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 , 2012, and ending , 20

Name of foundation: LEMON FAMILY FOUNDATION

A Employer identification number: 73-1516391

Number and street (or P.O. box number if mail is not delivered to street address): 11300 RUNNING DEER COURT

Room/suite:

B Telephone number (see instructions): 405-796-7336

City or town, state, and ZIP code: EDMOND, OKLA. 73013-8344

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) ▶ $ 913,639

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

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

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

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)				
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch. B				
	3	Interest on savings and temporary cash investments	35	35	35	
	4	Dividends and interest from securities	29,337	29,337	29,337	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	43,499			
	b	Gross sales price for all assets on line 6a 804,059				
	7	Capital gain net income (from Part IV, line 2)		43,499		
	8	Net short-term capital gain			19,338	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less: Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	72,871	72,871	48,710	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc.				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)	7,943	7,943	7,943	7,943
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	1,081	1,081	1,081	1,081
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	9,024	9,024	9,024	9,024
	25	Contributions, gifts, grants paid	43,000			43,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	52,024	9,024	9,024	52,024
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	20,847			
	b	**Net investment income** (if negative, enter -0-)		63,847		
	c	**Adjusted net income** (if negative, enter -0-)			39,686	

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Part II Balance Sheets

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

			Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing	9,152	187,270	187,270
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	1,131,187	982,698	726,369
	c	Investments—corporate bonds (attach schedule)			
	11	Investments—land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment: basis ▶ Less: accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ FORIGN TAX PAID)	38	120	
	16	**Total assets** (to be completed by all filers—see the instructions. Also, see page 1, item I)	1,140,376	1,170,088	913,639
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	**Total liabilities** (add lines 17 through 22)			
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund	1,120,117	1,140,376	
	29	Retained earnings, accumulated income, endowment, or other funds	20,259	29,712	
	30	**Total net assets or fund balances** (see instructions)	1,140,376	1,170,088	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,140,376	1,170,088	

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	1,140,376
2	Enter amount from Part I, line 27a	2	20,847
3	Other increases not included in line 2 (itemize) ▶ SEE SCHEDULE	3	8,865
4	Add lines 1, 2, and 3	4	1,170,088
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	1,170,088

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	SCHEDULE ATTACHED	P	VARRIOUS	VARRIOUS
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	$ 804,059	0	$ 762,476	$ 43,499
c				
d				
e				

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

	(i) F.M.V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col (h))
a				
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	43,499
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	19,338

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	45,161	877,488	5.15
2010	32,616	719,610	4.53
2009	39,411	456,681	8.63
2008	56,688	654,477	8.66
2007	57,684	940,155	6.14

2	**Total** of line 1, column (d)	2	33.11
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	6.62
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	866,861
5	Multiply line 4 by line 3	5	57,386
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	638
7	Add lines 5 and 6	7	58,024
8	Enter qualifying distributions from Part XII, line 4	8	52,024

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	1,276.	94
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0	
3	Add lines 1 and 2	3	1,276.	94
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	1,276	94
6	Credits/Payments:			
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a: 0 | 00			
b	Exempt foreign organizations—tax withheld at source — 6b: 119 | 64			
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	119.	64
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	0	00
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	1157.	30
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10		
11	Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶ | **Refunded** ▶	11		

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation. ▶ $ ______ **(2)** On foundation managers. ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	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) ▶ OKLAHOMA			
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 ▶ NONE

14 The books are in care of ▶ LARRY H. LEMON Telephone no. ▶ 405-796-7336
Located at ▶ 11300 RUNNING DEER CT., EDMOND, OK ZIP+4 ▶ 73013-8344

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

			Yes	No
16	At any time during calendar year 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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. Yes No

1a During the year did the foundation (either directly or indirectly):

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No
(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No

			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)?	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 ▶ 20____ , 20____ , 20____ , 20____

			Yes	No
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.)	2b		X

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here.
▶ 20____ , 20____ , 20____ , 20____

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No

			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.)*	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)? (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**		
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? ☐ 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?	**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
LARRY L LEMON 11300 RUNNING DEER CT. EDMOND, OK 73013-8344	MANAGER 8	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 ▶

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

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

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

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

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NONE	
2	
3	
4	

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	814,114
b	Average of monthly cash balances	1b	65,948
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	880,062
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	880,062
4	Cash deemed held for charitable activities. Enter 1 ½ % of line 3 (for greater amount, see instructions)	4	13,201
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	866,861
6	**Minimum investment return.** Enter 5% of line 5	6	43,343

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	43,343
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a 1277		
b	Income tax for 2012. (This does not include the tax from Part VI.) — 2b 0		
c	Add lines 2a and 2b	2c	1,277
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	42,066
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	42,066
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	42,066

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	52,024
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	52,024
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	52,024

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				42,066
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 0				
b	From 2008 0				
c	From 2009 0				
d	From 2010 0				
e	From 2011 0				
f	**Total** of lines 3a through e	0			
4	Qualifying distributions for 2012 from Part XII, line 4: ▶ $				
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				0
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 instructions			0	
f	Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				42,066
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	0			
10	Analysis of line 9:				
a	Excess from 2008 0				
b	Excess from 2009 0				
c	Excess from 2010 0				
d	Excess from 2011 0				
e	Excess from 2012 0				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling . . . . . . ▶ AUGUST 21, 1997

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**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	39,686	43,874	35,981	22,834	142,375
b 85% of line 2a	33,733	37,293	30,584	19,410	121,020
c Qualifying distributions from Part XII, line 4 for each year listed	52,024	45,161	32,616	39,430	169,231
d Amounts included in line 2c not used directly for active conduct of exempt activities	0	0	0	0	0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	52,024	45,161	32,616	39,430	169,231
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	28,895	29,250	24,107	15,223	97,475
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).)

LARRY H. LEMON

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:

LARRY H. LEMON 11300 RUNNING DEER CT. EDMOND, OK 73013 405-796-7336

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

LETTER FORM DESCRIBE SPECIFIC NEED AND USE

c Any submission deadlines: OCTOBER 1ST OF EACH YEAR

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

NONE

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*				
SCHEDULE ATTACHED			#	43,000
Total ▶ 3a				43,000
b *Approved for future payment*				
NONE				0.00
Total ▶ 3b				0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
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					35
4 Dividends and interest from securities					29,337
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					
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)					

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 29,372

(See worksheet in line 13 instructions to verify calculations.)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See instructions)
3 + 4	GENERATE FUNDS TO PROVIDE GRANT MONEY

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

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

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.

Larry H. Lemon | 5-15-13 | MANAGER

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ►			Firm's EIN ►	
Firm's address ►			Phone no.	

LEMON FAMILY FOUNDATION
11300 Running Deer Court Edmond, Oklahoma 73013-8344

Schedule of additional information for 2012 Income Tax Return

Part 1, Line 1 - Contributions Received This Year

None

Part 1, Line 11 - Other Income

None

Part 1, Line 16 C - Other Professional Fees

Stock Broker Commissions	$ 7,943.00

Part 1, Line 18 - Taxes

2011 IRS Income Taxes	$ 1,043.00
2011 Foreign Tax Withholding	37.62
Total Taxes	$ 1,079.62

Part III, Line 3

Additional Option Income Expiring in 2013	$ 5,376.00
Partnership Distributions	3,489.00
Total Other Income	$ 8,865.00

PART XV, No. 3 A - Grants Paid During the Year

Name and Address	Foundation Status	Purpose	Amount
American Heart Association Oklahoma City, Oklahoma	Foundation	Programs	$ 500.00
The Children's Center Oklahoma City, Okla.	Foundation	Programs	1,000.00
University of Oklahoma Norman, Oklahoma	School	Programs	2,000.00
NAPA Research & Education Found Lanham, Maryland	Foundation	Programs	5,000.00
Boy Scouts of America Oklahoma city, Okla.	Foundation	Programs	1,000.00
Free To Live Oklahoma City, Okla.	Foundation	Maintenance	1,000.00
Library Endowment Trust Norman, Okla.	Foundation	Programs	500.00
OKC Alumnae Panhellenic Foundation Oklahoma City, Okla.	Foundation	Scholarships	1,500.00
Circle Of Care, Inc. Oklahoma City, Oklahoma	Foundation	Programs	1,000.00
Transportation Development Foundation Edmond, Oklahoma	Foundation	Programs	10,000.00
Friends of NorthWest Classen Guthrie, Okla.	Foundation	Programs	2,000.00
Sooner Golden Retriever Rescue Oklahoma City, Okla.	Foundation	Programs	1,000.00
Impact Oklahoma Oklahoma City, Okla.	Foundation	Programs	1,000.00
Phi Kappa Sigma Foundation Edmond, Okla.	Foundation	Programs	5,000.00
Church of the Servant Oklahoma City, Okla.	Church	Programs	7,500.00

Executive Service Corps of Oklahoma Oklahoma City, Okla.	Foundation	Programs	1,000.00
Tulsa Boys' Home Tulsa, Oklahoma	Foundation	Programs	2,000.00
		Total Grants and Donations 2012	$ 43,000.00

LEMON FAMILY FOUNDATION
STOCKS AND BONDS TAX WORKSHEET - YEAR 2012
December 31, 2012

DESCRIPTION		Purcahse Or Gift	# OF SHS SOLD	DATE AQUIRED	DATE SOLD	NET SALES INCOME	GROSS Dollar cost	GAIN OR LOSS	BUY COMM.	SELL COMM.	TOTAL COMM.	Agree W/Stmt
WELLS FARGO ADVISORS												
Short Term Options												
Intel Corp Calls	May 28's	P	30	03/23/12	05/19/12	Assigned			$0.00	$0.04	$0.04	X
AOL. Inc. Calls	May 25's	P	5	04/12/12	05/19/12	Assigned			$0.00	$0.01	$0.01	X
Arena Pharm, Inc. Calls	July 10's	P	100	05/14/12	07/21/12	$5,299.88	$0.00	$5,299.88	$0.00	$0.12	$0.12	Yes
Pfizer, Inc. Calls	Aug. 23's	P	40	05/17/12	08/18/12	Assigned			$0.00	$0.07	$0.07	X
RPC, Inc.	Sept 12.50's	P	23	07/19/12	09/22/12	Assigned			$0.00	$0.25	$0.25	X
RPC, Inc.	Sept 12.50's	P	22	07/19/12	09/22/12	$1,429.87	$0.00	$1,429.87	$0.00	$0.25	$0.25	X
Arena Pharm, Inc. Calls	Aug 12's	P	100	07/23/12	08/18/12	$2,999.53	$0.00	$2,999.53	$0.00	$0.47	$0.47	Yes
Sonic Corp Calls	Sept 10's	P	20	07/27/12	09/22/12	Assigned			$0.00	$0.11	$0.11	X
Elan, Plc Puts	Sept 10's	P	50	08/02/12	09/22/12	$3,999.71	$0.00	$3,999.71	$0.00	$0.29	$0.29	Yes
Rio Tinto, Plc Calls	Sept 50's	P	5	08/13/12	09/22/12	$946.96	$0.00	$946.96	$0.00	$0.04	$0.04	Yes
J.P. Morgan Calls	Oct 40's	P	5	08/29/12	09/17/12	$224.97	$865.02	($640.05)	$0.02	$0.03	$0.05	Yes
Devon Energy Calls	Oct 62.50's	P	10	09/13/12	10/20/12	$1,599.92	$0.00	$1,599.92	$0.00	$0.08	$0.08	Yes
Blackstone Group Calls	Dec 16's	P	40	09/17/12	12/22/12	$2,399.79	$0.00	$2,399.79	$0.00	$0.21	$0.21	Yes
Devon Energy Calls	Oct 65's	P	10	09/17/12	10/20/12	$1,177.93	$0.00	$1,177.93	$0.00	$0.07	$0.07	Yes
Freeport McMorgan Calls	Oct 40's	P	10	09/17/12	10/20/12	Assigned			$0.00	$0.11	$0.11	X
Rio Tinto, Plc Calls	Nov 50's	P	5	10/08/12	11/17/12	$624.97	$0.00	$624.97	$0.00	$0.03	$0.03	Yes
								$0.00			$0.00	
Sub-Total Options			475			$20,703.53	$865.02	$19,838.51			$2.20	
Short Term Gains and Losses												
Aflac, Inc.		P	1,000	08/29/11	01/20/12	$44,999.14	$36,728.30	$8,270.84	$0.00	$0.86	$0.86	Yes
Seadrill, Ltd.		P	1,000	08/08/11	01/20/12	$34,999.33	$26,657.50	$8,341.83	$0.00	$0.67	$0.67	Yes
DreanWorks Animation, Inc.		P	1,000	03/02/12	06/18/12	$17,999.60	$17,700.00	$299.60	$0.00	$0.40	$0.40	Yes
J P Morgan-Chase		P	500	05/18/12	09/17/12	$20,651.54	$16,655.00	$3,996.54	$0.00	$0.46	$0.46	Yes
RPC, Inc. w/Calls		P	2,300	12/19/11	09/21/12	$30,244.24	$24,965.90	$5,278.34	$0.00	$0.64	$0.64	Yes
General Motors Warrants B		P	1,000	05/18/12	10/05/12	$9,999.78	$8,000.00	$1,999.78	$0.00	$0.22	$0.22	Yes
International Game Technology		P	2,000	08/13/12	10/10/12	$25,544.19	$22,632.00	$2,912.19	$0.00	$0.57	$0.57	Yes
Freeport McMorgan Copper w/Calls		P	1,000	03/01/12	10/19/12	$42,908.99	$37,572.60	$5,336.39	$0.00	$0.90	$0.90	Yes
First Eagle Funds Distribution		P			12/14/12			$311.54				
Devon Energy Corp		P	2,000	06/13/12	12/17/12	$104,537.66	$118,839.70	($14,302.04)	$0.00	$2.34	$2.34	Yes
Exelon Corp		P	1,000	01/23/12	12/17/12	$29,834.33	$39,816.00	($9,981.67)	$0.00	$0.67	$0.67	Yes
SandRidge Mississippian Trust		P	3,000	10/02/12	12/17/12	$50,596.51	$63,560.00	($12,963.49)	$0.00	$1.14	$1.14	Yes
								$0.00			$0.00	
Sub-Total Short Term			15,800			$412,315.31	$413,127.00	($500.15)			$8.87	
Long Term Gains												
Capstead mortgage Corp		P	5,000	04/12/10	02/29/12	$67,498.78	$57,622.29	$9,876.49	$0.00	$1.22	$1.22	Yes

Intel Corp w/Calls	P	3,000	09/03/10	05/02/12	$86,308.08	$55,277.70	$31,030.38	$0.00	$1.88	$1.88	Yes
AOL, Inc. w/Calls	P	500	06/07/10	05/18/12	$12,999.71	$12,162.77	$836.94	$0.00	$0.28	$0.28	Yes
Taser International, Inc.	P	1,000	04/29/08	08/18/12	$5,219.98	$7,490.00	($2,270.02)	$0.00	$0.12	$0.12	Yes
CYS Investments, Inc.	P	5,000	12/20/10	07/12/12	$69,998.43	$63,549.00	$6,449.43	$0.00	$1.57	$1.57	Yes
Pfizer, Inc. w/Calls	P	4,000	04/01/10	07/31/12	$94,997.94	$77,236.10	$17,761.84	$0.00	$2.06	$2.06	Yes
Patriot Coal Corp	P	1,000	05/11/11	08/02/12	$110.00	$24,246.00	($24,136.00)	$0.00	$0.00	$0.00	Yes
Callaway Golf Co.	P	2,000	06/23/09	09/17/12	$12,507.72	$10,400.00	$2,107.72	$0.00	$0.28	$0.28	Yes
Sonic Corp w/Calls	P	2,000	01/15/08	09/21/12	$21,399.44	$40,500.00	($19,100.56)	$0.00	$0.45	$0.45	Yes
First Eagle Funds Distribution	P			12/14/12			$1,368.62				
First Eagle Funds Distribution	P			12/17/12			$235.44				
							$0.00			$0.00	
Sub-Total Long Term		23,500			$371,040.08	$348,483.86	$24,160.28			$7.86	
Total Wells Fargo Advisors		39,775			$804,058.92	$762,475.88	$43,498.64				

LEMON FAMILY FOUNDATION

December 31, 2012

NAME OF SECURITY	SYM	DATE BOUGHT	NUMBER SHARES	ORIGINAL PURCHASE PRICE	ORIGINAL DOLLAR COST	ANNUAL REVENUE	CASH FLOW R.O.I. %	OPTION SOLD	TODAY'S MARKET PRICE	TODAY'S MARKET VALUE
CASH IN THE BANK					$ 187,269.87	59.01	0.03%			$ 187,269.87
American Internaitonal Group	AIG	11/08/07	25	$1,110.0000	$ 27,750.00		0.00%		$ 35.3000	$ 882.50
AIG Warrents - Expire 1-19-21	AIGWS	01/20/11	13	$ -	$ -		0.00%		$ 13.8000	$ 179.40
Arena Pharmaceuticals, Inc.	ARNA	03/01/12	10,000	$ 1.8000	$ 18,000.00		0.00%		$ 9.0200	$ 90,200.00
Armour Residential, Inc.	ARR	03/09/11	5,000	$ 7.5100	$ 37,550.00	4,800.00	12.78%		$ 6.4700	$ 32,350.00
BANK OF AMERICA	BAC	03/03/08	429	$ 57.1000	$ 24,494.53	17.16	0.07%		$ 11.6100	$ 4,980.69
Blackstone Group	BX	02/14/11	2,000	$ 17.5085	$ 35,017.00	800.00	2.28%		$ 15.5900	$ 31,180.00
Blackstone Group	BX	06/19/12	2,000	$ 12.4470	$ 24,894.00	800.00	3.21%		$ 15.5900	$ 31,180.00
Cameco Corp.	CCJ	03/29/11	2,000	$ 29.2475	$ 58,495.00	805.40	1.38%		$ 19.7200	$ 39,440.00
Cameco Corp.	CCJ	11/12/12	2,000	$ 17.6500	$ 35,300.00	805.40	2.28%		$ 19.7200	$ 39,440.00
CAPSTONE TURBINE	CPST	06/04/01	1,000	$ 31.0500	$ 31,050.00		0.00%		$ 0.8900	$ 890.00
CAPSTONE TURBINE	CPST	08/17/01	2,000	$ 7.1700	$ 14,336.00		0.00%		$ 0.8900	$ 1,780.00
CAPSTONE TURBINE	CPST	02/15/07	5,000	$ 0.8870	$ 4,435.00		0.00%		$ 0.8900	$ 4,450.00
Clean Energy Fuels Corp	CLNE	11/12/12	2,000	$ 11.1681	$ 22,336.15		0.00%	Mar 14's	$ 12.4500	$ 24,900.00
Diana Containerships	DCIX	07/19/12	5,000	$ 6.2260	$ 31,130.84	6,000.00	19.27%		$ 6.0400	$ 30,200.00
Diana Containerships	DCIX	08/27/12	5,000	$ 5.2661	$ 26,330.50	6,000.00	22.79%		$ 6.0400	$ 30,200.00
FIRST EAGLE GLOBAL FUND	SGIIX	10/16/07	1,000.0	$ 50.2400	$ 45,849.00	700.00	1.53%		$ 48.7600	$ 48,760.00
FIRST EAGLE GLOBAL FUND	SGIIX	12/18/07	189.070	$ 45.2100	$ 7,641.34	67.87	0.89%		$ 48.7600	$ 9,219.05
FIRST EAGLE GLOBAL FUND	SGIIX	12/14/12	39.801	$ 48.1294	$ 1,915.60	10.00	0.52%		$ 48.7600	$ 1,940.70
GMX Resources, Inc.	GMXR	08/29/11	5,000	$ 2.5499	$ 12,749.50		0.00%		$ 0.5000	$ 2,500.00
GMX Resources, Inc.	GMXR	12/19/11	5,000	$ 1.3400	$ 6,700.00		0.00%		$ 0.5000	$ 2,500.00
HYDROGENICS CORP.	HYGS	03/15/04	80	$ 132.2500	$ 10,580.00		0.00%		$ 6.7700	$ 541.60
HYDROGENICS CORP.	HYGS	03/29/06	120	$ 84.3100	$ 10,117.00		0.00%		$ 6.7700	$ 812.40
HYDROGENICS CORP.	HYGS	10/05/06	400	$ 32.2500	$ 12,900.00		0.00%		$ 6.7700	$ 2,708.00
HYDROGENICS CORP.	HYGS	06/29/07	200	$ 32.7500	$ 6,550.00		0.00%		$ 6.7700	$ 1,354.00
Intel Corp	INTC	10/09/12	2,000	$ 21.9242	$ 43,848.40	1,800.00	4.11%		$ 20.6200	$ 41,240.00
INTERNATIONAL GAME TECH.	IGT	04/14/08	1,000	$ 38.0000	$ 38,000.00	280.00	0.74%		$ 14.1700	$ 14,170.00
INTERNATIONAL GAME TECH.	IGT	04/23/08	1,000	$ 34.4900	$ 34,490.00	280.00	0.81%		$ 14.1700	$ 14,170.00
JDS UNIPHASE, INC	JDSU	05/29/01	250	$ 152.1720	$ 38,043.00		0.00%		$ 13.5000	$ 3,375.00
JDS UNIPHASE, INC	JDSU	05/04/06	625	$ 27.0400	$ 16,900.00		0.00%		$ 13.5000	$ 8,437.50
KEMET CORP.	KEME	12/06/06	1,666	$ 21.6031	$ 35,990.72		0.00%		$ 5.0300	$ 8,379.98
Rio Tinto, Plc	RIO	05/18/12	500	$ 44.3850	$ 22,192.50	827.50	3.73%	Jan 50's	$ 58.0900	$ 29,045.00
RPC, Inc.	RES	02/01/12	2,200	$ 10.2200	$ 22,484.00	704.00	3.13%	Mar 12.30	$ 12.2400	$ 26,928.00
SandRidge Energy, Inc.	SD	08/10/10	10,000	$ 4.9289	$ 49,289.00		0.00%		$ 6.3500	$ 63,500.00
SandRidge Mississippian Trust	SDT	11/15/12	2,000	$ 14.8773	$ 29,754.60	5,464.00	18.36%		$ 16.4400	$ 32,880.00

Satcon Technology Corp	SATC	08/29/11	·1,250	$ 8.8000	$ 11,000.00		0.00%		$ 0.0410	$ 51.25
SIRIUS XM RADIO, INC.	SIRI	08/24/05	1,000	$ 6.5400	$ 6,540.00		0.00%		$ 2.8900	$ 2,890.00
SIRIUS XM RADIO, INC.	SIRI	02/24/06	4,000	$ 5.1500	$ 20,600.00		0.00%		$ 2.8900	$ 11,560.00
TIME WARNER CABLE, INC.	TWC	03/30/09	83	$ 42.5569	$ 3,513.89	185.92	5.29%		$ 97.1900	$ 8,066.77
TIME WARNER, INC.	TWX	08/01/01	333	$ 127.4500	$ 42,440.47	346.32	0.82%		$ 47.8300	$ 15,927.39
U S NATURAL GAS FUND	UNG	08/21/09	125	$ 92.6000	$ 11,650.00		0.00%		$ 18.9000	$ 2,362.50
U S NATURAL GAS FUND	UNG	12/20/10	375	$ 45.4400	$ 17,040.00		0.00%		$ 18.9000	$ 7,087.50
USEC, INC.	USU	09/27/07	2,000	$ 10.7000	$ 21,400.00		0.00%		$ 0.5300	$ 1,060.00
USEC, INC.	USU	08/29/11	5,000	$ 2.2800	$ 11,400.00		0.00%		$ 0.5300	$ 2,650.00
Sub-Total Stocks			90,903		$ 982,698.04	30,693.57	3.12%			$ 726,369.23
Puts										
					$ -					$ -
					.		R.O.I. %			
TOTAL PORTFOLIO					$1,169,967.91	30,752.58	2.63%			$ 913,639.10