55102 08/30/2012

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 07/01/11 **, and ending** 06/30/12

Name of foundation: KAINZ FAMILY FOUNDATION

A Employer identification number: 36-4394506

Number and street (or P O box number if mail is not delivered to street address): C/O KRD, 1101 PERIMETER DRIVE

Room/suite: 760

B Telephone number (see instructions): 847-240-1040

City or town, state, and ZIP code: SCHAUMBURG IL 60173

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 ☐ 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) ▶ $ 3,869,123

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

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3 Interest on savings and temporary cash investments	68,673	68,673		
	4 Dividends and interest from securities	40,018	40,018		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	60,120			
	b Gross sales price for all assets on line 6a 2,167,385				
	7 Capital gain net income (from Part IV, line 2)		60,120		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns & allowances				
	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 **Total.** Add lines 1 through 11	168,811	168,811	0	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	250,000			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule) STMT 1	84,702	84,702		
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 2	4,185	4,185		
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (att sch) STMT 3	609	609		
	24 **Total operating and administrative expenses.** Add lines 13 through 23	339,496	89,496	0	0
	25 Contributions, gifts, grants paid	177,250			177,250
	26 **Total expenses and disbursements.** Add lines 24 and 25	516,746	89,496	0	177,250
	27 Subtract line 26 from line 12				
	a **Excess of revenue over expenses and disbursements**	-347,935			
	b **Net investment income** (if negative, enter -0-)		79,315		
	c **Adjusted net income** (if negative, enter -0-)			0	

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For Paperwork Reduction Act Notice, see instructions.

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Part II Balance Sheets

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

			Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing	71,150	106,235	106,235
	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 instructions)			
	7	Other notes and loans receivable (att schedule) ▶			
		Less allowance for doubtful accounts ▶ 0			
	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)			
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) SEE STATEMENT 4	3,712,760	3,323,730	3,756,788
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶ SEE STATEMENT 5)	90	6,100	6,100
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	3,784,000	3,436,065	3,869,123
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	5,000,000	5,000,000	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	-1,216,000	-1,563,935	
	30	**Total net assets or fund balances** (see instructions)	3,784,000	3,436,065	
	31	**Total liabilities and net assets/fund balances** (see instructions)	3,784,000	3,436,065	

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	3,784,000
2	Enter amount from Part I, line 27a	2	-347,935
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	3,436,065
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	3,436,065

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 ATTACHED	P	VARIOUS	VARIOUS
b	SEE ATTACHED	P	VARIOUS	VARIOUS
c	NATIONAL BANK & TRUST COMPANY			
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	993,595		1,056,585	-62,990
b	1,172,632		1,050,680	121,952
c	1,158			1,158
d				
e				

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

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				-62,990
b				121,952
c				1,158
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	60,120
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 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 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	190,075	4,105,134	0.046302
2009	204,300	3,463,318	0.058990
2008	178,720	3,730,798	0.047904
2007	479,395	4,661,375	0.102844
2006	240,200	4,592,637	0.052301

2 **Total** of line 1, column (d)	2	0.308341
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	0.061668
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	3,953,057
5 Multiply line 4 by line 3	5	243,777
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	793
7 Add lines 5 and 6	7	244,570
8 Enter qualifying distributions from Part XII, line 4	8	177,250

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

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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	1,586
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	1,586
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	1,586
6	Credits/Payments				
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	6,100		
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	6,100
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	4,514
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶ 4,514 Refunded ▶			11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation. ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? 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) ▶ IL			
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

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 ▶ NONE

14 The books are in care of ▶ BRUCE ROBBINS, CPA Telephone no ▶ 847-240-1040
1101 PERIMETER DRIVE
Located at ▶ SCHAUMBURG IL ZIP+4 ▶ 60173

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

			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?	N/A	1c		
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 ▶ 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 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 ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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)? (see instructions) ☐ Yes ☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? 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 No: 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 (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 6				

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

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

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

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

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

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

Part IX-A Summary of Direct Charitable Activities

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

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

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

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	3,924,563
b	Average of monthly cash balances	1b	88,693
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	4,013,256
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	4,013,256
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	60,199
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,953,057
6	**Minimum investment return.** Enter 5% of line 5	6	197,653

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	197,653
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 1,586		
b	Income tax for 2011 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	1,586
3	Distributable amount before adjustments Subtract line 2c from line 1	3	196,067
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	196,067
6	Deduction from distributable amount (see instructions)	6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	196,067

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	177,250
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	177,250
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	177,250

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					196,067
2	Undistributed income, if any, as of the end of 2011					
a	Enter amount for 2010 only					
b	Total for prior years 20____, 20____, 20____					
3	Excess distributions carryover, if any, to 2011					
a	From 2006	15,184				
b	From 2007	9,051				
c	From 2008					
d	From 2009	33,015				
e	From 2010					
f	**Total** of lines 3a through e		57,250			
4	Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 177,250					
a	Applied to 2010, but not more than line 2a					
b	Applied to undistributed income of prior years (Election required—see instructions)					
c	Treated as distributions out of corpus (Election required—see instructions)					
d	Applied to 2011 distributable amount					177,250
e	Remaining amount distributed out of corpus					
5	Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)		18,817			18,817
6	**Enter the net total of each column as indicated below:**					
a	Corpus. Add lines 3f, 4c, and 4e Subtract line 5		38,433			
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 instructions					
e	Undistributed income for 2010 Subtract line 4a from line 2a. Taxable amount—see instructions					
f	Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					0
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)					
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)					
9	**Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		38,433			
10	Analysis of line 9					
a	Excess from 2007	5,418				
b	Excess from 2008					
c	Excess from 2009	33,015				
d	Excess from 2010					
e	Excess from 2011					

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

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

1 Information Regarding Foundation Managers:

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

N/A

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

N/A

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

Check here ▶ [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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 7				177,250
Total			▶ 3a	177,250
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	68,673	
4 Dividends and interest from securities			14	40,018	
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			14	60,120	
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		168,811	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 168,811

(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) (See instructions)
N/A	

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

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

Joseph A. Kainz | 9-14-12 | PRESIDENT

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
BRUCE A. ROBBINS	Bruce Robbins	08/30/12	
Firm's name ▶ KUTCHINS, ROBBINS & DIAMOND, LTD.		PTIN	P00116320
Firm's address ▶ 1101 PERIMETER DR., STE. 760		Firm's EIN ▶	36-3856676
SCHAUMBURG, IL 60173		Phone no	847-240-1040

DAA

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
INVESTMENT FEES	$ 21,049	$ 21,049	$	$
PROFESSIONAL FEES	3,653	3,653		
MANAGEMENT FEES	60,000	60,000		
TOTAL	$ 84,702	$ 84,702	$ 0	$ 0

Statement 2 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FEDERAL INCOME TAX EXPENSE	$ 4,170	$ 4,170	$	$
LICENSE AND PERMITS	15	15		
TOTAL	$ 4,185	$ 4,185	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
EXPENSES				
TELEPHONE	578	578		
BANK CHARGES	31	31		
TOTAL	$ 609	$ 609	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
INVESTMENT - NAT'L BANK & TRUST	$ 3,712,760	$ 3,323,730	COST	$ 3,756,788
TOTAL	$ 3,712,760	$ 3,323,730		$ 3,756,788

Statement 5 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
PREPAID TAXES	$ 90	$ 6,100	$ 6,100
TOTAL	$ 90	$ 6,100	$ 6,100

Federal Statements

Statement 6 - Form 990-PF, Part VIII, Line 1 - List of Officers, Directors, Trustees, Etc.

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
JOSEPH A. KAINZ 404 E LAKE SHORE DR BARRINGTON IL 60010	DIRECTOR	1.00	50,000	0	0
SUSAN J. KAINZ 404 E LAKE SHORE DR BARRINGTON IL 60010	DIRECTOR	1.00	50,000	0	0
MICHAEL J. KAINZ 120 COOLIDGE BARRINGTON IL 60010	DIRECTOR	1.00	50,000	0	0
JOHN KAINZ 171 BUCKLEY ROAD BARRINGTON IL 60010	DIRECTOR	1.00	50,000	0	0
PATRICK J. KAINZ 5263 HAMM ROAD BELGRADE MT 59714	DIRECTOR	1.00	50,000	0	0

Statement 7 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
OPERATION SMILE NORFOLK VA 23509	6435 TIDEWATER DRIVE UNRELATED	501(C)(3)	UNRESTRICTED GIFT	15,000
GALLATIN ICE FOUNDATION BOSEMAN MT 59771	PO BOX 541 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	8,400
GALLATIN ARTS CROSSING BOSEMAN MT 59771	PO BOX 1321 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	2,500
BIG SKY YOUTH EMPOWERMENT BOSEMAN MT 59771	PO BOX 6757 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	10,000
BOTH HANDS FOUNDATION BRENTWOOD TN 37024	PO BOX 2713 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	500
HOSPICE OF NORTHEAST ILL BARRINGTON IL 60010	410 S. HAGER AVENUE UNRELATED	501(C)(3)	UNRESTRICTED GIFT	24,000
MIGHTY ACORNS CRYSTAL LAKE IL 60014	2112 BEHAN ROAD UNRELATED	501(C)(3)	UNRESTRICTED GIFT	5,000
CHILD'S VOICE WOOD DALE IL 60126	180 HANSEN CT. UNRELATED	501(C)(3)	UNRESTRICTED GIFT	30,000
GALLATIN VALLEY LAND TR BOSEMAN MT 59771	PO BOX 7021 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	16,500
MUSEUM OF THE ROCKIES BOZEMAN MT 59715	600 W. KAGY BLVD UNRELATED	501(C)(3)	UNRESTRICTED GIFT	3,150
CHICAGO ZOOLOGICAL SOC. BROOKFIELD IL 60513	3300 GOLF ROAD UNRELATED	501(C)(3)	UNRESTRICTED GIFT	30,000
CITIZENS FOR CONSERVATION BARRINGTON IL 60010	459 WEST HIGHWAY 22 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	1,200
PALATINE ROTARY ROLLING MEADOWS IL 60008	2121 PLUM GROVE RD UNRELATED	501(C)(3)	UNRESTRICTED GIFT	5,000
ADVOCATE GOOD SHEPARD HOSPITAL BARRINGTON IL 60010	450 WEST HIGHWAY 22 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	3,000
EQUALITY ILLINOIS EDUCATION PROJECT CHICAGO IL 60613	3712 N. BROADWAY BOX 125 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	500
RIDE FOR 3 REASONS/BADC BARRINGTON IL 60010	PO BOX 103 UNRELATED	501(C)(3)	UNRESTRICTED GIFT	10,000
BARRINGTON AREA COMMUNITY FOUNDATIO BARRINGTON IL 60010	OFFICE SUITE 421 N. UNRELATED	501(C)(3)	UNRESTRICTED GIFT	5,000

Federal Statements

Statement 7 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
GO BEYOND BARRINGTON	6000 GARLANDS LANE, STE 1			
BARRINGTON IL 60010	UNRELATED	501(C)(3)	UNRESTRICTED GIFT	2,500
TOWER LAKE COMMUNITY FOUNDATION	PO BOX 6061			
WAUCONDA IL 60084	UNRELATED	501(C)(3)	UNRESTRICTED GIFT	5,000
TOTAL				177,250

NATIONAL BANI and TRUST COMPANY
Realized (ain/Loss Report

Run on 7/2/2012 10:54:10 AM
Start Date: 07/01/2011
End Date: 06/30/2012
Administrator: David R. Van Buren 815-754-7766

Account: 1235525007
JOSEPH A. & SUSAN J KAINZ FOUNDATION

Description	Sold	Acq ired	Proceeds	Cost	Gain/Loss	Covered
** SHORT TERM CAPITAL GAIN (LOSS)						
600 SHARES OF ONEOK INC COM	08/03/2011	02/1 /2011	41,616.10	37,205.88	4,410.22	Covered
2131.721 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	09/09/2011	02/1 /2011	37,731.52	46,727.35	8,995.83-	Non Covered
260.579 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	09/09/2011	05/1 /2011	4,612.[illegible]	5,850.00	1,237.75-	Non Covered
170.453 SHARES OF OAKMARK INTERNATIONAL FUND I	09/09/2011	02/1 /2011	2,715.[illegible]	3,536.90	821.58-	N[illegible] Covered
166.98 SHARES OF OPPENHEIMER DEVELOPING MARKETS FUND Y	09/09/2011	05/1 /2011	5,239.81	5,959.52	719.68-	Non Covered
150 SHARES OF VARIAN MEDICAL SYSTEMS INC	09/09/2011	09/1 /2010	7,733.37	8,907.19	1,173.82-	
50 SHARES OF VARIAN MEDICAL SYSTEMS INC	09/09/2011	06/2 /2011	2,577.79	3,427.00	849.21-	Covered
.863 SHARES OF FEDERATED TOTAL RETURN BOND FUND IN	09/22/2011	12/3 /2010	9.93	9.58	0.35	Non Covered
35000 UNITS OF BLACKROCK INC NOTE DTD 12/10/2009 2.25% 12/10/2012	09/22/2011	11/ 2/2010	34,878.90	35,569.15	690.25-	
14.433 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	10/13/2011	12/ 3/2010	265.57	283.76	18.19-	
288.637 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	10/13/2011	02/1 5/2011	5,310.92	6,326.93	1,016.01-	Non Covered
8.161 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	10/13/2011	03/ 5/2011	150.1[illegible]	177.41	27.25-	Non Covered
2.949 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	10/13/2011	06/1 0/2011	54.26	60.46	6.20-	Non Covered
94.27 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	10/13/2011	06/1 0/2011	1,734.57	1,932.54	197.97-	Non Covered
338.381 SHARES OF FIDELITY SMALL CAP DISCOVERY FUND	10/13/2011	06/ 2/2011	6,226.21	7,150.00	923.79-	Non Covered
2239.186 SHARES OF OAKMARK INTERNATIONAL FUND I	10/13/2011	02/1 6/2011	38,939.44	46,463.10	7,523.66-	Non Covered
5900.192 SHARES OF OAKMARK INTERNATIONAL FUND I	10/13/2011	03/ 5/2011	102,604.34	116,233.79	13,629.45-	Non Covered

566.586 SHARES OF OAKMARK INTERNATIONAL FUND I	10/13/2011	05/11/201	9,852.93	11,700.00	1,847.07- Non Covered
720.04 SHARES OF OAKMARK INTERNATIONAL FUND I	10/13/2011	06/22/201	12,521.50	14,300.00	1,778.50- Non Covered
5459.683 SHARES OF OPPENHEIMER DEVELOPING MARKET ; FUND Y	10/13/2011	03/25/201	167,120.89	190,761.34	23,640.45 Non Covered
34.757 SHARES OF OPPENHEIMER DEVELOPING MARKET ; FUND Y	10/13/2011	05/11/201	1,063.91	1,240.48	176.57- Non Covered
254.188 SHARES OF OPPENHEIMER DEVELOPING MARKET ; FUND Y	10/13/2011	06/22/201	7,780.70	8,800.00	1,019.30- Non Covered
6891.799 SHARES OF SCOUT MID CAP	10/13/2011	04/07/201	90,282.57	100,000.00	9,717.43- Non Covered
274.204 SHARES OF SCOUT MID CAP	10/13/2011	05/11/201	3,592.07	4,050.00	457.93- Non Covered
343.75 SHARES OF SCOUT MID CAP	10/13/2011	06/22/201	4,503.13	4,950.00	446.87- Non Covered
50.749 SHARES OF SCOUT MID CAP	10/13/2011	08/12/201	664.81	671.41	6.60- Non Covered
80 SHARES OF VF CORPORATION	10/13/2011	11/24/2010	10,485.50	6,735.05	3,750.45
50 SHARES OF VF CORPORATION	10/13/2011	05/11/201	6,553.43	5,014.00	1,539.43 Covered
150 SHARES OF MCKESSON CORP	10/13/2011	11/12/2010	10,972.01	9,764.57	1,207.44
50 SHARES OF MCKESSON CORP	10/13/2011	05/11/201	3,657.33	4,252.00	594.67- Covered
50 SHARES OF MCKESSON CORP	10/13/2011	06/22/201	3,657.34	4,187.00	529.66- Covered
250 SHARES OF CHURCH & DWIGHT CO INC	10/13/2011	02/16/201	11,132.71	9,119.49	2,013.22 Covered
50 SHARES OF CHURCH & DWIGHT CO INC	10/13/2011	06/22/201	2,226.54	2,051.00	175.54 Covered
20 SHARES OF SIMON PROPERTY GROUP INC (REIT	10/13/2011	06/22/201	2,263.45	2,303.40	39.95- Covered
170 SHARES OF VF CORPORATION	10/18/2011	11/24/201	22,082.63	14,311.97	7,770.66
750 SHARES OF CHURCH & DWIGHT CO INC	10/18/2011	02/16/201	32,813.30	27,358.46	5,454.84 Covered
25000 UNITS OF AMGEN INC SR NOTE DTD 12/01/200 5.85% 06/01/2017	11/09/2011	06/28/201	28,946.00	29,026.12	80.12- Non Covered
50 SHARES OF FASTENAL CO COM	11/10/2011	06/22/201	2,016.47	1,698.00	318.47 Covered
267.638 SHARES OF LKCM FND AQUINAS SMALL CAP FD CL A	12/08/2011	10/13/201	5,952.25	5,762.25	190.00 Non Covered
550 SHARES OF ILLINOIS TOOL WORKS	12/08/2011	02/03/201	25,554.54	29,375.45	3,820.91- Covered
600 SHARES OF COVIDIEN PLC (ISIN #USG2554F113 SEDOL #B68SQD2)	12/08/2011	02/16/201	26,252.43	30,455.94	4,203.51- Covered

50 SHARES OF COVIDIEN PLC (ISIN #USG2554F1134 SEDOL #B68SQD2)	12/08/2011	06/22/2011	2,187.70	2,663.00	475.30- Covered
60 SHARES OF SIMON PROPERTY GROUP INC (REIT)	12/08/2011	02/16/2011	7,339.96	6,456.59	883.37 Covered
50 SHARES OF PATTERSON COS INC	12/08/2011	05/11/2011	1,472.31	1,781.00	308.69- Covered
50 SHARES OF PATTERSON COS INC	12/08/2011	06/22/2011	1,472.31	1,622.45	150.14- Covered
745.135 SHARES OF OPPENHEIMER INTERNATIONAL GROWTH Y	02/03/2012	10/13/2011	20,789.26	19,701.37	1,087.89 Non Covered
70 SHARES OF GUGGENHEIM S&P MIDCAP 400 PURE GROWTH ETF	02/03/2012	10/13/2011	6,142.73	5,506.26	636.47 Covered
270 SHARES OF GUGGENHEIM S&P MIDCAP 400 PURE GROWTH ETF	03/08/2012	10/13/2011	23,873.02	21,238.42	2,634.60 Covered
250 SHARES OF EXELON CORP	03/08/2012	08/12/2011	9,615.66	10,232.00	616.34- Covered
250 SHARES OF EXELON CORP	03/08/2012	09/09/2011	9,615.65	10,529.60	913.95- Covered
392 SHARES OF BED BATH & BEYOND INC	03/08/2012	09/09/2011	24,399.60	21,966.66	2,432.94 Covered
2 SHARES OF BED BATH & BEYOND INC	03/08/2012	02/03/2012	124.49	125.45	0.96- Covered
250 SHARES OF WATSON PHARMACEUTICALS INC COM	03/08/2012	09/09/2011	14,620.21	16,439.88	1,819.67- Covered
200 SHARES OF WATSON PHARMACEUTICALS INC COM	03/08/2012	12/08/2011	11,696.17	12,324.42	628.25- Covered
50 SHARES OF ALTERA CORP	03/08/2012	05/11/2011	1,870.21	2,375.00	504.79- Covered
50 SHARES OF ALTERA CORP	03/08/2012	06/22/2011	1,870.22	2,208.50	338.28- Covered
50 SHARES OF WILLIS GROUP HOLDINGS PLC (ISIN #IE00B4XGY116 SEDOL #B4XGY11)	03/08/2012	05/11/2011	1,734.92	2,057.00	322.08- Covered
50 SHARES OF WILLIS GROUP HOLDINGS PLC (ISIN #IE00B4XGY116 SEDOL #B4XGY11)	03/08/2012	06/22/2011	1,734.92	2,009.50	274.58- Covered
500 SHARES OF NATIONAL FUEL GAS CO	04/11/2012	03/08/2012	22,213.45	24,830.15	2,616.70- Covered
450 SHARES OF KOHLS CORP	04/16/2012	08/12/2011	22,823.09	21,501.45	1,321.64 Covered
783 SHARES OF JUNIPER NETWORKS INC	06/19/2012	09/09/2011	12,830.33	16,387.71	3,557.38- Covered
50 SHARES OF JUNIPER NETWORKS INC	06/19/2012	10/13/2011	819.31	1,006.25	186.94- Covered
233.341 SHARES OF DODGE & COX INCOME FUND #147	06/28/2012	04/03/2012	3,178.10	3,159.43	18.67 Covered
349.851 SHARES OF COLUMBIA HIGH YIELD BOND Z	06/28/2012	04/03/2012	986.58	990.08	3.50- Covered

104 30 SHARES OF FEDERATED ULTRASHORT BOND FUND INS	0 /28/2 12	04/03/2012	957. 5	956.50	1.05 Covered
281 24 SHARES OF FEDERATED TOTAL RETURN BOND FUND IN	0 /28/2 12	04/03/2012	3,220. 5	3,194.94	25.31 Covered
35. 04 SHARES OF VANGUARD GNMA FUND INV #36	0 /28/2 12	04/03/2012	395. 3	393.49	2.14 Covered
86. 36 SHARES OF VANGUARD INFLATION-PROTECTED SECS INV #119	0 /28/2 12	04/03/2012	1,261. 9	1,218.83	43.06 Covered
** TOTAL SHORT TERM CAPITAL GAIN (LOSS)			993,594. 5	1,056,584.42	6 ,989.97-
** LONG TERM CAPITAL GAIN (LOSS)					
500 00 UNITS OF NORTHERN TRUST CORP SR UNSECURED DTD 08/28/2006 5.3% 08/ 9/ 011	0 /29/2 11	07/17/2008	50,000. 0	50,000.00	0.00
100 00 UNITS OF NORTHERN TRUST CORP SR UNSECURED DTD 08/28/2006 5.3% 08/ 9/ 011	0 /29/2 11	07/17/2008	10,000. 0	10,000.00	0.00
500 00 UNITS OF BANK OF AMERICA CORP SENIOR NOTE DTD 01/23/2003 4.875% 01/ 5/ 013	0 /24/2 11	11/13/2006	49,716. 0	49,408.00	308.00
739 .7 5 SHARES OF OAKMARK INTERNATIONAL FUND I	0 /09/2 11	04/22/2010	117,734. 4	132,959.32	1 ,224.88-
250 SHARES OF VARIAN MEDICAL SYSTEMS INC	0 /09/2 11	07/15/2010	12,888. 5	13,634.97	746.02-
250 SHARES OF VARIAN MEDICAL SYSTEMS INC	0 /09/2 11	07/23/2010	12,888. 6	13,913.95	,024.99-
300 SHARES OF STRYKER CORP	0 /09/2 11	02/26/2002	14,104. 7	8,996.17	,108.60
400 SHARES OF CARDINAL HEALTH INC	0 /09/2 11	02/12/2010	16,034. 5	13,378.00	2,656.25
350 SHARES OF GOODRICH CORP COM	0 /20/2 11	02/20/2007	36,817. 9	17,951.50	1 3,866.29
11 3.5 7 SHARES OF DODGE & COX INCOME FUND #147	0 /22/2 11	01/29/2010	15,663 2	15,200.00	463.42
65. 97 SHARES OF FEDERATED INCOME TRUST INSTI #36	0 /22/2 11	02/27/2001	703 5	670.50	32.55
12 0.7 57 SHARES OF FEDERATED INCOME TRUST INSTI #36	0 /22/2 11	01/29/2010	13,184 8	13,050.00	134.28
29 9.5 4 SHARES OF FEDERATED GOVERNMENT ULTRA SHORT DURATION FUND INSTITUTIONAL SHS #626	0 /22/2 11	03/30/2004	29,527. 8	29,646.46	119.18-
66 .9 9 SHARES OF FEDERATED GOVERNMENT ULTRA SHORT DURATION FUND INSTITUTIONAL SHS #626	0 /22/2 11	01/29/2010	6,550 1	6,550.00	0.01
13 3.0 75 SHARES OF	0 /22/2 11	01/29/2010	15,919 0	15,200.00	719.20

FEDERATED TOTAL RETUR (3O ID FUND II					
50000 UNITS OF FLORIDA POWER & LIGHT) I 1 T MORTG/ GE DTD 12/13/2002 4.85% 02/01/2013	09/22/2011	12/21/2006	51,455.00	4 3,453 00	2,002.00
25000 UNITS OF CAMPBELL SOUP CO NOTE) TD .2/02/02 5 % 12/03/2012	09/22/2011	06/17/2009	26,040.00	2 5,724 08	315.92
4729.308 SHARES OF FIDELITY SMALL CAP DISC) ER (FUND	10/13/2011	09/13/2010	87,019.27	8),114 48	6,904.79
100 SHARES OF MCDONALDS CORP	10/13/2011	09/13/2010	8,972.55	7,429 98	1,542.67
150 SHARES OF AMERICAN TOWER CORP (_ A	10/13/2011	03/19/2008	8,270.09	5,947 50	2,322.59
200 SHARES OF TJX COS INC NEW	10/13/2011	08/31/2009	11,490.78	7,227 68	4,263.10
250 SHARES OF ORACLE CORP	10/13/2011	07/23/2010	7,753.98	5,142 48	1,611.50
100 SHARES OF ORACLE CORP	10/13/2011	09/13/2010	3,101.59	2,526 00	575.59
50 SHARES OF INTERNATIONAL BUSINES MA HINES	10/13/2011	06/13/2008	9,351.07	5,262 50	3,088.57
20 SHARES OF INTERNATIONAL BUSINES MA HINES	10/13/2011	08/22/2008	3,740.43	2,495 60	1,244.83
300 SHARES OF ALTERA CORP	10/13/2011	07/23/2010	10,393 78	8,669 16	1,724.62
25000 UNITS OF HONEYWELL INTERNATIO I L I IC BOND D TD 10/30/01 6.125% 11/01/2011	11/01/2011	06/16/2005	25,000.00	25,000 00	0.00
500 SHARES OF FASTENAL CO COM	11/10/2011	07/15/2010	20,164.72	12,376 05	7,787.87
400 SHARES OF FASTENAL CO COM	11/10/2011	07/23/2010	16,131.77	9,853 96	6,277.81
100 SHARES OF CHUBB CORP	12/08/2011	04/27/2007	6,813.57	5,443 00	1,370.57
100 SHARES OF NORFOLK SOUTHERN COR P	12/08/2011	11/28/2005	7,356.36	4,403 00	2,953.36
350 SHARES OF JP MORGAN CHASE & CO	12/08/2011	08/31/2009	11,415.20	5,112 96	3,697.76
200 SHARES OF SMUCKER J M CO	12/08/2011	02/12/2009	15,270.96	8,601 60	6,670.27
50 SHARES OF WILLIS GROUP HOLDINGS I LC ISIN #IE0 B4XGY116 SEDOL #B4XGY11)	12/08/2011	11/12/2010	1,892.52	1,650 10	242.42
400 SHARES OF PATTERSON COS INC	12/08/2011	05/18/2010	11,778.50	2,080 84	305.34
500 SHARES OF PATTERSON COS INC	12/08/2011	09/13/2010	14,723.12	3,544 70	1,178.42
150 SHARES OF MCDONALDS CORP	02/03/2012	02/27/2006	14,983.97	5,308 50	9,675.47

50 SHARES OF MCDONALDS CORP	0: '03/2012	09 1 /2010	,994.65	3,714.94	1,279.71	
50000 UNITS OF KIMBERLY-CLARK CORP NO' E DTI)2/08/02 5.625% 02/15/20 2	0: 15/2012	11 2 /2006	5(,000.00	50,000.00	0.00	
20 SHARES OF APPLE INC	0: 08/2012	11 0 /2010	1(,697.76	6,068.25	4,629.51	
50 SHARES OF TJX COS INC NEW	0('08/2012	08 3 /2009	,871.71	903.46	968.25	
300 SHARES OF SMUCKER J M CO	0('08/2012	02 1 /2009	2: 622.20	12,901.03	9,721.17	
75 SHARES OF NIKE INC CL B	0('08/2012	03 0 /2008	,121.24	4,522.50	3,598.74	
600 SHARES OF ALTERA CORP	0: '08/2012	07 1 /2010	2 ,442.60	16,679.88	5,762.72	
300 SHARES OF ALTERA CORP	0('08/2012	07 2 /2010	1 ,221.30	8,669.16	2,552.14	
600 SHARES OF WILLIS GROUP HOLDINGS I LĆ (I: I #IE00B4XGY116 SE)OL #B4XGY11)	0: /08/2012	11 1 /2010	2(,819.02	19,801.20	1,017.82	
50000 UNITS OF PRAXAIR INC NOTE DTD 03 19/02 (.375% 04/01/2012	0 /02/2012	03 0 /2006	5(,000.00	50,000.00	0.00	
25 SHARES OF FMC CORP	0 '16/2012	02 1 /2010	,634.33	1,404.25	1,230.08	
100 SHARES OF FMC CORP	0 /16/2012	05 1 /2010	1(,537.34	6,205.92	4,331.42	
100 SHARES OF ISHARES S&P 500 INDEX FUND (E F)	0 /16/2012	05 1 /2010	1 ,769.20	11,305.43	2,463.77	
50000 UNITS OF COLGATE-PALMOLIVE CO N)TE M I SERIES E DTD 04/ 3/02 5.98% 04/25/2012	0 /25/2012	11 2 /2006	5 ,495.00	50,000.00	1,495.00	
250 SHARES OF TJX COS INC NEW	0 /19/2012	0(3 /2009	1 ,833.53	4,517.30	6,316.23	
100 SHARES OF TJX COS INC NEW	0 /19/2012	0: 1 /2011	,333.41	2,677.00	1,656.41	Covered
250 SHARES OF AT&T INC	0 /19/2012	0(1 /2008	,868.58	9,142.50	273.92-	
25 SHARES OF MCKESSON CORP	0 /19/2012	11 1 /2010	,323.32	1,627.43	695.89	
100 SHARES OF HEALTH CARE REIT INC	0 /19/2012	0(1 /2010	,723.38	4,727.59	995.79	
148 SHARES OF ISHARES S&P 500 INDEX FUND (E F)	0 /19/2012	0(1 /2010	2 ,166.78	16,019.52	4,147.26	
202 SHARES OF ISHARES S&P 500 INDEX FUND (E F)	0 /19/2012	0(1 /2010	2 ,524.94	22,836.97	4,687.97	
50 SHARES OF ISHARES S&P 500 INDEX FUND (E F)	0 /19/2012	0(1 /2011	,813.10	6,768.50	44.60	Covered
450 SHARES OF NATIONAL OILWELL VARCO INC	0 /19/2012	0(0 /2011	2 ,968.11	34,258.50	4,290.39-	Covered

** TC TAL LONG TERM CAPITAL GAIN (LOSS)	1,172,633.13	1,0 0,680.16	121 952 9
** LC IG TERM CAPITAL GAINS DIVIDENDS			
RECE PT OF CASH FROM BANK OF AMERICA CORP			50 4
2049 634000 BASIS SHARES OF VIRTL S EMERGING MARKETS OPPORTUNITIES			1 324 5
2061 815000 BASIS SHARES OF VIRTL S EMERGING MARKETS OPPORTUNITIES			82 4
** TC TAL LONG TERM CAPITAL GAINS DIVIDEN DS	0.00	0.00	1 157 4

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Desc iption	Amount
** SL MMARY OI CAPITAL GAINS AND LOSSES **	
TOTA . SHORT TERM CAPITAL GAIN (LOSS)	62,989.97-
TOTA . SHORT TERM CAPITAL GAINS DIVIDENDS	0.00
NET SHORT TERM CAPITAL GAIN (LOSS)	62,989.97-
TOTA . LONG TERM CAPITAL GAIN (LOSS)	121,952.97
TOTA . LONG TERM CAPITAL GAINS DIVIDENDS	1,157.49
TOTA . 28% RATE CAPITAL GAINS DIVIDENDS	0.00
TOTA . SEC 1250 CAPITAL GAINS DIVIDENDS	0.00
TOTA . SEC 120. CAPITAL GAINS DIVIDENDS	0.00
NET LONG TERM CAPITAL GAIN (LOSS)	123,110.46
NET CAPITAL GAIN (LOSS)	60,120.49
TOTA . GAIN/LOSS FROM SALES WITH UNKNOWN COST/ACQUISITION DATE	0.00