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

2012

Open to public Inspection

For calendar year 2012 or tax year beginning , **and ending**

Name of foundation
THE PAINTED FLOWER FOUNDATION, INC.
C/O BARBARA FREEDMAN

A Employer identification number
13-3901528

Number and street (or P O box number if mail is not delivered to street address): 420 EAST 51ST STREET
Room/suite: 99

B Telephone number
(212)838-5761

City or town, state, and ZIP code
NEW YORK, NY 10022

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)* ▶$ 1,301,194.

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 ▶ ☐

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		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))	(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				
	2	Check ▶ ☒ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	8,213.	8,213.		STATEMENT 1
	4	Dividends and interest from securities	20,192.	20,192.		STATEMENT 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-2,463.			
	b	Gross sales price for all assets on line 6a 263,953.				
	7	Capital gain net income (from Part IV, line 2)		0.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss)				
	11	Other income	856.	856.	0.	STATEMENT 3
	12	**Total.** Add lines 1 through 11	26,798.	29,261.	0.	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees				
	b	Accounting fees STMT 4	2,200.	0.	0.	2,200.
	c	Other professional fees				
	17	Interest				
	18	Taxes STMT 5	1,025.	525.	0.	0.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses STMT 6	13,325.	12,949.	0.	376.
	24	**Total operating and administrative expenses** Add lines 13 through 23	16,550.	13,474.	0.	2,576.
	25	Contributions, gifts, grants paid	60,594.			60,594.
	26	**Total expenses and disbursements.** Add lines 24 and 25	77,144.	13,474.	0.	63,170.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	-50,346.			
	b	**Net investment income** (if negative, enter -0-)		15,787.		
	c	**Adjusted net income** (if negative, enter -0-)			0.	

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THE PAINTED FLOWER FOUNDATION, INC.

C/O BARBARA FREEDMAN 13-3901528

Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing	7,880.	4,213.	4,213.
	2	Savings and temporary cash investments	121,121.	17,030.	17,030.
	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			
	7	Other notes and loans receivable ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations STMT 8	5,856.	0.	0.
	b	Investments - corporate stock STMT 9	850,141.	902,411.	902,411.
	c	Investments - corporate bonds STMT 10	182,584.	325,491.	325,491.
	11	Investments - land, buildings, and equipment basis ▶			
		Less accumulated depreciation ▶			
	12	Investments - mortgage loans			
	13	Investments - other STMT 11	52,554.	52,049.	52,049.
	14	Land, buildings, and equipment: basis ▶			
		Less accumulated depreciation ▶			
	15	Other assets (describe ▶)			
	16	**Total assets** (to be completed by all filers)	1,220,136.	1,301,194.	1,301,194.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶ STATEMENT 12)	2,944.	90.	
	23	**Total liabilities** (add lines 17 through 22)	2,944.	90.	
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	1,217,192.	1,301,104.	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances**	1,217,192.	1,301,104.	
	31	**Total liabilities and net assets/fund balances**	1,220,136.	1,301,194.	

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	1,217,192.
2	Enter amount from Part I, line 27a	2	-50,346.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 7	3	134,258.
4	Add lines 1, 2, and 3	4	1,301,104.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,301,104.

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				
b	SEE ATTACHED STATEMENT			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	263,953.		266,620.	-2,463.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				
b				
c				
d				
e				-2,463.

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	-2,463.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

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

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

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

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

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

1 Enter the appropriate amount in each column for each year; see 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))
2011	52,843.	1,308,174.	.040394
2010	52,070.	1,218,348.	.042738
2009	57,784.	1,102,480.	.052413
2008	69,089.	1,345,966.	.051330
2007	61,861.	1,525,967.	.040539

2 **Total** of line 1, column (d)	2	.227414
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	.045483
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	1,292,580.
5 Multiply line 4 by line 3	5	58,790.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	158.
7 Add lines 5 and 6	7	58,948.
8 Enter qualifying distributions from Part XII, line 4	8	63,170.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	158.
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	158.
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	158.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a: 842.		
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	842.
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	684.
11	Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶ 684. **Refunded** ▶	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6		X
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ 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? 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 2012 or the taxable year beginning in 2012 (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 ▶ N/A

14 The books are in care of ▶ BARBARA FREEDMAN Telephone no. ▶ 212-838-5761

Located at ▶ 420 E 51ST STREET, NEW YORK, NY ZIP+4 ▶ 10022

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

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

				Yes	No
16	At any time during calendar year 2012, 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

				Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.				
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 2012?		1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):				
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?	☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2012 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 2012.)*	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 2012?		4b		X

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

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

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

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

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

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

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

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

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

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

If "Yes," attach the statement required by Regulations section 53 4945-5(d).

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

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

(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
BARBARA FREEDMAN 420 E 51ST STREET NEW YORK, NY 10022	DIRECTOR 0.00	0.	0.	0.
NANCY GOLDHILL 458 14TH STREET BROOKLYN, NY 10022	DIRECTOR 0.00	0.	0.	0.

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

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

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

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

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

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 GIFTS TO CHARITABLE ORGANIZATIONS	60,500.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

Form **990-PF** (2012)

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	1,270,921.
b	Average of monthly cash balances			1b	41,343.
c	Fair market value of all other assets			1c	
d	**Total** (add lines 1a, b, and c)			1d	1,312,264.
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	1,312,264.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)			4	19,684.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	1,292,580.
6	**Minimum investment return.** Enter 5% of line 5			6	64,629.

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	64,629.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	158.		
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	158.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	64,471.
4	Recoveries of amounts treated as qualifying distributions			4	0.
5	Add lines 3 and 4			5	64,471.
6	Deduction from distributable amount (see instructions)			6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	64,471.

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	63,170.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	63,170.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	158.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	63,012.

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				64,471.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			13,746.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007 ______				
b From 2008 ______				
c From 2009 ______				
d From 2010 ______				
e From 2011 ______				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 63,170.				
a Applied to 2011, but not more than line 2a			13,746.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				49,424.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				15,047.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2013** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2008 ______				
b Excess from 2009 ______				
c Excess from 2010 ______				
d Excess from 2011 ______				
e Excess from 2012 ______				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, 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) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

1 **Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed:

BARBARA FREEDMAN, 212-838-5761
420 E 51 STREET #99, NEW YORK, NY 10022

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

ALL RELEVANT INFORMATION

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				
JEWISH COMMUNAL FUND 575 MADISON AVENUE SUITE 703 NEW YORK, NY 10022			UNRESTRICTED GRANT	60,000.
PROFESSIONAL WOMEN PHOTOGRAPHERS 511 AVENUE OF THE AMERICAS # 138 NEW YORK, NY 10011			UNRESTRICTED GRANT	125.
SOHO PHOTO GALLERY 15 WHITE ST NEW YORK, NY 10013			UNRESTRICTED GRANT	469.
Total			▶ 3a	60,594.
b Approved for future payment NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14		8,213.
4 Dividends and interest from securities			14		20,192.
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					856.
8 Gain or (loss) from sales of assets other than inventory			18		-2,463.
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.		0.	26,798.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 26,798.

(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).
3	INCOME IS USED TO SUPPORT CHARITABLE GIVING
4	INCOME IS USED TO SUPPORT CHARITABLE GIVING
8	INCOME IS USED TO SUPPORT CHARITABLE GIVING

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

Barbara Freedman 5/28/13 DIRECTOR

Signature of officer or trustee Date Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
ZORFAS & KAFESJIAN CPAS, P.C.		05/22/13		P00518405

Firm's name ▶ ZORFAS & KAFESJIAN CPAS, P.C.
Firm's EIN ▶ 13-3638827

Firm's address ▶ 29 WEST 38TH STREET
NEW YORK, NY 10018

Phone no. 212-937-1040

THE PAINTED FLOWER FOUNDATION, INC. CONTINUATION FOR 990-PF, PART IV
C/O BARBARA FREEDMAN 13-3901528 PAGE 1 OF 1

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	2500 UBS AG TRIGGER PAOS JPM 6/29/12	P	06/28/11	03/30/12
b	1256 UBS AG TRIGGER YON 8.38% 03/20/12	P	03/14/11	03/20/12
c	UBS A/C JG 45566 2J SCH ATTACHED	P		
d	UBS A/C JG 45566 2J SCH ATTACHED	P		
e	POWERSHARES DV COMMODITY INDEX	P		
f	POWERSHARES DV COMMODITY INDEX	P		
g	POWERSHARES DV COMMODITY INDEX	P		
h	POWERSHARES DV COMMODITY INDEX	P		
i	CAPITAL GAINS DIVIDENDS			
j				
k				
l				
m				
n				
o				

	(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	25,000.		25,000.	0.
b	49,989.		49,989.	0.
c	29,375.		27,122.	2,253.
d	158,506.		164,509.	-6,003.
e				21.
f				-228.
g				164.
h				247.
i	1,083.			1,083.
j				
k				
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				0.
b				0.
c				2,253.
d				-6,003.
e				21.
f				-228.
g				164.
h				247.
i				1,083.
j				
k				
l				
m				
n				
o				

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	-2,463.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

223591
05-01-12

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

SOURCE	AMOUNT
CITIBANK	3.
POWERSHARES DB COMMODITY INDEX	7.
UBS A/C JG 45565 2J	66.
UBS A/C JG 45565 2J - US TREASURY	194.
UBS A/C JG 45566 2J	9,573.
UBS A/C JG 45566 2J - ACCR INT PAID ON PURCHASE	-1,643.
UBS A/C JG 45566 2J - TREASURY	13.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	8,213.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
UBS A/C JG 45565 2J	1.	0.	1.
UBS A/C JG 45566 2J	21,274.	1,083.	20,191.
TOTAL TO FM 990-PF, PART I, LN 4	21,275.	1,083.	20,192.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
UBS A/C 45565 2J OTHER INVESTMENT INCOME	856.	856.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	856.	856.	0.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,200.	0.	0.	2,200.
TO FORM 990-PF, PG 1, LN 16B	2,200.	0.	0.	2,200.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX	525.	525.	0.	0.
EXCISE TAX PAID	500.	0.	0.	0.
TO FORM 990-PF, PG 1, LN 18	1,025.	525.	0.	0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY & CUSTODIAL FEES	12,854.	12,854.	0.	0.
NYS REGISTRATION FEE	250.	0.	0.	250.
PUBLICATION FEE	125.	0.	0.	125.
EXPENSES THROUGH PARTNERSHIP	95.	95.	0.	0.
BANK FEE	1.	0.	0.	1.
TO FORM 990-PF, PG 1, LN 23	13,325.	12,949.	0.	376.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 7

DESCRIPTION	AMOUNT
ADJUSTMENT FOR UNREALIZED APPRECIATION OF INVESTMENT PORTFOLIO	134,258.
TOTAL TO FORM 990-PF, PART III, LINE 3	134,258.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 8

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US GOVERNMENT OBLIGATIONS	X		0.	0.
TOTAL U.S. GOVERNMENT OBLIGATIONS				
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			0.	0.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK	902,411.	902,411.
TOTAL TO FORM 990-PF, PART II, LINE 10B	902,411.	902,411.

FORM 990-PF CORPORATE BONDS STATEMENT 10

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS	325,491.	325,491.
TOTAL TO FORM 990-PF, PART II, LINE 10C	325,491.	325,491.

FORM 990-PF OTHER INVESTMENTS STATEMENT 11

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
OTHER ALTERNATIVE INVESTMENTS	COST	52,049.	52,049.
TOTAL TO FORM 990-PF, PART II, LINE 13		52,049.	52,049.

FORM 990-PF OTHER LIABILITIES STATEMENT 12

DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DEFERRED S/T GAIN FROM OPTION PREMIUMS RECEIVED	2,944.	90.
TOTAL TO FORM 990-PF, PART II, LINE 22	2,944.	90.

2012 Year End Summary

UBS

UBS Financial Services Inc.
1285 Ave Of Americas
15th,16th,17th,18th & 20th Fls
New York NY 10019

CPZ6001769995 1212 JG 1

Duplicate statement for the account of:
PAINTED FLOWER FOUNDATION
(PMP ACCOUNT)
420 EAST 51ST
PH B
NEW YORK NY 10022-8027
Account number JG 45566 2J

MR SHELDON ZORFAS
ZORFAS & KAFESJIAN CPAS, P C.
29 WEST 38TH STREET SUITE 601
NEW YORK NY 10018-5562

Summary of gains and losses

	Amount ($)
Short term	2,252.69
Long term	-6,003.08
Total	**$-3,750.39**

Short-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
ALPHA NATURAL RESOURCES INC	VSP	140.000	Jul 18, 12	Nov 07, 12	1,193.00	968.31			224.69

continued next page

Realized gains and losses (continued)

Short-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
CALL BOEING COMPANY DUE 08/18/12 85 000	FIFO	-1 000	Aug 20, 12	Jan 31, 12	116 99	0 00			116.99
CALL CELGENE CORP DUE 04/21/12 80 000	FIFO	-1 000	Apr 23, 12	Jan 11, 12	85.40	0.00			85.40
CALL CELGENE CORP DUE 06/16/12 85.000	FIFO	-1.000	Jun 18, 12	Apr 24, 12	88 62	0.00			88 62
CALL MICROSOFT CORP DUE 04/21/12 34.000	FIFO	-4.000	Apr 23, 12	Feb 29, 12	90.22	0 00			90.22
CALL MORGAN STANLEY DUE 04/21/12 20 000	FIFO	-1 000	Apr 23, 12	Jan 19, 12	99.86	0.00			99.86
CALL QUALCOMM INC DUE 07/21/12 75.000	FIFO	-2 000	Jul 23, 12	Feb 03, 12	89.99	0 00			89.99
GENL ELEC CAP CORP NTS 02 900% 010917 DTD010912 FC070912 B/E	FIFO	25,000.000	Jan 05, 12	Dec 07, 12	26,413 75	25,040.50			1,373 25
NUVEEN TRADEWINDS INTERNATIONAL VALUE FUND CLASS A	FIFO	52.295	Dec 30, 11	Mar 16, 12	1,197.03	1,113.36			83.67
Total					**$29,374.86**	**$27,122.17**			**$2,252.69**
Net short-term capital gains and losses									**$2,252.69**

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
ABBOTT LABS B/E 05 125% 040119 DTD030309 FC100109 CALL@MW+35BP	FIFO	2,000.000	Mar 23, 09	Dec 27, 12	2,449 76	2,047 52			402 24
ALPHA NATURAL RESOURCES INC	VSP	55 000	Sep 21, 09	Nov 07, 12	468.68	2,062 14		-1,593.46	
	VSP	55.000	Dec 17, 09	Nov 07, 12	468.68	2,366.10		-1,897 42	
	VSP	5.000	Jan 07, 10	Nov 07, 12	42.60	251.55		-208 95	
	VSP	25.000	Mar 02, 10	Nov 07, 12	213 03	1,230 50		-1,017 47	
AMETEK INC (NEW)	FIFO	0 500	Dec 06, 07	Jul 02, 12	16.76	10.46			6 30

continued next page

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
DISNEY (WALT) CO MW+20BP 04.700% 120112 DTD120407 FC060108	FIFO	10,000.000	Sep 05, 08	Jul 19, 12	10,146 60	10,300 00 [1]		-153.40	
GENL ELEC CAP CORP B/E 02 800% 010813 DTD010810 FC070810	FIFO	10,000 000	Jan 12, 10	Jul 19, 12	10,106.40	10,034 10 [1]			72.30
HARBOR INTL FUND INVESTOR CLASS	FIFO	81.793	Aug 13, 10	Dec 10, 12	5,000.00	4,199 25			800.75
HEWLETT PACKARD CO	VSP	110.000	Jul 16, 09	Oct 03, 12	1,642.60	4,317.50		-2,674.90	
	VSP	60.000	Jul 16, 09	Oct 03, 12	895.97	2,343 00		-1,447 03	
INTL BUSINESS MACH NTS 06 500% 101513 DTD101508 CALL@MW+50BP	FIFO	15,000.000	Oct 22, 08	Jul 19, 12	16,106.85	15,492.75 [1]			614.10
JOHN DEERE CAPITAL CORP 02 875% 061912 DTD121908 FC061909 MID SWAPS+77BP	FIFO	10,000.000	Jan 09, 09	Jun 19, 12	10,000 00	10,242.10 [1]		-242.10	
MARRIOTT VACATIONS WORLDWIDE	FIFO	14 000	Dec 06, 07	Jul 18, 12	426 93	288.27			138 66
NUVEEN TRADEWINDS INTERNATIONAL VALUE FUND CLASS A	FIFO	2,621 296	Sep 09, 10	Mar 16, 12	60,001.47	62,884 89		-2,883.42	
	FIFO	23 875	Dec 31, 10	Mar 16, 12	546.50	620.99		-74.49	
ROCKWELL COLLINS INC	FIFO	98.000	Dec 06, 07	Dec 07, 12	5,495.72	7,249.06		-1,753.34	
TJX COS INC NEW	FIFO	190.000	Jul 28, 09	Dec 07, 12	8,227.47	3,424 24			4,803 23
UNITED PARCEL SERVICE 04.500% 011513 DTD011508 FC071508 INC MW@+20BP	FIFO	10,000.000	Sep 05, 08	Jul 19, 12	10,199 40	10,214.00 [1]		-14.60	
US TSY NOTE 03.875 % DUE 05/15/18 DTD 05/15/08 FC 11/15/08	FIFO	5,000 000	Sep 05, 08	Dec 07, 12	5,842.19	5,109 37 [1]			732 82

continued next page

Realized gains and losses (continued)

Long-term capital gains and losses (continued)

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
VERIZON COMMUNICATIONS 04 350% 021513 DTD021208 FC081508 CALL@M/W+25BP	FIFO	10,000.000	Sep 05, 08	Jul 19, 12	10,208 10	9,821 00 [1]			387 10
Total					**$158,505.71**	**$164,508.79**		**-$13,960.58**	**$7,957.50**
Net long-term capital gains or losses								**-$6,003.08**	
Net capital gains/losses:								**-$3,750.39**	