEWISH GUILD FOR THE BLIND 15 WEST 65TH STREET NEW YORK, NY 10023 | | 501(c)(3) | GENERAL PURPOSE | 10,000 |
| DIGESTIVE DISEASE RESEARCH FOUNDATION 311 EAST 79TH STREET NEW YORK, NY 10075 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| THE DOE FUND 232 EAST 84TH STREET NEW YORK, NY 10028 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| CITIZENS COMMITTEE FOR CHILDREN OF NEW YORK 105 EAST 22ND STREET 7TH FLOOR NEW YORK, NY 10010 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| LILIAN & BENJAMIN HERTZBERG PALLIATIVE CARE INSTONE GUSTAVE L LEVY PLACE BOX 1070 NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| MT SINAI AUXILIARY BOARD ONE GUSTAVE L LEVY PLACE NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 5,000 |
| UCSF FOUNDATION UCSF BOX 0248 SAN FRANCISCO, CA 94143 | | 501(c)(3) | GENERAL PURPOSE | 2,500 |
| CORNELL UNIVERSITY CORNELL UNIVERSITY ITHACA, NY 14853 | | 501(c)(3) | GENERAL PURPOSE | 3,000 |
| BACHMANN-STRAUSS DYSTONIA PARKINSON FUND INC 551 FIFTH AVENUE NEW YORK, NY 10176 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| ALBERT EINSTEIN COLLEGE OF MEDICINE 500 WEST 185TH STREET NEW YORK, NY 10033 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| MUSEUM OF MODERN ART 11 WEST 53RD STREET NEW YORK, NY 10019 | | 501(c)(3) | GENERAL PURPOSE | 1,200 |
| WHITNEY MUSEUM OF ART 945 MADISON AVENUE NEW YORK, NY 10021 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| METROPOLITAN MUSEUM OF ART 1000 FIFTH AVENUE NEW YORK, NY 10028 | | 501(c)(3) | GENERAL PURPOSE | 1,200 |
| BETH ISRAEL MEDICAL CENTER 1ST AVENUE AT 16TH STREET NEW YORK, NY 10003 | | 501(c)(3) | GENERAL PURPOSE | 1,500 |
| JEWISH WOMENS FOUNDATION OF NEW YORK 130 EAST 59TH STREET NEW YORK, NY 10022 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| THE NATURE CONSERVANCY OF RHODE ISLAND 159 WATERMAN STREET PROVIDENCE, RI 02906 | | 501(c)(3) | GENERAL PURPOSE | 10,000 |
| THE BARNES FOUNDATION 300 NORTH LATCHS LANE LOWER MERION, PA 19066 | | 501(c)(3) | GENERAL PURPOSE | 3,000 |
| MT SINAI MEDICAL CENTER WOMAN TO WOMAN ONE GUSTAVE L LEVY PLACE NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 5,000 |
| MCCARTON FOUNDATION 331 WEST 25TH STREET NEW YORK, NY 10001 | | 501(c)(3) | GENERAL PURPOSE | 3,000 |
| THE FRESH AIR FUND 633 THIRD AVENUE NEW YORK, NY 10017 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| THE CHILDRENS AID SOCIETY 105 EAST 22ND STREET NEW YORK, NY 10010 | | 501(c)(3) | GENERAL PURPOSE | 1,000 |
| CORNELL UNIVERSITY CORNELL UNIVERSITY ITHACA, NY 14853 | | 501(c)(3) | GENERAL PURPOSE | 47,500 |
| ST BERNARDS SCHOOL 4 EAST 98TH STREET NEW YORK, NY 10029 | | 501(c)(3) | GENERAL PURPOSE | 15,000 |
| AUDUBON SOCIETY 225 VARICK STREET NEW YORK, NY 10014 | | 501(c)(3) | GENERAL PURPOSE | 3,500 |
| SAKONNET PRESERVATION ASSOCIATION PO BOX 945 LITTLE COMPTON, RI 02837 | | 501(c)(3) | GENERAL PURPOSE | 5,500 |
| LITTLE COMPTON AGRICULTURAL CONSERVANCY TRUST 40 COMMONS PO BOX 226 LITTLE COMPTON, RI 02837 | | 501(c)(3) | GENERAL PURPOSE | 11,000 |
| FRIENDS OF THE BROWNELL LIBRARY 6 LINCOLN STREET ESSEX JUNCTION, VT 05452 | | 501(c)(3) | GENERAL PURPOSE | 1,500 |
| THINK NEW MEXICO 1227 PASEO DE PERALTA SANTA FE, NM 87501 | | 501(c)(3) | GENERAL PURPOSE | 500 |
| THE NATURE CONSERVANCY OF RHODE ISLAND 159 WATERMAN STREET PROVIDENCE, RI 02906 | | 501(c)(3) | GENERAL PURPOSE | 35,000 |
| HANNA BOYS CENTER 17000 ARNOLD DRIVE SONOMA, CA 95476 | | 501(c)(3) | GENERAL PURPOSE | 2,500 |

Form 990PF Part XV Line 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) | | | | |
| a <i>Paid during the year</i> | | | | |
| LITTLE COMPTON HISTORICAL SOCIETY 548 WEST MAIN ROAD LITTLE COMPTON, RI 02837 | | 501(c)(3) | GENERAL PURPOSE | 1,500 |
| TROPICAL FISH SOCIETY OF RHODE ISLAND 186 AMARAL STREET RIVERSIDE, RI 02915 | | 501(c)(3) | GENERAL PURPOSE | 10,000 |
| CARNEGIE HALL SOCIETY 881 SEVIETH AVENUE MEWYORK, NY 10019 | | 501(c)(3) | GENERAL PURPOSE | 5,000 |
| LINCOLN CENTER FOR THE PERFORMING ARTS 70 LINCOLN CENTER PLAZA NEW YORK, NY 10023 | | 501(c)(3) | GENERAL PURPOSE | 3,000 |
| Total ▶ 3a | | | | 309,200 |

TY 2011 Accounting Fees Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|-----------------|--------|--------------------------|------------------------|---|
| ACCOUNTING FEES | 5,320 | 3,990 | | 1,330 |

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2011 Depreciation Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

**TY 2011 Investments Corporate
Stock Schedule****Name:** THE GOLDSTONE FUND INC**EIN:** 13-6028782

| Name of Stock | End of Year Book Value | End of Year Fair Market Value |
|----------------------|-----------------------------------|--|
| VARIOUS THRU SCHWAB | 3,259,600 | 5,595,089 |

TY 2011 Investments Government Obligations Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

**US Government Securities - End of
Year Book Value:**

**US Government Securities - End of
Year Fair Market Value:**

**State & Local Government
Securities - End of Year Book
Value:**

**State & Local Government
Securities - End of Year Fair
Market Value:**

TY 2011 Land, Etc. Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

TY 2011 Legal Fees Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|---------------------------|--------|--------------------------|------------------------|---|
| FULLBRIGHT & JAWORSKI LLP | | | | |

TY 2011 Other Assets Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

| Description | Beginning of Year - Book Value | End of Year - Book Value | End of Year - Fair Market Value |
|-------------------|--------------------------------|--------------------------|---------------------------------|
| DUE FROM OFFICERS | 1,505 | 1,505 | 1,505 |

TY 2011 Other Expenses Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

| Description | Revenue and Expenses per Books | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|----------------------|-----------------------------------|--------------------------|---------------------|--|
| NYS DEPT OF LAW | 250 | | | 250 |
| INVEST ADVISORY FEES | 57,509 | 57,509 | | |
| MISCELLANEOUS FEES | 114 | 114 | | |

TY 2011 Other Income Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

| Description | Revenue And Expenses Per Books | Net Investment Income | Adjusted Net Income |
|--------------|--------------------------------|-----------------------|---------------------|
| OTHER INCOME | | | |

TY 2011 Taxes Schedule

Name: THE GOLDSTONE FUND INC

EIN: 13-6028782

| Category | Amount | Net Investment Income | Adjusted Net Income | Disbursements for Charitable Purposes |
|----------------------|--------|--------------------------|------------------------|---|
| FOREIGN TAX WITHHELD | 941 | 941 | | |
| FEDERAL TAXES | 8,304 | | | |

This Period Year to Date

| Income Summary | Federally Tax-Exempt | Federally Taxable | Federally Tax-Exempt | Federally Taxable |
|-----------------------------------|----------------------|-------------------|----------------------|-------------------|
| Money Funds Dividends | 0.00 | 2.32 | 0.00 | 10.95 |
| Cash Dividends | 0.00 | 6,230.46 | 0.00 | 40,750.18 |
| Corporate Bond and Other Interest | 0.00 | 0.00 | 0.00 | 7,300.00 |
| Treasury Bill Interest | 0.00 | 59.22 | 0.00 | 59.22 |
| Total Income | 0.00 | 6,291.78 | 0.00 | 59.22 |

Investment Detail - Money Market Funds [Sweep]

| Money Market Funds [Sweep] | Quantity | Market Price | Market Value | Current Yield | % of Account Assets |
|---|--------------|--------------|--------------|---------------|---------------------|
| Schwab US TREAS MONEY FD SWUXX | 258,691.1200 | 1.0000 | 258,691.12 | 0.01% | 4% |
| Total Money Market Funds [Sweep] | | | | | |

Investment Detail - Fixed Income

| U.S. Treasuries | Par | Market Price | Market Value | Adjusted Cost Basis | Unrealized Gain or (Loss) | Estimated Annual Income | Yield to Maturity | Accounting Method | |
|------------------------------|---------------------|--------------|-------------------|---------------------|---------------------------|-------------------------------|-------------------|-------------------|---------------|
| | | | | | | | | Units Purchased | Cost Per Unit |
| US TREAS BILL 0%11/12 | 400,000.0000 | 99.9422 | 399,768.80 | 399,739.33 | 29.47 ^b | N/A | | | |
| UST BILL DUE 11/15/12 | 400,000.0000 | 99.9289 | 399,715.92 | 399,739.33 | 29.47 ^b | 0.14% | | | |
| CUSIP 9127955L1 | | | | | | | | | |
| Total U.S. Treasuries | 400,000.0000 | | 399,739.33 | 399,739.33 | 29.47^b | Accrued Interest: 0.00 | | | |

Total Accrued Interest for U.S. Treasuries. 0.00

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

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Investment Detail - Fixed Income (continued)

| | | Accounting Method | | Fixed Income | | First In First Out [FIFO] | | | |
|--|---------------------|-------------------|-------------------|-------------------|---------------------|------------------------------|--|-------------------------|-------------------|
| Corporate Bonds | Units Purchased | Par | Market Price | Market Value | Adjusted Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Annual Income | Yield to Maturity |
| AMERICAN EXP CR 7.3% ¹³ | 200,000.0000 | 107.3082 | 214,616.40 | 200,270.93 | 4% | 14,345.47 ^b | 14,600.00 | | |
| NOTES DJE 08/20/13 | 200,000.0000 | 100.4880 | 200,976.00 | 200,270.93 | 08/19/08 | 14,345.47 ^b | 7.18% | | |
| CUSIP 0258M0CY3 | | | | | | | | | |
| MOODY'S A2 S&P BBB+ | | | | | | | | | |
| GOLDMAN SACHS 3.25% ¹² | 200,000.0000 | 100.0818 | 200,163.60 | 200,003.59 | 3% | 160.01 ^b | 6,500.00 | | |
| FDIC TLG NT DUE 06/15/12 | 200,000.0000 | 100.1592 | 200,318.40 | 200,003.59 | 11/26/08 | 160.01 ^b | 3.20% | | |
| CUSIP 38146FAA9 | | | | | | | | | |
| MOODY'S Aaa S&P AA+ | | | | | | | | | |
| Total Corporate Bonds | 400,000.0000 | | 414,780.00 | 400,274.52 | | | Accrued Interest. 2,997.22 | | |
| Total Fixed Income | 800,000.0000 | | 819,463.60 | 800,548.11 | | | Total Accrued Interest for Corporate Bonds 7,093.33 | | |

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

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Investment Detail - Equities

Accounting Method
Equities First In First Out [FIFO]

| Equities | Quantity Units Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|------------------------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|------------------------------|--------------------|----------------------------|
| | | | | | | Holding Days | Holding Period |
| ABB LTD ADR F | 4,000,000 | 15.8100 | 63,240.00 | 1% | 3,661.60 | 0.00% | 0.00 |
| SPONSORED ADR | 4,000,000 | 14.8946 | 59,578.40 | 04/02/09 | 3,661.60 | 1155 | Long-Term |
| 1 ADR REP 1 REG SH | | | | | | | |
| SYMBOL ABB | | | | | | | |
| AMERICAN EXPRESS COMPANY | 2,400,000 | 55.8300 | 133,992.00 | 2% | 111,435.57 | 1.43% | 1,920.00 |
| SYMBOL AXP | 1,800,000 | 8.1181 | 14,612.65 | 11/09/93 | 85,881.35 | 6778 | Long-Term |
| | 600,000 | 13.2396 | 7,943.78 | 09/20/96 | 25,554.22 | 5732 | Long-Term |
| Cost Basis | | | 22,556.43 | | | | |
| BANK OF NY MELLON CP NEW | 4,528,000 | 20.3600 | 92,190.08 | 2% | 86,013.54 | 2.55% | 2,354.56 |
| SYMBOL BK | 4,528,000 | 1.3640 | 6,176.54 | 07/23/91 | 86,013.54 | 7618 | Long-Term |
| BARRICK GOLD CORP F | 2,971,000 | 39.0600 | 116,047.26 | 2% | 27,660.01 | 2.04% | 2,376.80 |
| SYMBOL ABX | 2,971,000 | 29.7500 | 88,387.25 | 01/25/06 | 27,660.01 | 2318 | Long-Term |
| CHEVRON CORPORATION | 1,000,000 | 98.3100 | 98,310.00 | 2% | 24,741.70 | 3.66% | 3,600.00 |
| SYMBOL CVX | 800,000 | 73.7938 | 59,035.04 | 03/11/10 | 19,612.96 | 812 | Long-Term |
| | 200,000 | 72.6663 | 14,533.26 | 07/15/10 | 5,128.74 | 686 | Long-Term |
| Cost Basis | | | 73,568.30 | | | | |
| CHICAGO BRIDGE & IRON F | 2,500,000 | 35.9400 | 89,850.00 | 2% | 54,990.95 | 0.00% | 0.00 |
| NY REGISTRY SHS | 1,500,000 | 13.2527 | 19,879.05 | 10/16/03 | 34,030.95 | 3150 | Long-Term |
| 1 NY SH REP 1 ORD | 1,000,000 | 14.9800 | 14,980.00 | 04/20/04 | 20,960.00 | 2963 | Long-Term |
| SYMBOL CBI | | | 34,859.05 | | | | |
| Cost Basis | | | | | | | |
| CISCO SYSTEMS INC | 4,000,000 | 16.3300 | 65,320.00 | 1% | (5,436.75) | 1.95% | 1,280.00 |
| SYMBOL CSCO | 2,500,000 | 17.9148 | 44,787.00 | 06/06/03 | (3,962.00) | 3282 | Long-Term |
| | 500,000 | 17.4848 | 8,742.40 | 06/10/03 | (577.40) | 3278 | Long-Term |
| | 500,000 | 16.9022 | 8,451.10 | 06/24/03 | (286.10) | 3264 | Long-Term |
| | 500,000 | 17.5525 | 8,776.25 | 04/27/11 | (611.25) | 400 | Long-Term |
| Cost Basis | | | 70,756.75 | | | | |

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Cost Basis

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

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Investment Detail - Equities (continued) Accounting Method
Equities First In First Out (FIFO)

| Equities (continued) | Quantity | Market Price | Market Value | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|---------------------------------|------------------|----------------|------------------------|------------------------------|---------------------------|-----------------|-------------------------|
| | | | | | | | |
| COLGATE-PALMOLIVE CO | 1,000,000 | 98.3000 | 98,300.00 | 2% | 37,579.00 | 2.52% | 2,480.00 |
| SYMBOL CL | 1,000,000 | 60.7210 | 60,721.00 | 04/02/09 | 37,579.00 | 1155 | Long-Term |
| COMCAST CORP NEW CL A | 3,000,000 | 28.9100 | 86,730.00 | 1% | 62,624.03 | 2.24% | 1,950.00 |
| SYMBOL CMCSA | 1,000,000 | 5.3791 | 5,379.17 ¹ | 09/20/96 | 23,530.83 | 5732 | Long-Term |
| | 750,000 | 5.1833 | 3,887.50 ¹ | 11/11/96 | 17,795.00 | 5680 | Long-Term |
| | 1,250,000 | 11.8714 | 14,839.30 ¹ | 12/11/96 | 21,298.20 | 5650 | Long-Term |
| <i>Cost Basis</i> | | | <i>24,105.97</i> | | | | |
| COMCAST CP NEW CL A SPL | 3,750,000 | 28.7200 | 107,700.00 | 2% | 87,675.00 | 2.26% | 2,437.50 |
| CLASS A SPL NON-VOTING | 3,000,000 | 5.3791 | 16,137.50 ¹ | 09/20/96 | 70,022.50 | 5732 | Long-Term |
| SYMBOL CMCSK | 750,000 | 5.1833 | 3,887.50 ¹ | 11/11/96 | 17,652.50 | 5680 | Long-Term |
| <i>Cost Basis</i> | | | <i>20,025.00</i> | | | | |
| DISNEY WALT CO | 3,000,000 | 45.7100 | 137,130.00 | 2% | 91,305.85 | 1.31% | 1,800.00 |
| SYMBOL DIS | 1,500,000 | 13.5041 | 20,256.22 ¹ | 04/28/93 | 48,308.78 | 6973 | Long-Term |
| | 1,500,000 | 17.0452 | 25,567.93 ^a | 07/31/02 | 42,997.07 | 3592 | Long-Term |
| <i>Cost Basis</i> | | | <i>45,824.15</i> | | | | |
| EMERSON ELECTRIC CO | 1,600,000 | 46.7700 | 74,832.00 | 1% | 6,571.40 | 3.42% | 2,560.00 |
| SYMBOL EMR | 1,600,000 | 42.6628 | 68,260.60 ¹ | 10/26/06 | 6,571.40 | 2044 | Long-Term |
| EXXON MOBIL CORPORATION | 8,000,000 | 78.6300 | 629,040.00 | 11% | 611,370.92 | 2.89% | 18,240.00 |
| SYMBOL XOM | 8,000,000 | 2.2086 | 17,669.08 ¹ | 07/23/91 | 611,370.92 | 7618 | Long-Term |
| FEDEX CORPORATION | 800,000 | 89.1400 | 71,312.00 | 1% | 3,258.44 | 0.58% | 416.00 |
| SYMBOL FDX | 800,000 | 85.0669 | 68,053.56 ¹ | 07/22/05 | 3,258.44 | 2505 | Long-Term |
| GENERAL ELECTRIC COMPANY | 6,000,000 | 19.0900 | 114,540.00 | 2% | 108,245.26 | 3.56% | 4,080.00 |
| SYMBOL GE | 6,000,000 | 1.0491 | 6,294.74 ¹ | 07/23/91 | 108,245.26 | 7618 | Long-Term |

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

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Investment Detail - Equities (continued) Accounting Method
Equities First In First Out [FIFO]

| Equities (continued) | Quantity Units Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Yield Holding Days | Estimated Annual Income Holding Period |
|-------------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|------------------------------|------------------------------------|--|
| | | | | | | | |
| GOOGLE INC CLASS A | 120,000 | 580.8600 | 69,703.20 | 1% | 9,058.03 | 0.00% | 0.00 |
| SYMBOL GOOG | 100,000 | 513.1213 | 51,312.13 | 02/08/08 | 6,773.87 | 1574 | Long-Term |
| Cost Basis | 20,000 | 466.6520 | 9,333.04 | 08/23/10 | 2,284.16 | 647 | Long-Term |
| | | | 60,645.17 | | | | |
| HALLIBURTON CO HLDG CO | 1,500,000 | 30.0600 | 45,090.00 | <1% | (12,060.05) | 1.19% | 540.00 |
| SYMBOL HAL | 1,500,000 | 38.1000 | 57,150.05 | 01/10/11 | (12,060.05) | 507 | Long-Term |
| HONEYWELL INTERNATIONAL | 2,000,000 | 55.6600 | 111,320.00 | 2% | 53,282.20 | 2.67% | 2,980.00 |
| SYMBOL HON | 2,000,000 | 29.0189 | 58,037.80 ¹ | 10/27/03 | 53,282.20 | 3139 | Long-Term |
| ICICI BANK LTD ADR F | 1,500,000 | 28.1500 | 42,225.00 | <1% | (27,743.81) | 0.00% | 0.00 |
| SPONSORED ADR | 1,200,000 | 47.3059 | 56,767.16 | 06/12/07 | (22,987.16) | 1815 | Long-Term |
| 1 ADR REP 2 ORD | 300,000 | 44.0055 | 13,201.65 | 05/15/08 | (4,756.65) | 1477 | Long-Term |
| SYMBOL IBN | | | 69,968.81 | | | | |
| Cost Basis | | | | | | | |
| ILLINOIS TOOL WORKS INC | 1,200,000 | 56.1500 | 67,380.00 | 1% | 9,006.28 | 2.56% | 1,728.00 |
| SYMBOL ITW | 1,200,000 | 48.6447 | 58,373.72 | 11/09/10 | 9,006.28 | 569 | Long-Term |
| INTEL CORP | 3,000,000 | 25.8400 | 77,520.00 | 1% | 13,501.20 | 3.25% | 2,520.00 |
| SYMBOL INTC | 2,500,000 | 21.0974 | 52,743.50 | 05/20/10 | 11,856.50 | 742 | Long-Term |
| Cost Basis | 500,000 | 22.5506 | 11,275.30 | 04/27/11 | 1,644.70 | 400 | Long-Term |
| | | | 64,018.80 | | | | |
| INTL BUSINESS MACHINES | 500,000 | 192.9000 | 96,450.00 | 2% | 45,205.70 | 1.76% | 1,700.00 |
| SYMBOL IBM | 500,000 | 102.4886 | 51,244.30 | 05/21/09 | 45,205.70 | 1106 | Long-Term |
| JOHNSON & JOHNSON | 1,200,000 | 62.4300 | 74,916.00 | 1% | 40,205.00 | 3.90% | 2,928.00 |
| SYMBOL JNJ | 1,200,000 | 28.9258 | 34,711.00 ¹ | 09/25/97 | 40,205.00 | 5362 | Long-Term |

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Accounting Method
Equities First In First Out [FIFO]

Investment Detail - Equities (continued)

| Equities (continued) | Quantity Units Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income |
|------------------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|------------------------------|--------------------|----------------------------|
| MEDTRONIC INC | 1,200,000 | 36.8400 | 44,208.00 | <1% | (20,019.28) | 2.63% | 1,164.00 |
| SYMBOL MDT | 1,000,000 | 53.5718 | 53,571.80 ¹ | 09/30/05 | (16,731.80) | 2435 | Long-Term |
| | 200,000 | 53.2774 | 10,655.48 ¹ | 03/08/06 | (3,287.48) | 2276 | Long-Term |
| Cost Basis | | | 64,227.28 | | | | |
| METLIFE INC | 1,500,000 | 29.2100 | 43,815.00 | <1% | (16,678.50) | 2.53% | 1,110.00 |
| SYMBOL MET | 1,500,000 | 40.3290 | 60,493.50 | 10/20/10 | (16,678.50) | 589 | Long-Term |
| MICROSOFT CORP | 2,500,000 | 29.1900 | 72,975.00 | 1% | 8,831.60 | 2.74% | 2,000.00 |
| SYMBOL MSFT | 2,000,000 | 25.3817 | 50,763.40 ¹ | 11/18/03 | 7,616.60 | 3117 | Long-Term |
| | 500,000 | 26.7600 | 13,380.00 ¹ | 02/25/04 | 1,215.00 | 3018 | Long-Term |
| Cost Basis | | | 64,143.40 | | | | |
| NEWMONT MINING CORP | 2,000,000 | 47.1600 | 94,320.00 | 2% | 48,018.08 | 2.96% | 2,800.00 |
| SYMBOL NEM | 1,200,000 | 22.7910 | 27,349.24 ¹ | 10/15/02 | 29,242.76 | 3516 | Long-Term |
| | 800,000 | 23.6908 | 18,952.68 ¹ | 10/16/02 | 18,775.32 | 3515 | Long-Term |
| Cost Basis | | | 46,301.92 | | | | |
| NORFOLK SOUTHERN CORP | 3,000,000 | 65.5200 | 196,560.00 | 3% | 185,130.73 | 2.86% | 5,640.00 |
| SYMBOL NSC | 3,000,000 | 3.8097 | 11,429.27 ¹ | 07/23/91 | 185,130.73 | 7618 | Long-Term |
| NORTHERN TRUST CORP | 5,000,000 | 43.1800 | 215,900.00 | 4% | 210,771.53 | 2.59% | 5,600.00 |
| SYMBOL NTRS | 5,000,000 | 1.0256 | 5,128.47 ¹ | 07/23/91 | 210,771.53 | 7618 | Long-Term |
| PEPSICO INCORPORATED | 1,500,000 | 67.8500 | 101,775.00 | 2% | 52,552.01 | 3.03% | 3,090.00 |
| SYMBOL PEP | 1,000,000 | 27.8929 | 27,892.99 ¹ | 09/20/96 | 39,957.01 | 5732 | Long-Term |
| | 500,000 | 42.6600 | 21,330.00 ¹ | 07/31/02 | 12,595.00 | 3592 | Long-Term |
| Cost Basis | | | 49,222.99 | | | | |
| PROCTER & GAMBLE | 1,200,000 | 62.2900 | 74,748.00 | 1% | 690.16 | 3.60% | 2,697.60 |
| SYMBOL PG | 1,200,000 | 61.7148 | 74,057.84 | 07/29/11 | 690.16 | 307 | Short-Term |

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Investment Detail - Equities (continued)

Accounting Method
Equities First In First Out [FIFO]

| Equities (continued) | Quantity Units Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Yield | Estimated Holding Days | Estimated Annual Income Holding Period |
|---------------------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|------------------------------|--------------------|---------------------------|--|
| | | | | | | | | |
| RAYTHEON COMPANY NEW | 1,200,000 | 50.3200 | 60,384.00 | 1% | 6,323.80 | 3.97% | | 2,400.00 |
| SYMBOL RTN | 1,200,000 | 45.0501 | 54,060.20 | 04/28/09 | 6,323.80 | 1129 | | Long-Term |
| ROCKWELL COLLINS INC | 1,000,000 | 50.3700 | 50,370.00 | <1% | (16,650.10) | 2.38% | | 1,200.00 |
| SYMBOL COL | 1,000,000 | 67.0201 | 67,020.10 | 01/09/08 | (16,650.10) | 1604 | | Long-Term |
| ROYAL DUTCH SHELL A ADR | 1,200,000 | 62.1800 | 74,616.00 | 1% | 20,663.80 | 5.40% | | 4,032.00 |
| SPONSORED ADR | 800,000 | 45.0040 | 36,003.20 | 09/20/01 | 13,740.80 | 3906 | | Long-Term |
| 1 ADR REPS 2 CL A ORD | 200,000 | 44.6850 | 8,937.00 | 07/19/02 | 3,499.00 | 3604 | | Long-Term |
| SYMBOL RDSA | 200,000 | 45.0600 | 9,012.00 | 07/31/02 | 3,424.00 | 3592 | | Long-Term |
| Cost Basis | | | 53,952.20 | | | | | |
| SCHLUMBERGER LTD F | 2,000,000 | 63.2500 | 126,500.00 | 2% | 111,451.71 | 1.73% | | 2,200.00 |
| SYMBOL SLB | 2,000,000 | 7.5241 | 15,048.29 | 07/23/91 | 111,451.71 | 7618 | | Long-Term |
| SIEMENS A G ADR F | 600,000 | 82.6000 | 49,560.00 | <1% | (14,275.89) | 0.00% | | 0.00 |
| 1 ADR REP 1 ORD | 500,000 | 104.5660 | 52,283.00 | 03/13/07 | (10,983.00) | 1906 | | Long-Term |
| SYMBOL SI | 100,000 | 115.5289 | 11,552.89 | 05/15/08 | (3,292.89) | 1477 | | Long-Term |
| Cost Basis | | | 63,835.89 | | | | | |
| UNION PACIFIC CORP | 1,000,000 | 111.4000 | 111,400.00 | 2% | 63,938.90 | 2.15% | | 2,400.00 |
| SYMBOL UNP | 1,000,000 | 47.4611 | 47,461.10 | 12/18/08 | 63,938.90 | 1260 | | Long-Term |
| UNITED PARCEL SERVICE B | 800,000 | 74.9400 | 59,952.00 | 1% | 2,304.04 | 3.04% | | 1,824.00 |
| CLASS B | 800,000 | 72.0599 | 57,647.96 | 01/31/07 | 2,304.04 | 1947 | | Long-Term |
| SYMBOL UPS | | | | | | | | |
| UNITED TECHNOLOGIES CORP | 1,600,000 | 74.1100 | 118,576.00 | 2% | 55,802.64 | 2.59% | | 3,072.00 |
| SYMBOL UTX | 1,200,000 | 39.1733 | 47,008.00 | 08/27/03 | 41,924.00 | 3200 | | Long-Term |
| | 400,000 | 39.4134 | 15,765.36 | 10/01/03 | 13,878.64 | 3165 | | Long-Term |
| Cost Basis | | | 62,773.36 | | | | | |

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Investment Detail - Equities (continued)

| Equities (continued) | Quantity Units Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Estimated Yield | Estimated Annual Income | Holding Days | Holding Period | Accounting Method |
|-------------------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|------------------------------|--------------------|----------------------------|--------------|----------------|------------------------------------|
| | | | | | | | | | | Equities First In First Out [FIFO] |
| VARIAN MEDICAL SYSTEMS | 1,500.0000 | 58.6600 | 87,990.00 | 2% | 33,106.15 | 0.00% | 0.00 | | | |
| SYMBOL VAR | 1,500 0000 | 36 5892 | 54,883 85 | 06/09/09 | 33,106 15 | 1087 | | | | Long-Term |
| 3M COMPANY | 1,600.0000 | 84.4100 | 135,056.00 | 2% | 124,695.08 | 2.79% | 3,776.00 | | | |
| SYMBOL MMM | 1,600 0000 | 6 4755 | 10,360 92 | 07/23/96 | 124,695 08 | 5791 | | | | Long-Term |
| Total Equities | 39,969.0000 | | | | | | | | | |

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

Investment Detail - Other Assets

| Other Assets | Quantity Units Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Holding Days | Holding Period | Accounting Method |
|---------------------------------|-----------------------------|--------------------------------|----------------------------|---------------------------------------|------------------------------|--------------|----------------|--|
| | | | | | | | | Other Assets First In First Out [FIFO] |
| DIGITAL REALTY TRUST INC | 1,000.0000 | 70.7700 | 70,770.00 | 1% | 16,555.00 | | | |
| REIT | 1,000 0000 | 54 2150 | 54,215 00 | 05/20/10 | 16,555 00 | 742 | | |
| SYMBOL DLR | | | | | | | | |
| ISHARES FTSE CHINA 25 | 2,400.0000 | 33.4900 | 80,376.00 | 1% | 29,659.60 | | | |
| FTSE CHINA 25 INDEX FD | 2,400 0000 | 21 1318 | 50,716 40 | 08/22/05 | 29,659 60 | 2474 | | |
| SYMBOL FXI | | | | | | | | |
| ISHARES MSCI EMRG MKT FD | 1,500.0000 | 37.7000 | 56,550.00 | <1% | (2,954.60) | | | |
| EMERGING MARKETS INDX FD | 1,500 0000 | 39 6697 | 59,504 60 | 11/06/09 | (2,954 60) | 937 | | |
| SYMBOL EEM | | | | | | | | |

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

CT15DZ201-000762 41344

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Investment Detail - Other Assets (continued)

Accounting Method
Other Assets First In First Out [FIFO]

| Other Assets (continued) | Quantity Purchased | Market Price Cost Per Share | Market Value Cost Basis | % of Account Assets Acquired | Unrealized Gain or (Loss) | Holding Days | Holding Period |
|--|--------------------|-----------------------------|-------------------------|------------------------------|---------------------------|--------------|----------------|
| ISHARES MSCI JPN IDX FD | 6,000.0000 | 8.8900 | 53,340.00 | <1% | (2,813.80) | | |
| JAPAN INDEX FUND SYMBOL EWJ | 6,000 0000 | 9 3589 | 56,153 80 | 05/11/04 | (2,813 80) | 2942 | Long-Term |
| ISHARES TR S&P LATN AMER | 1,200.0000 | 40.1700 | 48,204.00 | <1% | (9,275.96) | | |
| S&P LATIN AMERICA 40 IDX SYMBOL ILF | 1,200 0000 | 47 8999 | 57,479 96 | 11/23/09 | (9,275 96) | 920 | Long-Term |
| SPDR GOLD TRUST | 500.0000 | 151.6200 | 75,810.00 | 1% | 11,876.85 | | |
| SPDR GOLD SHARES SYMBOL GLD | 500 0000 | 127 8663 | 63,933 15 | 09/28/10 | 11,876 85 | 611 | Long-Term |
| SPDR S&P CHINA ETF | 800.0000 | 62.9100 | 50,328.00 | <1% | (9,577.92) | | |
| SYMBOL GXC | 800 0000 | 74 8824 | 59,905 92 | 01/07/10 | (9,577 92) | 875 | Long-Term |
| WISDOMTREE INDIA EARNING | 4,000.0000 | 15.8300 | 63,320.00 | 1% | (10,196.40) | | |
| SYMBOL EPI | 4,000 0000 | 18 3791 | 73,516 40 | 01/19/12 | (10,196 40) | 133 | Short-Term |
| Total Other Assets | 17,400.0000 | | | | | | |

G000007820609

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CT15D2201-000782 41345
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