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Form **990-PF**

OMB No 1545-0052

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

2012Department of the Treasury
Internal Revenue Service

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

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

SHAFFER FAMILY FOUNDATION DTD 4/29/11
C/O LAWRENCE M SCHWARTZ, CPA
2211 ENCINITAS BLVD #200
ENCINITAS, CA 92024-4361

A Employer identification number
45-6314648

B Telephone number (see the instructions)
(760) 753-4434

C If exemption application is pending, check here ☐

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

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

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

G Check all that apply

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 28,260,266.

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

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 (att sch)	1,414,554.			
	2 Ck <input type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	628,150.	626,716.	1,434.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	197,431.			
	b Gross sales price for all assets on line 6a	3,825,867.			
	7 Capital gain net income (from Part IV, line 2)		197,431.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit/(loss) (att sch)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	2,240,135.	824,147.	1,434.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc.	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch)				
	c Other prof fees (attach sch) SEE ST 1	172,751.	86,376.	17,275.	53,766.
	17 Interest	774.	774.		
	18 Taxes (attach schedule)(see instrs) SEE STM 2	1,224.	989.	235.	
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) SEE STATEMENT 3	74.	37.	7.	
	24 Total operating and administrative expenses. Add lines 13 through 23	174,823.	88,176.	17,517.	53,766.
	25 Contributions, gifts, grants paid PART XV	1,177,920.			1,177,920.
26 Total expenses and disbursements. Add lines 24 and 25	1,352,743.	88,176.	17,517.	1,231,686.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	887,392.				
b Net investment income (if negative, enter -0)		735,971.			
c Adjusted net income (if negative, enter -0)			0.		

BAA For Paperwork Reduction Act Notice, see instructions.

TEEA0504L 12/23/12

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SCANNED NOV 27 2013

P 1A

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
ASSETS	1	Cash – non-interest-bearing				
	2	Savings and temporary cash investments	21,656,912.	579,225.	579,225.	
	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 (attach sch)				
		Less: allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments – U.S. and state government obligations (attach schedule)	332,242.	1,474,578.	1,491,843.	
	b	Investments – corporate stock (attach schedule)	1,864,651.	11,236,759.	12,280,415.	
	c	Investments – corporate bonds (attach schedule)	340,666.	1,961,373.	2,011,541.	
	11	Investments – land, buildings, and equipment, basis				
	Less: accumulated depreciation (attach schedule)					
12	Investments – mortgage loans					
13	Investments – other (attach schedule)	1,687,071.	11,491,999.	11,897,242.		
14	Land, buildings, and equipment, basis					
	Less: accumulated depreciation (attach schedule)					
15	Other assets (describe)					
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)	25,881,542.	26,743,934.	28,260,266.		
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
	23	Total liabilities (add lines 17 through 22)	0.	0.		
NET FUND ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>					
	24	Unrestricted	25,881,542.	26,743,934.		
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)	25,881,542.	26,743,934.		
	31	Total liabilities and net assets/fund balances (see instructions)	25,881,542.	26,743,934.		

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	25,881,542.
2	Enter amount from Part I, line 27a	2	887,392.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	26,768,934.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 4	5	25,000.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	26,743,934.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a WELLS FARGO - SEE ATTACHED		P	VARIOUS	VARIOUS
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 3,825,867.		3,628,436.	197,431.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			197,431.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	197,431.
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	0.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

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

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 (column (b) divided by column (c))
2011	500,000.	26,041,695.	0.019200
2010			
2009			
2008			
2007			

2 Total of line 1, column (d)	2	0.019200
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	0.019200
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	26,193,188.
5 Multiply line 4 by line 3	5	502,909.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,360.
7 Add lines 5 and 6	7	510,269.
8 Enter qualifying distributions from Part XII, line 4	8	1,231,686.

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)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	7,360.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	7,360.
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	7,360.
6 Credits/Payments.			
a 2012 estimated tax pmts and 2011 overpayment credited to 2012	6 a	16,989.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	16,989.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	9,629.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax 9,629. Refunded	11	0.	

Part VII-A Statements Regarding Activities

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

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see 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 <u>N/A</u>				
14	The books are in care of <u>LAWRENCE M SCHWARTZ, CPA</u> Telephone no <u>(760) 753-4434</u>			
	Located at <u>2211 ENCINITAS BLVD #200 ENCINITAS CA</u> ZIP + 4 <u>92024-4361</u>			
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 <u>N/A</u>	15		N/A
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 <u></u>				

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
1 a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <u></u>	1 b	N/A
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?	1 c	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If 'Yes,' list the years <u>20 __ , 20 __ , 20 __ , 20 __</u>		
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)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <u>20 __ , 20 __ , 20 __ , 20 __</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 'Yes,' did it have excess business holdings in 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)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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?	4 b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

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

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

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

6b X

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1** List all officers, directors, trustees, foundation managers and their compensation (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
JAMES D SHAFFER PO BOX 9543 RANCHO SANTA FE, CA 92067	TRUSTEE 10.00	0.	0.	0.
TANYA L SHAFFER PO BOX 9543 RANCHO SANTA FE, CA 92067	TRUSTEE 10.00	0.	0.	0.

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

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

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

0

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

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a Average monthly fair market value of securities	1 a	26,592,069.
b Average of monthly cash balances	1 b	
c Fair market value of all other assets (see instructions)	1 c	
d Total (add lines 1a, b, and c)	1 d	26,592,069.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	26,592,069.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	398,881.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	26,193,188.
6 Minimum investment return. Enter 5% of line 5	6	1,309,659.

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	1,309,659.
2 a Tax on investment income for 2012 from Part VI, line 5	2 a	7,360.
b Income tax for 2012. (This does not include the tax from Part VI.)	2 b	
c Add lines 2a and 2b	2 c	7,360.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	1,302,299.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	1,302,299.
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	1,302,299.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1 a	1,231,686.
b Program-related investments — total from Part IX-B	1 b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,231,686.
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	7,360.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,224,326.

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				1,302,299.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2012				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011	397,417.			
f Total of lines 3a through e	397,417.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 1,231,686.				
a Applied to 2011, but not more than line 2a			0.	
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				1,231,686.
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))	70,613.			70,613.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	326,804.			
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 instructions			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	326,804.			
10 Analysis of line 9.				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011	326,804.			
e Excess from 2012				

BAA

Form 990-PF (2012)

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				
SCRIPPS HEALTH FOUNDATION 4275 CAMPUS POINT COURT SAN DIEGO, CA 92121	NONE	501 (C) (3)	FUNDING RESEARCH	927,500.
THE BISHOP'S SCHOOL 7607 LA JOLLA BLVD LA JOLLA, CA 92037	NONE	501 (C) (3)	FUNDING EDUCATIONAL PROGRAMS	230,420.
SAN PASQUAL HIGH SCHOOL 3300 BEAR VALLEY PARKWAY ESCONDIDO, CA 92025	NONE	501 (C) (3)	FUNDING EDUCATIONAL PROGRAMS	20,000.
Total			3a	1,177,920.
b Approved for future payment				
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) Exclu- sion 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					
4	Dividends and interest from securities			14	628,150.	
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory			18	197,431.	
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)				825,581.	
13	Total. Add line 12, columns (b), (d), and (e)				825,581.	

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

[illegible]

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

► Attach to Form 990, Form 990-EZ, or Form 990-PF

OMB No 1545-0047

2012Name of the organization **SHAFFER FAMILY FOUNDATION DTD 4/29/11**
C/O LAWRENCE M SCHWARTZ, CPAEmployer identification number
45-6314648**Organization type** (check one):**Filers of:**

Form 990 or 990-EZ

Section:

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

Form 990-PF

- ☒ 501(c)(3) exempt private foundation
- ☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
- ☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule****Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ► \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

Name of organization

Employer identification number

SHAFFER FAMILY FOUNDATION DTD 4/29/11

45-6314648

Part II Contributors (see instructions). Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	JAMES & TANYA SHAFFER PO BOX 9543 RANCHO SANTA FE, CA 92067	\$ 1,475,016.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

Name of organization

SHAFFER FAMILY FOUNDATION DTD 4/29/11

Employer identification number

45-6314648

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8) or (10)**organizations that total more than \$1,000 for the year.** Complete columns (a) through (e) and the following line entry.For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.)

► \$ N/A

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

BAA

SHAFFER FAM FOUNDATION AGY-MAIN

Forms 1099 for 2012

1099-B Proceeds From Broker and Barter Exchange Transactions (OMB No. 1545-0715)**Copy B, For Recipient**

A schedule of your net gains and losses is shown below. Although we have shown quantity sold on the sales with either two decimal places, as a whole number, or as a fractional share, all of these amounts will be filed with the IRS as whole numbers per IRS publication 1220. Please note that if you have sold an asset for which we do not have cost basis information, it is either shown separately in the section entitled Cost Not Available or it may appear with a zero tax cost. Please review these carefully when preparing your return. Note also that an asterisk symbol (*) next to tax cost indicates that the tax cost has been adjusted for current year's return of capital. However, we have not made any adjustments to the cost basis of all partnerships. If applicable, we have shown IRC Section 988 translation gains and losses separately within the sales sections. Please note these gains or losses are not entitled to capital gains treatment. Rather, under IRC Section 988, they are either ordinary income or loss.

Proceeds from Short Term Covered Security Transactions

This category includes transactions that are short-term gain or loss on Form 1099-B, Box 1c. Form 1099-B, Box 6b is checked because this category includes only sales of covered securities. If applicable, transactions subject to wash sale are shown separately. If wash sales are not shown separately, your account has no wash sales in this category. For individual taxpayers, these transactions are reportable on Form 8949, Part I, Box A.

Short Term Covered Security Transactions (Form 8949, Part I, Box A)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition (Box 1b)	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis (Box 3)	Net gain or loss
AFFILIATED MANAGERS GROUP INC AMG		008252108	90	10/04/11	01/24/12	\$9,123.89	\$6,672.60	\$2,451.29
BAKER HUGHES INC	BHI	057224107	270	10/04/11	02/07/12	\$13,812.96	\$11,836.72	\$1,976.24
BAKER HUGHES INC	BHI	057224107	185	01/06/12	02/07/12	\$9,464.44	\$9,479.38	\$-14.94
CVS/CAREMARK CORPORATION	CVS	126650100	415	10/04/11	03/12/12	\$18,828.88	\$13,587.01	\$5,241.87
TJX COS INC NEW	TJX	872540109	380	10/04/11	04/10/12	\$14,904.94	\$10,361.14	\$4,543.80
CONOCOPHILLIPS	COP	20825C104	95	01/06/12	04/16/12	\$7,066.72	\$6,920.75	\$145.97
CONOCOPHILLIPS	COP	20825C104	90	02/07/12	04/16/12	\$6,694.79	\$6,476.40	\$218.39
CONOCOPHILLIPS	COP	20825C104	90	03/07/12	04/16/12	\$6,694.79	\$6,971.40	\$-276.61

SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Covered Security Transactions (Form 8949, Part I, Box A)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition (Box 1b)	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis (Box 3)	Net gain or loss
ISHARES BARCLAYS MBS BOND FUF MBB		464288588	310	01/06/12	06/29/12	\$33,597.08	\$33,486.20	\$110.88
ISHARES BARCLAYS MBS BOND FUF MBB		464288588	50	02/15/12	06/29/12	\$5,418.88	\$5,419.64	\$-0.76
ANHEUSER-BUSCH INBEV SPN ADR BUD		03524A108	120	10/04/11	07/05/12	\$9,370.13	\$6,343.42	\$3,026.71
ABBOTT LABORATORIES	ABT	002824100	239	01/06/12	07/05/12	\$15,453.99	\$13,364.86	\$2,089.13
ISHARES BARCLAYS MBS BOND FUF MBB		464288588	50	03/09/12	07/12/12	\$5,438.40	\$5,399.00	\$39.40
ISHARES BARCLAYS MBS BOND FUF MBB		464288588	650	02/15/12	07/12/12	\$70,699.17	\$70,455.32	\$243.85
COMCAST CORP CLASS A	CMCSA	20030N101	150	10/04/11	08/17/12	\$5,084.88	\$3,112.47	\$1,972.41
WALT DISNEY CO	DIS	254687106	105	10/04/11	08/17/12	\$5,295.03	\$3,059.68	\$2,235.35
HEWLETT PACKARD CO	HPQ	428236103	225	01/06/12	08/30/12	\$3,789.00	\$5,973.73	\$-2,184.73
HEWLETT PACKARD CO	HPQ	428236103	215	02/07/12	08/30/12	\$3,620.60	\$6,228.53	\$-2,607.93
HEWLETT PACKARD CO	HPQ	428236103	215	03/07/12	08/30/12	\$3,620.60	\$5,248.13	\$-1,627.53
FEDERATED STRAT VAL DIV FD IS	SVAIX	314172560	14423.08	01/05/12	09/25/12	\$75,000.00	\$69,519.23	\$5,480.77
ANHEUSER-BUSCH INBEV SPN ADR BUD		03524A108	40	10/04/11	09/25/12	\$3,477.92	\$2,114.47	\$1,363.45
DIAGEO PLC - ADR	DEO	25243Q205	25	10/04/11	09/25/12	\$2,847.68	\$1,863.49	\$984.19
TOTAL FINA ELF S A ADR	TOT	89151E109	55	07/05/12	09/25/12	\$2,878.63	\$2,489.59	\$389.04
NOVARTIS AG - ADR	NVS	66987V109	30	10/04/11	09/25/12	\$1,852.15	\$1,631.99	\$220.16
TEVA PHARMACEUTICAL INDUSTRIE TEVA		881624209	55	10/04/11	09/25/12	\$2,250.27	\$1,964.45	\$285.82
COOPER INDUSTRIES PLC NEW IREI CBE		G24140108	25	10/04/11	09/25/12	\$1,861.20	\$1,119.25	\$741.95
BHP BILLITON LIMITED	BHP	088606108	25	10/04/11	09/25/12	\$1,722.46	\$1,629.74	\$92.72
VODAFONE GROUP PLC NEW ADR	VOD	92857W209	70	10/04/11	09/25/12	\$2,028.55	\$1,798.81	\$229.74
COMCAST CORP CLASS A	CMCSA	20030N101	75	10/04/11	09/25/12	\$2,735.18	\$1,556.23	\$1,178.95
JOHNSON CONTROLS INC	JCI	478366107	80	10/04/11	09/25/12	\$2,230.34	\$2,090.98	\$139.36
TARGET CORP	TGT	87612E106	55	10/04/11	09/25/12	\$3,584.81	\$2,691.95	\$892.86
TJX COS INC NEW	TJX	872540109	55	10/04/11	09/25/12	\$2,441.39	\$1,499.64	\$941.75
WALT DISNEY CO	DIS	254687106	60	10/04/11	09/25/12	\$3,187.72	\$1,748.39	\$1,439.33
CVS/CAREMARK CORPORATION	CVS	126650100	45	10/04/11	09/25/12	\$2,155.45	\$1,473.29	\$682.16

SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Covered Security Transactions (Form 8949, Part I, Box A)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition (Box 1b)	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis (Box 3)	Net gain or loss
CVS/CAREMARK CORPORATION	CVS	126650100	10	01/06/12	09/25/12	\$478.99	\$415.60	\$63.39
APACHE CORPORATION COM	APA	037411105	30	10/04/11	09/25/12	\$2,588.64	\$2,294.69	\$293.95
AFFILIATED MANAGERS GROUP INC	AMG	008252108	25	10/04/11	09/25/12	\$3,088.43	\$1,853.50	\$1,234.93
AFLAC INC	AFL	001055102	50	10/04/11	09/25/12	\$2,410.94	\$1,710.00	\$700.94
BERSHIRE HATHAWAY INC	BRK B	084670702	45	10/04/11	09/25/12	\$3,997.26	\$3,155.40	\$841.86
JPMORGAN CHASE & CO	JPM	46625H100	85	10/04/11	09/25/12	\$3,478.97	\$2,469.25	\$1,009.72
US BANCORP DEL NEW	USB	902973304	90	10/04/11	09/25/12	\$3,100.43	\$2,010.58	\$1,089.85
GILEAD SCIENCES INC	GILD	375558103	110	12/09/11	09/25/12	\$7,438.04	\$4,309.90	\$3,128.14
THERMO FISHER SCIENTIFIC INC	TMO	883556102	40	10/04/11	09/25/12	\$2,387.54	\$1,988.88	\$398.66
BOEING COMPANY	BA	097023105	30	10/04/11	09/25/12	\$2,095.45	\$1,735.79	\$359.66
UNION PACIFIC CORP	UNP	907818108	35	10/04/11	09/25/12	\$4,248.90	\$2,814.42	\$1,434.48
UNITED PARCEL SERVICE-CL B	UPS	911312106	30	10/04/11	09/25/12	\$2,187.85	\$1,882.49	\$305.36
CISCO SYSTEMS INC	CSCO	17275R102	170	10/04/11	09/25/12	\$3,189.14	\$2,599.22	\$589.92
E M C CORP MASS	EMC	268648102	85	10/04/11	09/25/12	\$2,336.59	\$1,756.10	\$580.49
INTEL CORP	INTC	458140100	100	10/04/11	09/25/12	\$2,276.95	\$2,092.98	\$183.97
ORACLE CORPORATION	ORCL	68389X105	80	10/04/11	09/25/12	\$2,523.14	\$2,230.32	\$292.82
MICROSOFT CORP	MSFT	594918104	70	10/04/11	09/25/12	\$2,147.55	\$1,735.30	\$412.25
NESTLE S A REGISTERED SHARES	NSRGY	641069406	40	10/04/11	09/25/12	\$2,559.54	\$2,181.20	\$378.34
ISHARES BARCLAYS MBS BOND FUF	MBB	464288588	125	03/09/12	10/02/12	\$13,612.19	\$13,497.49	\$114.70
ISHARES BARCLAYS MBS BOND FUF	MBB	464288588	125	03/09/12	10/03/12	\$13,615.94	\$13,497.48	\$118.46
ISHARES IBOXX \$ INV GR CORP BD	LQD	464287242	400	09/28/12	10/11/12	\$49,025.70	\$48,699.20	\$326.50
ISHARES BARCLAYS MBS BOND FUF	MBB	464288588	100	03/09/12	10/11/12	\$10,874.26	\$10,797.99	\$76.27
ABBOTT LABORATORIES	ABT	002824100	1	01/06/12	11/07/12	\$64.78	\$55.92	\$8.86
ABBOTT LABORATORIES	ABT	002824100	230	02/07/12	11/07/12	\$14,898.26	\$12,836.30	\$2,061.96
ABBOTT LABORATORIES	ABT	002824100	225	03/07/12	11/07/12	\$14,574.38	\$12,647.23	\$1,927.15
ANHEUSER-BUSCH INBEV SPN ADR	BUD	03524A108	40	12/01/11	11/15/12	\$3,297.86	\$2,398.04	\$899.82

SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Covered Security Transactions (Form 8949, Part I, Box A)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition (Box 1b)	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis (Box 3)	Net gain or loss
ANHEUSER-BUSCH INBEV SPN ADR	BUD	03524A108	75	01/06/12	11/15/12	\$6,183.49	\$4,424.24	\$1,759.25
COOPER INDUSTRIES PLC NEW IREI CBE	CBE	G24140108	95	03/07/12	11/30/12	\$7,539.76	\$5,628.75	\$1,911.01
COOPER INDUSTRIES PLC NEW IREI CBE	CBE	G24140108	100	01/06/12	11/30/12	\$7,936.59	\$5,417.99	\$2,518.60
COOPER INDUSTRIES PLC NEW IREI CBE	CBE	G24140108	100	02/07/12	11/30/12	\$7,936.59	\$6,109.99	\$1,826.60
EATON CORP PLC	ETN	G29183103	0.29	11/30/12	12/17/12	\$14.96	\$14.84	\$0.12
HUSSMAN STRATEGIC GROWTH FUJ HSGFX		448108100	7925.39	01/05/12	12/27/12	\$86,386.76	\$97,086.04	\$-10,699.28
Total short term gain/loss from covered security transactions not subject to wash sale:								
Total short term gain/loss from covered security transactions:			Gross Proceeds	Tax Cost	Gain or Loss	Loss Disallowed	Net Gain or Loss	
Report each transaction on Form 8949, Part I, Box A			\$646,728.79	\$597,935.00	\$48,793.79	\$0.00	\$48,793.79	

Proceeds from Short Term Noncovered Security Transactions

This category includes transactions that are short-term gain or loss. Form 1099-B, Box 6a is checked because this category includes only sales of non-covered securities. For sales of noncovered securities we report security description, symbol, cusip, quantity sold, sale date, federal income tax withheld and gross proceeds to the Internal Revenue Service but we do not report acquisition date, tax cost, wash sale loss disallowed and type of gain or loss. If applicable, transactions subject to wash sale are shown separately. If wash sales are not shown separately, your account has no wash sales in this category. For individual taxpayers, these transactions are reportable on Form 8949, Part I, Box B.

Short Term Noncovered Security Transactions (Form 8949, Part I, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
US TREASURY NOTE 2.625% 8		912828NT3	25000	10/20/11	01/23/12	\$26,604.49	\$26,348.64	\$255.85
US TREASURY NOTE 2.625% 8		912828NT3	30000	01/06/12	01/23/12	\$31,925.39	\$32,193.75	\$-268.36
MORGAN STANLEY 6.000% 4		61747YCE3	15000	10/18/11	02/29/12	\$15,783.75	\$14,962.20	\$821.55
MORGAN STANLEY 6.000% 4		61747YCE3	10000	01/06/12	02/29/12	\$10,522.50	\$10,057.90	\$464.60
WAL-MART STORES INC 3.625% 7		931142CU5	18000	10/18/11	02/29/12	\$19,750.14	\$19,236.96	\$513.18

SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Noncovered Security Transactions (Form 8949, Part I, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
CHEVRON CORP 4 950% 3	166751AJ6		25000	01/06/12	03/22/12	\$29,447 50	\$30,014 25	\$-566 75
MICROSOFT CORP 2 950% 6	594918AB0		41000	01/06/12	03/22/12	\$43,088 54	\$43,630 97	\$-542 43
MICROSOFT CORP 2 950% 6	594918AB0		2000	12/05/11	03/22/12	\$2,101 88	\$2,116 62	\$-14 74
KRAFT FOODS INC 6 125% 2	50075NAU8		13000	01/06/12	03/22/12	\$15,535 39	\$15,308 02	\$227 37
KRAFT FOODS INC 6 125% 2	50075NAU8		11000	10/18/11	03/22/12	\$13,145 33	\$12,825 45	\$319 88
CHEVRON CORP 4 950% 3	166751AJ6		18000	10/18/11	03/22/12	\$21,202 20	\$21,197 29	\$4 91
SEMPRA ENERGY 6 500% 6	816851AN9		11000	10/18/11	03/23/12	\$12,864 72	\$12,883 75	\$-19 03
HOME DEPOT INC 5 400% 3	437076AP7		11000	10/18/11	03/23/12	\$12,660 00	\$12,531 09	\$128 91
HOME DEPOT INC 5 400% 3	437076AP7		13000	01/06/12	03/23/12	\$14,961 82	\$15,113 53	\$-151 71
SEMPRA ENERGY 6 500% 6	816851AN9		14000	01/06/12	03/23/12	\$16,373 28	\$16,472 26	\$-98 98
US TREASURY NOTE 3 500% 2	912828HR4		20000	01/06/12	03/23/12	\$22,423 36	\$22,754 69	\$-331 33
US TREASURY NOTE 3 500% 2	912828HR4		20000	10/20/11	03/23/12	\$22,423 36	\$22,517 19	\$-93 83
PEPSICO INC 4 500% 1	713448BN7		18000	10/18/11	03/26/12	\$20,252 16	\$20,348 64	\$-96 48
PEPSICO INC 4 500% 1	713448BN7		25000	01/06/12	03/26/12	\$28,128 00	\$28,411 75	\$-283 75
DOW CHEMICAL CO/THE 5 900% 2	260543CA9		13000	01/06/12	03/26/12	\$14,641 77	\$14,554 54	\$87 23
DOW CHEMICAL CO/THE 5 900% 2	260543CA9		11000	10/18/11	03/26/12	\$12,389 19	\$12,177 66	\$211 53
US TREASURY NOTE 3 125% 5	912828KQ2		40000	10/20/11	03/30/12	\$44,024 84	\$44,035 94	\$-11 10
US TREASURY NOTE 3 125% 5	912828KQ2		5000	01/06/12	03/30/12	\$5,503 11	\$5,590 04	\$-86 93
CVS CAREMARK CORP 5 750% 6	126650BH2		7000	10/18/11	03/30/12	\$8,228 99	\$8,085 91	\$143 08
CVS CAREMARK CORP 5 750% 6	126650BH2		10000	01/06/12	03/30/12	\$11,755 70	\$11,720 30	\$35 40
WELLPOINT INC 4 350% 8	94973VAS6		7000	10/18/11	04/04/12	\$7,588 63	\$7,411 74	\$176 89
WELLPOINT INC 4 350% 8	94973VAS6		10000	01/06/12	04/04/12	\$10,840 90	\$10,931 80	\$-90 90
TIME WARNER INC 4 875% 3	887317AF2		7000	10/18/11	04/13/12	\$7,844 48	\$7,561 75	\$282 73
TIME WARNER INC 4 875% 3	887317AF2		10000	01/06/12	04/13/12	\$11,206 40	\$10,987 20	\$219 20
US TREASURY NOTE 3 125% 5	912828KQ2		50000	01/06/12	04/24/12	\$56,019 33	\$55,900 39	\$118 94
IBM CORP 6 500% 10	459200GN5		18000	10/18/11	04/24/12	\$19,544 04	\$20,007 54	\$-463 50

SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Noncovered Security Transactions (Form 8949, Part I, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
FED HOME LN MTG CORP 3 750% 3	3137EACA5		35000	10/20/11	05/04/12	\$40,094.32	\$39,263.14	\$831.18
FED HOME LN MTG CORP 3 750% 3	3137EACA5		50000	01/06/12	05/04/12	\$57,277.60	\$56,918.60	\$359.00
US TREASURY NOTE 2 750% 11	912828MA5		35000	10/20/11	05/04/12	\$38,205.94	\$37,933.99	\$271.95
DIRECTV HLDG/FIN INC 3 500% 3	25459HAY1		11000	10/18/11	05/04/12	\$11,651.75	\$11,398.97	\$252.78
US TREASURY NOTE 2 750% 11	912828MA5		45000	01/06/12	05/04/12	\$49,121.92	\$49,093.95	\$27.97
DIRECTV HLDG/FIN INC 3 500% 3	25459HAY1		13000	01/06/12	05/04/12	\$13,770.25	\$13,432.64	\$337.61
DIAMOND HILL LONG-SHORT FD CL	DHLSX	25264S833	3985.92	10/04/11	05/30/12	\$68,238.93	\$61,064.28	\$7,174.65
DIAMOND HILL LONG-SHORT FD CL	DHLSX	25264S833	1607.72	10/05/11	05/30/12	\$27,524.11	\$25,000.00	\$2,524.11
DIAMOND HILL LONG-SHORT FD CL	DHLSX	25264S833	1415.71	10/14/11	05/30/12	\$24,236.95	\$23,090.23	\$1,146.72
EATON VANCE GLOBAL MACRO - I	EIGMX	277923728	6119.13	10/04/11	05/30/12	\$59,722.72	\$60,151.06	\$-428.34
EATON VANCE GLOBAL MACRO - I	EIGMX	277923728	2538.07	10/05/11	05/30/12	\$24,771.57	\$25,000.00	\$-228.43
EATON VANCE GLOBAL MACRO - I	EIGMX	277923728	1588.7	10/14/11	05/30/12	\$15,505.71	\$15,712.24	\$-206.53
US TREASURY NOTE 4 250% 9	912828HE3		45000	01/06/12	06/11/12	\$45,558.84	\$46,346.48	\$-787.64
US TREASURY NOTE 4 250% 9	912828HE3		40000	10/20/11	06/11/12	\$40,496.74	\$41,542.19	\$-1,045.45
ORACLE CORP 4 950% 4	68389XAD7		20000	01/06/12	06/13/12	\$20,741.40	\$21,149.25	\$-407.85
ORACLE CORP 4 950% 4	68389XAD7		18000	10/18/11	06/13/12	\$18,667.26	\$19,158.30	\$-491.04
TARGET CORP 5 875% 7	87612EAN6		21000	01/06/12	06/13/12	\$24,916.29	\$24,983.07	\$-66.78
TARGET CORP 5 875% 7	87612EAN6		15000	10/18/11	06/13/12	\$17,797.35	\$17,726.55	\$70.80
FED NATL MTG ASSN 3 250% 4	31398AMW9		50000	01/06/12	06/13/12	\$51,234.50	\$51,892.60	\$-658.10
FED NATL MTG ASSN 3 250% 4	31398AMW9		35000	10/20/11	06/13/12	\$35,864.15	\$36,487.89	\$-623.74
GENERAL ELEC CAP COR 6 000% 6	36962GY4		25000	01/06/12	06/15/12	\$25,000.00	\$25,581.00	\$-581.00
GENERAL ELEC CAP COR 6 000% 6	36962GY4		22000	10/18/11	06/15/12	\$22,000.00	\$22,735.90	\$-735.90
ISHARES BARCLAYS MBS BOND FUND	MBB	464288588	240	10/20/11	06/29/12	\$26,010.64	\$25,845.43	\$165.21
US TREASURY NOTE 2 125% 5	912828NF3		40000	10/20/11	07/12/12	\$42,017.05	\$42,170.31	\$-153.26
US TREASURY NOTE 2 125% 5	912828NF3		25000	01/06/12	07/12/12	\$26,260.66	\$26,372.07	\$-111.41
FILMC POOL #C90916 4 500% 6	3128P7AR4		1483.68	06/28/12	07/15/12	\$1,483.68	\$1,601.91	\$-118.23

SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Noncovered Security Transactions (Form 8949, Part I, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
US TREASURY NOTE 2 125% 5	912828NF3		25000	01/06/12	07/23/12	\$26,313.39	\$26,372.07	\$-58.68
VR FED HOME LN BK 1 000% 2	313378AR2		117647.06	02/16/12	07/30/12	\$117,647.06	\$117,411.77	\$235.29
FHLMC POOL #C90916 4 500% 6	3128P7AR4		3070.69	06/28/12	08/15/12	\$3,070.69	\$3,315.39	\$-244.70
JOHNSON & JOHNSON 5 150% 8	478160AP9		18000	10/18/11	08/15/12	\$18,000.00	\$18,709.92	\$-709.92
JOHNSON & JOHNSON 5 150% 8	478160AP9		25000	01/06/12	08/15/12	\$25,000.00	\$25,745.00	\$-745.00
FHLMC POOL #C90916 4 500% 6	3128P7AR4		1377.19	06/28/12	09/15/12	\$1,377.19	\$1,486.93	\$-109.74
VANGUARD REIT VIPER	VNQ	922908553	1140	10/05/11	09/25/12	\$75,068.34	\$55,392.82 *	\$19,675.52
SPDR DJ WILSHIRE INTERNATIONAL	RWX	78463X863	1265	10/04/11	09/25/12	\$50,156.12	\$39,144.79	\$11,011.33
ELEMENTS ROGERS TOTAL RETURN	RJI	870297801	2825	10/04/11	09/25/12	\$25,028.93	\$22,458.47	\$2,570.46
ISHARES RUSSELL 1000 GROWTH	IWF	464287614	145	10/05/11	09/25/12	\$9,806.13	\$7,666.67	\$2,139.46
ISHARES RUSSELL 1000 GROWTH	IWF	464287614	965	10/04/11	09/25/12	\$65,261.48	\$48,808.54	\$16,452.94
ISHARES RUSSELL 2000	IWM	464287655	295	11/11/11	09/25/12	\$25,201.28	\$21,936.20	\$3,265.08
DODGE & COX INT'L STOCK FD 104	DODFX	256206103	129.92	10/05/11	09/25/12	\$4,290.06	\$3,727.49	\$562.57
VANGUARD INTL GRTH FD-ADM 581	VWILX	921910501	1699.24	11/11/11	09/25/12	\$100,000.00	\$95,293.10	\$4,706.90
DODGE & COX INT'L STOCK FD 104	DODFX	256206103	2898.55	10/04/11	09/25/12	\$95,709.94	\$81,941.86	\$13,768.08
KINDER MORGAN ENER 5 950% 2		494550AY2	23000	01/06/12	09/28/12	\$27,715.23	\$26,714.27	\$1,000.96
KINDER MORGAN ENER 5 950% 2		494550AY2	2000	12/05/11	09/28/12	\$2,410.02	\$2,268.30	\$141.72
AMERICAN EXPRESS CO 7 250% 5		025816BA6	14000	10/18/11	10/02/12	\$15,453.90	\$15,771.00	\$-317.10
AMGEN INC 5 700% 2		031162AZ3	15000	01/06/12	10/02/12	\$18,050.25	\$17,130.00	\$920.25
AMERICAN EXPRESS CO 7 250% 5		025816BA6	20000	01/06/12	10/02/12	\$22,077.00	\$22,378.60	\$-301.60
AMGEN INC 5 700% 2		031162AZ3	15000	10/18/11	10/02/12	\$18,050.25	\$17,900.55	\$149.70
GOLDMAN SACHS GROUP 5 125% 1		38141GEA8	18000	10/18/11	10/11/12	\$19,452.06	\$18,438.61	\$1,013.45
BANK OF AMERICA CORP 5 625% 7		06051GEC9	15000	01/06/12	10/11/12	\$17,343.60	\$14,355.30	\$2,988.30
BANK OF AMERICA CORP 5 625% 7		06051GEC9	15000	10/18/11	10/11/12	\$17,343.60	\$13,950.22	\$3,393.38
GOLDMAN SACHS GROUP 5 125% 1		38141GEA8	20000	01/06/12	10/11/12	\$21,613.40	\$20,574.60	\$1,038.80
FHLMC POOL #C90916 4 500% 6		3128P7AR4	1342.82	06/28/12	10/15/12	\$1,342.82	\$1,449.83	\$-107.01



SHAFFER FAM FOUNDATION AGY-MAIN

Short Term Noncovered Security Transactions (Form 8949, Part I, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
VR FED HOME LN BK 1.000% 2	313378AR2		82352.94	02/16/12	10/28/12	\$82,352.94	\$82,352.94	\$0.00
FHLMC POOL #C90916 4 500% 6	3128P7AR4		2815.7	06/28/12	11/15/12	\$2,815.70	\$3,040.08	\$-224.38
FED NATL MTG ASSN 4 750% 11	31398AHZ8		50000	01/06/12	11/19/12	\$50,000.00	\$51,972.00	\$-1,972.00
TELEFONICA SA 4 949% 1	87938WAJ2		175000	03/20/12	12/03/12	\$182,000.00	\$182,320.25	\$-320.25
HSBC FINANCE CORP 5 500% 1	40429CFN7		14000	01/06/12	12/03/12	\$15,594.88	\$14,695.66	\$899.22
FHLMC POOL #C90916 4 500% 6	3128P7AR4		2442.94	06/28/12	12/15/12	\$2,442.94	\$2,637.61	\$-194.67
FHLMC POOL #C90916 4 500% 6	3128P7AR4		1982.52	06/28/12	01/15/13	\$1,982.52	\$2,140.50	\$-157.98
Total short term gain/loss from noncovered security transactions not subject to wash sale:								
Total short term gain/loss from noncovered security transactions:			Gross Proceeds	Tax Cost	Gain or Loss	Loss Disallowed	Net Gain or Loss	
Report each transaction on Form 8949, Part I, Box B			\$2,576,923.24	\$2,489,043.15	\$87,880.09	\$0.00	\$87,880.09	

Proceeds from Long Term Covered Security Transactions

This category includes transactions that are long-term gain or loss on Form 1099-B, Box 1c Form 1099-B, Box 6b is checked because this category includes only sales of covered securities. If applicable, transactions subject to wash sale are shown separately. If wash sales are not shown separately, your account has no wash sales in this category. For individual taxpayers, these transactions are reportable on Form 8949, Part II, Box A

Long Term Covered Security Transactions (Form 8949, Part II, Box A)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition (Box 1b)	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis (Box 3)	Net gain or loss
APPLE COMPUTER INC COM	AAPL	037833100	32	01/28/11	04/11/12	\$20,058.11	\$10,797.12	\$9,260.99
ABBOTT LABORATORIES	ABT	002824100	85	01/28/11	07/05/12	\$5,496.19	\$3,872.60	\$1,623.59
APPLE COMPUTER INC COM	AAPL	037833100	10	01/28/11	09/25/12	\$6,879.14	\$3,374.10	\$3,505.04
DIAGEO PLC - ADR	DEO	252430205	46	10/04/11	11/15/12	\$5,246.42	\$3,428.83	\$1,817.59
ANHEUSER-BUSCH INBEV SPN ADR	BUD	03524A108	45	10/04/11	11/15/12	\$3,710.09	\$2,378.78	\$1,331.31
COOPER INDUSTRIES PLC NEW IREI CBE		G24140108	130	10/04/11	11/30/12	\$10,317.59	\$5,820.10	\$4,497.49

SHAFFER FAM FOUNDATION AGY-MAIN

Long Term Covered Security Transactions (Form 8949, Part II, Box A)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition (Box 1b)	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis (Box 3)	Net gain or loss
JP MORGAN ALERIAN MLP INDEX	AMJ	46625H365	395	02/01/11	12/27/12	\$14,966.25	\$14,843.78	\$122.47
Total long term gain/loss from covered security transactions not subject to wash sale:								
						\$66,673.79	\$44,515.31	\$22,158.48
Total long term gain/loss from covered security transactions:								
Report each transaction on Form 8949, Part II, Box A			Gross Proceeds	Tax Cost	Gain or Loss	Loss Disallowed	Net Gain or Loss	
			\$66,673.79	\$44,515.31	\$22,158.48	\$0.00	\$22,158.48	

Proceeds from Long Term Noncovered Security Transactions

This category includes transactions that are long-term gain or loss. Form 1099-B, Box 6a is checked because this category includes only sales of non-covered securities. For sales of noncovered securities we report security description, symbol, cusip, quantity sold, sale date, federal income tax withheld and gross proceeds to the Internal Revenue Service but we do not report acquisition date, tax cost, wash sale loss disallowed and type of gain or loss. If applicable, transactions subject to wash sale are shown separately. If wash sales are not shown separately, your account has no wash sales in this category. For individual taxpayers, these transactions are reportable on Form 8949, Part II, Box B.

Long Term Noncovered Security Transactions (Form 8949, Part II, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
CONOCOPHILLIPS	COP	20825C104	40	10/25/05	04/16/12	\$2,975.46	\$2,433.60	\$541.86
CONOCOPHILLIPS	COP	20825C104	100	12/01/05	04/16/12	\$7,438.66	\$6,160.00	\$1,278.66
ABBOTT LABORATORIES	ABT	002824100	30	12/01/05	06/07/12	\$1,842.83	\$1,137.00	\$705.83
ABBOTT LABORATORIES	ABT	002824100	145	10/25/05	06/07/12	\$8,906.99	\$6,298.80	\$2,608.19
ABBOTT LABORATORIES	ABT	002824100	100	12/01/05	07/05/12	\$6,466.11	\$3,790.00	\$2,676.11
HEWLETT PACKARD CO	HPQ	428236103	335	10/25/05	08/30/12	\$5,641.41	\$9,316.01	\$-3,674.60
ISHARES TR RUSSELL MIDCAP INDE IWR		464287499	1	07/08/10	09/25/12	\$112.62	\$82.70	\$29.92
LAUDUS MONDRIAN INTL FI-INST 2 LIFNX		51855Q655	6172.84	01/28/11	09/25/12	\$75,000.00	\$72,592.60	\$2,407.40
ISHARES TR RUSSELL MIDCAP INDE IWR		464287499	444	09/11/09	09/25/12	\$50,002.15	\$34,227.96	\$15,774.19
3M CO	MMM	88579Y101	30	10/25/05	09/25/12	\$2,798.33	\$2,274.30	\$524.03
UNITEDHEALTH GROUP INC	UNH	91324P102	55	10/26/10	09/25/12	\$3,092.58	\$2,059.14	\$1,033.44

SHAFFER FAM FOUNDATION AGY-MAIN

Long Term Noncovered Security Transactions (Form 8949, Part II, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
CAPITAL ONE FINANCIAL CORP	COF	14040H105	45	10/26/10	09/25/12	\$2,549.19	\$1,718.98	\$830.21
CHEVRON CORP	CVX	166764100	35	10/25/05	09/25/12	\$4,104.00	\$2,023.00	\$2,081.00
SCHLUMBERGER LTD	SLB	806857108	45	10/26/10	09/25/12	\$3,295.27	\$3,122.55	\$172.72
FED NATL MTG ASSN 4 750% 11		31398AHZ8	40000	10/20/11	11/19/12	\$40,000.00	\$41,943.20	\$-1,943.20
HSBC FINANCE CORP 5 500% 1		40429CFN7	11000	10/18/11	12/03/12	\$12,253.12	\$11,395.23	\$857.89
VANGUARD REIT VIPER	VNQ	922908553	590	10/05/11	12/27/12	\$38,384.77	\$28,571.63	\$9,813.14
HUSSMAN STRATEGIC GROWTH FUI HSGFX		448108100	1182.03	09/23/11	12/27/12	\$12,884.16	\$15,792.37	\$-2,908.21
ELEMENTS ROGERS TOTAL RETURN RJT		870297801	5800	10/04/11	12/27/12	\$49,765.20	\$46,109.42	\$3,655.78
VANGUARD REIT VIPER	VNQ	922908553	80	12/06/11	12/27/12	\$5,204.72	\$4,380.11	\$824.61
VANGUARD REIT VIPER	VNQ	922908553	1330	10/14/11	12/27/12	\$86,528.39	\$69,172.48	\$17,355.91
HUSSMAN STRATEGIC GROWTH FUI HSGFX		448108100	3326.37	10/04/11	12/27/12	\$36,257.48	\$43,841.61	\$-7,584.13
HUSSMAN STRATEGIC GROWTH FUI HSGFX		448108100	4732.79	10/14/11	12/27/12	\$51,587.44	\$60,011.82	\$-8,424.38
HUSSMAN STRATEGIC GROWTH FUI HSGFX		448108100	1182.03	10/04/11	12/27/12	\$12,884.16	\$15,579.20	\$-2,695.04
Total long term gain/loss from noncovered security transactions not subject to wash sale:						\$519,975.04	\$484,033.71	\$35,941.33

Proceeds from Long Term Noncovered Security Transactions reported at 28%

This category includes transactions that are long-term gain or loss subject to 28% rate. Form 1099-B, Box 6a is checked because this category includes only sales of noncovered securities. For sales of noncovered securities we report security description, symbol, cusip, quantity sold, sale date, federal income tax withheld and gross proceeds to the Internal Revenue Service but we do not report acquisition date, tax cost, wash sale loss disallowed and type of gain or loss. If applicable, transactions subject to wash sale are shown separately. If wash sales are not shown separately, your account has no wash sales in this category. For individual taxpayers, these transactions are reportable on Form 8949, Part II, Box B and Schedule D 28% Rate Gain Worksheet.

SHAFFER FAM FOUNDATION AGY-MAIN

Long Term Noncovered Security Transactions reported at 28% (Form 8949, Part II, Box B)

Description (Box 8)	Symbol (Box 1d)	Cusip	Quantity sold (Box 1e)	Date of acquisition	Sale date (Box 1a)	Sales price less commissions (Box 2a)	Cost or other basis	Net gain or loss
ISHARES GOLD TRUST	IAU	464285105	925	02/01/11	12/27/12	\$14,929.26	\$12,126.56	\$2,802.70
Total long term 28% gain/loss from noncovered security transactions not subject to wash sale:								
						\$14,929.26	\$12,126.56	\$2,802.70
Total long term gain/loss from noncovered security transactions:								
			Gross Proceeds	Tax Cost		Gain or Loss	Loss Disallowed	Net Gain or Loss
Report each transaction on Form 8949, Part II, Box B			\$534,904.30	\$496,160.27		\$38,744.03	\$0.00	\$38,744.03
Total proceeds reported to IRS on Form 1099-B								
						\$3,825,230.12		

Proceeds from Gains and Losses Not Reported On Form 1099-B

The following gains or losses in your account include common trust funds, options or other exchanges not subject to Form 1099-B reporting or sales of assets not registered for Form 1099-B reporting by us. For individual taxpayers, capital gain or loss transactions which are not reported on a Form 1099-B are reportable on Form 8949, Part I or Part II, Box C. However, if an asset below is not registered for Form 1099-B reporting by us and you receive a separate Form 1099-B from a different payer for this same information, you should follow their 1099-B regarding tax reporting guidelines. You should consult your tax advisor regarding the tax treatment applicable to these items.

Long Term Transactions for 28% gains and losses (Not reported on Form 1099-B)

Description	Symbol	Cusip	Quantity sold	Date of acquisition	Sale date	Sales price less commissions	Cost or other basis	Net gain or loss
ISHARES GOLD TRUST	IAU	464285105	7570	01/01/01	01/31/12	\$25.22	\$62.64	\$-37.42
ISHARES GOLD TRUST	IAU	464285105	12040	01/01/01	02/29/12	\$39.78	\$63.29	\$-23.51
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	03/30/12	\$58.04	\$68.21	\$-10.17
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	04/30/12	\$54.91	\$64.93	\$-10.02
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	05/31/12	\$55.32	\$67.89	\$-12.57
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	06/29/12	\$52.60	\$64.93	\$-12.33
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	07/31/12	\$54.45	\$67.23	\$-12.78
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	08/31/12	\$54.66	\$63.29	\$-8.63

SHAFER FAM FOUNDATION AGY-MAIN

Long Term Transactions for 28% gains and losses (Not reported on Form 1099-B)

Description	Symbol	Cusip	Quantity sold	Date of acquisition	Sale date	Sales price less commissions	Cost or other basis	Net gain or loss
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	09/28/12	\$55.90	\$61.65	\$-5.75
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	10/31/12	\$59.21	\$67.89	\$-8.68
ISHARES GOLD TRUST	IAU	464285105	16650	01/01/01	11/30/12	\$56.25	\$64.28	\$-8.03
ISHARES GOLD TRUST	IAU	464285105	20495	01/01/01	12/31/12	\$70.78	\$66.90	\$3.88
Total long term 28% gain/loss:								
						\$637.12	\$783.13	\$-146.01
Total long term gain/loss transactions not reported on Form 1099-B:								
						Gross Proceeds	Tax Cost	Gain or Loss
						\$637.12	\$783.13	\$-146.01
							Loss Disallowed	Net Gain or Loss
							\$0.00	\$-146.01

Report each transaction on Form 8949, Part II, Box C

2012

FEDERAL STATEMENTS

PAGE 1

SHAFFER FAMILY FOUNDATION DTD 4/29/11
C/O LAWRENCE M SCHWARTZ, CPA

45-6314648

STATEMENT 1
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	\$ 172,751.	\$ 86,376.	\$ 17,275.	\$ 53,766.
TOTAL	<u>\$ 172,751.</u>	<u>\$ 86,376.</u>	<u>\$ 17,275.</u>	<u>\$ 53,766.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	\$ 989.	\$ 989.		
STATE FILING FEES	235.		\$ 235.	
TOTAL	<u>\$ 1,224.</u>	<u>\$ 989.</u>	<u>\$ 235.</u>	<u>\$ 0.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS EXPENSES	\$ 74.	\$ 37.	\$ 7.	
TOTAL	<u>\$ 74.</u>	<u>\$ 37.</u>	<u>\$ 7.</u>	<u>\$ 0.</u>

STATEMENT 4
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

FEDERAL TAXES PAID			\$ 25,000.
TOTAL			<u>\$ 25,000.</u>

STATEMENT 5
FORM 990-PF, PART VII-A, LINE 10
SUBSTANTIAL CONTRIBUTORS DURING THE TAX YEAR

NAME OF SUBSTANTIAL CONTRIBUTOR ADDRESS OF SUBSTANTIAL CONTRIBUTOR

JAMES & TANYA SHAFFER

P.O. BOX 9543
RANCHO SANTA FE, CA 92067

2012

FEDERAL STATEMENTS

PAGE 2

SHAFFER FAMILY FOUNDATION DTD 4/29/11
C/O LAWRENCE M SCHWARTZ, CPA

45-6314648

STATEMENT 6
FORM 990-PF, PART XV, LINE 1A
FOUNDATION MANAGERS - 2% OR MORE CONTRIBUTORS

JAMES D SHAFFER
TANYA L SHAFFER

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

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

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits***Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).A corporation required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only ☐*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns***Enter filer's identifying number, see instructions**

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	SHAFFER FAMILY FOUNDATION DTD 4/29/11 C/O LAWRENCE M SCHWARTZ, CPA	45-6314648
	Number, street, and room or suite number. If a P.O. box, see instructions	Social security number (SSN)
	2211 ENCINITAS BLVD #200 City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	ENCINITAS, CA 92024-4361	

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

04

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

- The books are in the care of ► LAWRENCE M SCHWARTZ, CPA

Telephone No. ► (760) 753-4434 FAX No. ► (760) 753-8957

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 2013, to file the exempt organization return for the organization named above. The extension is for the organization's return for
- ☒ calendar year 2012 or
 - ☐ tax year beginning _____, 20____, and ending _____, 20____

- 2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$	7,360.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$	16,989.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the extended due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	SHAFFER FAMILY FOUNDATION DTD 4/29/11 C/O LAWRENCE M SCHWARTZ, CPA	45-6314648
	Number, street, and room or suite number. If a P.O. box, see instructions	Social security number (SSN)
	LAWRENCE M. SCHWARTZ, C.P.A. 2211 ENCINITAS BLVD #200	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	ENCINITAS, CA 92024-4361	

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

04

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

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of ▶ LAWRENCE M SCHWARTZ, CPA
Telephone No. ▶ (760) 753-4434 FAX No ▶ (760) 753-8957
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- I request an additional 3-month extension of time until 11/15, 20 13
- For calendar year 2012, or other tax year beginning _____, 20____, and ending _____, 20____
- If the tax year entered in line 5 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period
- State in detail why you need the extension TAXPAYER RESPECTFULLY REQUESTS ADDITIONAL TIME TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	7,360.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	16,989.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶

Title ▶

Date ▶

BAA

FIFZ0502L 01/21/13

Form 8868 (Rev 1-2013)