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

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0052

2012

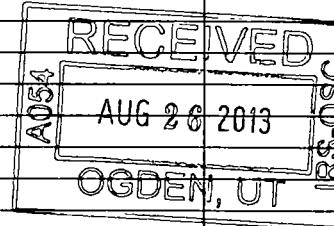
Open to Public Inspection

For calendar year 2012 or tax year beginning

04/01, 2012, and ending

03/31, 2013

Name of foundation SCHOTT FOUNDATION		A Employer identification number 41-1392014				
Number and street (or P O box number if mail is not delivered to street address) 9350 FOXFORD RD		Room/suite	B Telephone number (see instructions) (952) 475-1173			
City or town, state, and ZIP code CHANHASSEN, MN 55317		C If exemption application is pending, check here ► <input type="checkbox"/>				
G Check all that apply: <table border="1" style="display: inline-table; vertical-align: middle;"> <tr><td>Initial return</td></tr> <tr><td>Final return</td></tr> <tr><td>Address change</td></tr> </table> Initial return of a former public charity Amended return Name change		Initial return	Final return	Address change	D 1. Foreign organizations, check here ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>	
Initial return						
Final return						
Address change						
H Check type of organization. <table border="1" style="display: inline-table; vertical-align: middle;"> <tr><td><input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation</td></tr> <tr><td><input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust</td></tr> <tr><td><input type="checkbox"/> Other taxable private foundation</td></tr> </table>		<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation	<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust	<input type="checkbox"/> Other taxable private foundation	E If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>	
<input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation						
<input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust						
<input type="checkbox"/> Other taxable private foundation						
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 4,276,001.		J Accounting method <table border="1" style="display: inline-table; vertical-align: middle;"> <tr><td><input checked="" type="checkbox"/> Cash</td></tr> <tr><td><input type="checkbox"/> Accrual</td></tr> <tr><td><input type="checkbox"/> Other (specify) _____</td></tr> </table> (Part I, column (d) must be on cash basis)		<input checked="" type="checkbox"/> Cash	<input type="checkbox"/> Accrual	<input type="checkbox"/> Other (specify) _____
<input checked="" type="checkbox"/> Cash						
<input type="checkbox"/> Accrual						
<input type="checkbox"/> Other (specify) _____						
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)	
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)					
	2 Check ► <input type="checkbox"/> if the foundation is not required to attach Sch. B					
	3 Interest on savings and temporary cash investments					
	4 Dividends and interest from securities					
	5 a Gross rents					
	b Net rental income or (loss)					
	6 a Net gain or (loss) from sale of assets not on line 10					
	b Gross sales price for all assets on line 6a	721,489.				
	7 Capital gain net income (from Part IV, line 2)					
	8 Net short-term capital gain					
	9 Income modifications					
	10 a 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	448,473.	448,473.				
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc					
	14 Other employee salaries and wages					
	15 Pension plans, employee benefits					
	16 a Legal fees (attach schedule)					
	b Accounting fees (attach schedule) ATCH 1	1,500.	150.			
	c Other professional fees (attach schedule) *	20,147.	20,147.		1,350.	
	17 Interest					
	18 Taxes (attach schedule) (see instructions)					
	19 Depreciation (attach schedule) and depletion					
	20 Occupancy					
	21 Travel, conferences, and meetings					
	22 Printing and publications					
	23 Other expenses (attach schedule) ATCH 3	252.			252.	
	24 Total operating and administrative expenses.					
Add lines 13 through 23	28,886.	20,297.		8,589.		
25 Contributions, gifts, grants paid	198,500.			198,500.		
26 Total expenses and disbursements. Add lines 24 and 25	227,386.	20,297.	0	207,089.		
27 Subtract line 26 from line 12						
a Excess of revenue over expenses and disbursements	221,087.					
b Net investment income (if negative, enter -0-)		428,176.				
c Adjusted net income (if negative, enter -0-)						



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
	1	Cash - non-interest-bearing	24,632.	3,765.	3,765.
	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 ►			
Assets	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10	a Investments - U S and state government obligations (attach schedule)			
		b Investments - corporate stock (attach schedule) ATCH 4	1,761,245.	2,044,456.	3,115,520.
		c Investments - corporate bonds (attach schedule) ATCH 5	1,064,972.	1,023,715.	1,156,716.
	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 ►)			
	16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	2,850,849.	3,071,936.	4,276,001.
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ►)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	2,850,849.	3,071,936.	
	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, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	2,850,849.	3,071,936.	
	31	Total liabilities and net assets/fund balances (see instructions)	2,850,849.	3,071,936.	

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	2,850,849.
2	Enter amount from Part I, line 27a	2	221,087.
3	Other increases not included in line 2 (itemize) ►	3	
4	Add lines 1, 2, and 3	4	3,071,936.
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,071,936.

Form 990-PF (2012)

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M V. as of 12/31/69		(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a					
b					
c					
d					
e					
2 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	294,150.
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 (col. (b) divided by col. (c))
2011	240,746.	3,927,607.	0.061296
2010	189,315.	3,814,197.	0.049634
2009	202,048.	3,562,428.	0.056716
2008	213,345.	3,850,892.	0.055401
2007	232,983.	4,499,033.	0.051785
2 Total of line 1, column (d)			2 0.274832
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 0.054966
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 3,998,596.
5 Multiply line 4 by line 3			5 219,787.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 4,282.
7 Add lines 5 and 6			7 224,069.
8 Enter qualifying distributions from Part XII, line 4			8 207,089.
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 ► <input type="checkbox"/> and enter "N/A" on line 1. . . .	1	8,564.
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b		
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	8,564.
3	Add lines 1 and 2	3	8,564.
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	8,564.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012.	6a	2,104.
b	Exempt foreign organizations - tax withheld at source	6b	0
c	Tax paid with application for extension of time to file (Form 8868)	6c	0
d	Backup withholding erroneously withheld	6d	0
7	Total credits and payments. Add lines 6a through 6d	7	2,104.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	6,460.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0
11	Enter the amount of line 10 to be Credited to 2013 estimated tax ► Refunded ►	11	0

Part VII-A Statements Regarding Activities

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?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	X	
1c	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	X	
2	Did the foundation file Form 1120-POL for this year?	X	
3	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year.		
4a	(1) On the foundation ► \$ _____ (2) On foundation managers ► \$ _____		
4b	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► \$ _____	X	
5	Has the foundation engaged in any activities that have not previously been reported to the IRS?	X	
6	If "Yes," attach a detailed description of the activities		
7	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	X	
8a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
8b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
9	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	X	
10	If "Yes," attach the statement required by General Instruction T		
11	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	
12	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	X	
13a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
13b	MN,		
14	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	X	
15	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	X	
16	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

Form 990-PF (2012)

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13	X	
Website address ► N/A		
14	Telephone no ► 952-496-2213	Located at ► 9350 FOXFORD ROAD CHANHASSEN, MN ZIP+4 ► 55317
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ► <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ► 15	
16	Yes	No
See the instructions for exceptions and filing requirements for Form TD F 90-221. If "Yes," enter the name of the foreign country ►		

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes	X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input 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	X 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	X 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	X
Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
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?	<input type="checkbox"/> Yes	X No
If "Yes," list the years ►		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	2b	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	X 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)?

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 Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

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 Nob If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

5b

6b

X

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
ATCH 6		6,987.	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 ►

Form 990-PF (2012)

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		0

Part IX-A-6 of the City of Atlanta Code

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

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

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

Form 990-PF (2012)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes	
a	Average monthly fair market value of securities	1a 4,005,409.
b	Average of monthly cash balances	1b 54,079.
c	Fair market value of all other assets (see instructions)	1c
d	Total (add lines 1a, b, and c)	1d 4,059,488.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e
2	Acquisition indebtedness applicable to line 1 assets	2
3	Subtract line 2 from line 1d	3 4,059,488.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4 60,892.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5 3,998,596.
6	Minimum investment return. Enter 5% of line 5	6 199,930.

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	1 199,930.
2a	Tax on investment income for 2012 from Part VI, line 5	2a 8,564.
b	Income tax for 2012 (This does not include the tax from Part VI.)	2b
c	Add lines 2a and 2b	2c 8,564.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3 191,366.
4	Recoveries of amounts treated as qualifying distributions	4
5	Add lines 3 and 4	5 191,366.
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	7 191,366.

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 207,089.
b	Program-related investments - total from Part IX-B	1b
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes	2
3	Amounts set aside for specific charitable projects that satisfy the:	
a	Suitability test (prior IRS approval required)	3a
b	Cash distribution test (attach the required schedule)	3b
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4 207,089.
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	6 207,089.

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				191,366.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only				
b Total for prior years 20 10 20 09 20 08				
3 Excess distributions carryover, if any, to 2012:				
a From 2007	15,719.			
b From 2008	23,365.			
c From 2009	27,801.			
d From 2010	1,810.			
e From 2011	47,358.			
f Total of lines 3a through e	116,053.			
4 Qualifying distributions for 2012 from Part XII, line 4. ► \$ 207,089.				
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2012 distributable amount				191,366.
e Remaining amount distributed out of corpus	15,723.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	131,776.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a. Taxable amount - see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	15,719.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	116,057.			
10 Analysis of line 9				
a Excess from 2008	23,365.			
b Excess from 2009	27,801.			
c Excess from 2010	1,810.			
d Excess from 2011	47,358.			
e Excess from 2012	15,723.			

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

NOT APPLICABLE

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

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)**1 Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

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

N/A

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

ATCH 7

c Any submission deadlines

NONE

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

AWARDS WILL BE BASED ON THE MERIT OF THE PROPOSAL.

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
ATCH 8				
Total			► 3a	198,500.
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) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	154,323.	
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			18	294,150.	
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)				448,473.	
13 Total. Add line 12, columns (b), (d), and (e)				13	448,473.

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

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

1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?	Yes	No
		1a(1)	X
a	Transfers from the reporting foundation to a noncharitable exempt organization of	1a(2)	X
	(1) Cash		
	(2) Other assets		
b	Other transactions:	1b(1)	X
	(1) Sales of assets to a noncharitable exempt organization	1b(2)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(3)	X
	(3) Rental of facilities, equipment, or other assets	1b(4)	X
	(4) Reimbursement arrangements	1b(5)	X
	(5) Loans or loan guarantees	1b(6)	X
	(6) Performance of services or membership or fundraising solicitations	1c	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		

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 _____
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

Sign Here correct, and complete Declaration of preparer (other than taxpayer)
► Wendell O. Schott

er) is based

▶

May the IRS discuss this return with the preparer shown below

Paid Preparer Use Only	Print/Type preparer's name MICHAEL J. SHIDELL	Preparer's signature <i>Michael J. Shidell</i>	Date 7/30/13	Check <input type="checkbox"/> if self-employed	PTIN P00162484
	Firm's name ► SHIDELL & MAIR PLLP		Firm's EIN ► 41-0941592		
	Firm's address ► 3570 LEXINGTON AVENUE N. #300 ST PAUL, MN	55126	Phone no 651-482-1698		

Form 990-PF (2012)

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
721,489.		FIDELITY INVESTMENTS 427,339.				VARIOUS	294,150.	VARIOUS
TOTAL GAIN(LOSS)							<u>294,150.</u>	

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
TAX RETURN - SHIDELL & MAIR	1,500.	150.		1,350.
TOTALS	<u><u>1,500.</u></u>	<u><u>150.</u></u>		<u><u>1,350.</u></u>

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
MANAGEMENT FEES - FMG	20,147.	20,147.
TOTALS	<u>20,147.</u>	<u>20,147.</u>

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
BANQUET FEE	30.	30.
AG FILING FEE	25.	25.
OFFICE EXPENSES	197.	197.
TOTALS	<u>252.</u>	<u>252.</u>

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION

FMG - SEE ATTACHMENT 9

TOTALS

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>ENDING FMV</u>
	2,044,456.	3,115,520.
	<u>2,044,456.</u>	<u>3,115,520.</u>

ATTACHMENT 4

FORM 990PF, PART II - CORPORATE BONDSDESCRIPTION

FMG - SEE ATTACHMENT 9

TOTALS

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>ENDING FMV</u>
	1,023,715.	1,156,716.
	<u>1,023,715.</u>	<u>1,156,716.</u>

ATTACHMENT 5

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
OWEN SCHOTT 4920 CHIMO ST EAST DEEPHAVEN, MN 55391	CEO & DIRECTOR .50	0	0	0
WENDELL SCHOTT 9350 FOXFORD RD CHANHASSEN, MN 55317	VP & DIRECTOR 2.00	6,987.	0	0
	GRAND TOTALS	<u><u>6,987.</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

ATTACHMENT 6

ATTACHMENT 7

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS

APPLICATIONS ARE ACCEPTED IN THE FORM OF A LETTER REQUESTING A SPECIFIED CONTRIBUTION.

THE SCHOTT FOUNDATION GIVES PREFERENCE TO INSTITUTIONS AND OTHER CHARITABLE ORGANIZATIONS DEDICATED TO OBTAINING AND/OR DISSEMINATING EDUCATION, KNOWLEDGE AND LEARNING FOR THE PRESERVATION OF NATURAL HERITAGE.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

RECIPIENT NAME AND ADDRESS

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

ATTACHMENT 8

20,000.

CONTRIBUTION

NONE

PUBLIC

AMOUNT

10,000.

CONTRIBUTION

NONE

PUBLIC

AMOUNT

60,000.

CONTRIBUTION

NONE

PUBLIC

AMOUNT

33,000.

CONTRIBUTION

NONE

PUBLIC

AMOUNT

4,500.

CONTRIBUTION

NONE

PUBLIC

AMOUNT

14,000.

CONTRIBUTION

NONE

PUBLIC

AMOUNT

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	None	Public		
DIABETES INSTITUTE 420 DELAWARE STREET SE SUITE 195 MINNEAPOLIS, MN 55455	None	Public	CONTRIBUTION	25,000.
MINNESOTA PROFESSIONAL ENGINEERS - MATHCOUNTS 20 EAST THOMPSON AVENUE SUITE 206 SAINT PAUL, MN 55118	None	Public	CONTRIBUTION	2,000.
THE WORKS 5701 NORMANDALE RD, SUITE 303 EDINA, MN 55424	None	Public	CONTRIBUTION	30,000.
			TOTAL CONTRIBUTIONS PAID	<u>198.500.</u>

ATTACHMENT 8 (CONT'D)

**SCHEDULE D
(Form 1041)**Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**

OMB No 1545-0092

► Attach to Form 1041, Form 5227, or Form 990-T.
 ► Information about Schedule D (Form 1041) and its separate instructions is at
www.irs.gov/form1041.

2012

Name of estate or trust

SCHOTT FOUNDATION

Employer identification number

41-1392014

Note: Form 5227 filers need to complete **only** Parts I and II.**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b					1b
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet					4 ()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ► 5					

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b					6b 294,150.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9 Capital gain distributions					9
10 Gain from Form 4797, Part I					10
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet					11 ()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ► 12 294,150.					

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2012

Part III Summary of Parts I and II		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13 Net short-term gain or (loss)	13			
14 Net long-term gain or (loss):				
a Total for year	14a			294,150.
b Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b			
c 28% rate gain	14c			
15 Total net gain or (loss). Combine lines 13 and 14a ►	15			294,150.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of	16	()
a The loss on line 15, column (3) or b \$3,000		

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 14b, col (2) or line 14c, col (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17			
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero	18			
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19			
20 Add lines 18 and 19	20			
21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ►	21			
22 Subtract line 21 from line 20. If zero or less, enter -0-	22			
23 Subtract line 22 from line 17. If zero or less, enter -0-	23			
24 Enter the smaller of the amount on line 17 or \$2,400	24			
25 Is the amount on line 23 equal to or more than the amount on line 24?				
<input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box	25			
<input type="checkbox"/> No. Enter the amount from line 23	26			
26 Subtract line 25 from line 24	26			
27 Are the amounts on lines 22 and 26 the same?				
<input type="checkbox"/> Yes. Skip lines 27 thru 30; go to line 31	27			
<input type="checkbox"/> No. Enter the smaller of line 17 or line 22	28			
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28			
29 Subtract line 28 from line 27	29			
30 Multiply line 29 by 15% (.15)	30			
31 Figure the tax on the amount on line 23. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31			
32 Add lines 30 and 31	32			
33 Figure the tax on the amount on line 17. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33			
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34			

Schedule D (Form 1041) 2012

Name of estate or trust as shown on Form 1041. Do not enter name and employer identification number if shown on the other side

Employer identification number

SCHOTT FOUNDATION

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b 294,150.

Schedule D-1 (Form 1041) 2012

Schott Foundation
3/31/13 4/1-1392014

FIDUCIARY MANAGEMENT GROUP, LTD.

PORTFOLIO APPRAISAL

SCHOTT FOUNDATION

ATTN OWEN SCHOTT Account Number 633-296350

March 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Cur. Yield
COMMON STOCK							
3,000	ABBOTT LABS COM	28.02	84,073.57	35.32	105,960.00	2.5	1.6
2,850	ABBVIE INC	30.10	85,778.89	40.78	116,223.00	2.7	3.9
75	AMERICAN INTL GROUP INC COM	1,158.48	86,886.10	38.82	2,911.50	0.1	0.0
1,700	BAXTER INTERNATIONAL INC CM	58.08	98,743.78	72.64	123,488.00	2.9	2.7
1,200	CLOROX CO	76.22	91,468.23	88.53	106,236.00	2.5	3.2
1,500	COLGATE PALMOLIVE CO COM	53.88	80,823.95	118.03	177,045.00	4.1	2.3
2,000	DOVER CORP COM	53.75	107,499.00	72.88	145,760.00	3.4	1.9
3,000	DU PONT E I DE NEMOURS & CO COM	43.09	129,259.00	49.16	147,480.00	3.4	3.7
1,800	EMERSON ELEC CO COM	58.00	104,402.01	55.87	100,566.00	2.3	2.9
1,000	EXXON MOBIL CORPORATION COM	11.62	11,620.00	90.11	90,110.00	2.1	2.8
4,700	GENERAL ELECTRIC CO COM	26.51	124,614.85	23.12	108,664.00	2.5	4.3
3,700	INTEL CORP COM	26.70	98,772.90	21.83	80,789.50	1.9	4.1
500	INTL BUSINESS MACHINES COM	169.97	84,982.95	213.30	106,650.00	2.5	1.8
3,000	JOHNSON + JOHNSON COM	11.09	33,258.75	81.53	244,590.00	5.7	3.2
2,500	JP MORGAN CHASE & CO COM	40.23	100,584.95	47.46	118,650.00	2.7	2.5
2,400	MERCK & CO INC COM	9.11	21,872.26	44.20	106,080.00	2.5	3.9
5,000	MURPHY OIL CORP COM	10.16	50,777.56	63.73	318,650.00	7.4	2.0
6,962	PFIZER INC COM	17.96	125,022.72	28.86	200,923.32	4.7	3.3
2,100	SANOFI SA ADR	49.41	103,765.84	51.08	107,268.00	2.5	3.6
6,000	TECO ENERGY INC COM	15.85	95,096.95	17.82	106,920.00	2.5	4.9
5,000	VERIZON COMMUNICATIONS COM	21.46	107,317.34	49.15	245,750.00	5.7	4.2
1,600	WAL-MART STORES COM	61.91	99,063.95	74.83	119,728.00	2.8	2.5
1,500	WEST PHARMACEUTICALS SERVICES COM	46.77	70,155.00	64.94	97,410.00	2.3	1.1
			1,995,840.55	(1)	3,077,852.32	71.3	3.0
EXCHANGE TRADED BONDS							
700.00	IBOXX INVESTMENT GRADE BOND FUND	103.08	72,156.00	119.90	83,930.00	1.9	4.0
4,000.00	ISHARES INT CREDIT BOND FUND	98.30	393,203.43	111.14	444,560.00	10.3	3.3
4,800.00	PIMCO CORPORATE OPPORTUNITY FUND	20.70	99,368.94	21.52	103,296.00	2.4	7.2

Schott Foundation
3/31/13 41-1392014

FIDUCIARY MANAGEMENT GROUP, LTD.

PORTFOLIO APPRAISAL

SCHOTT FOUNDATION

ATTN OWEN SCHOTT Account Number 633-296350

March 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Cur. Yield
2,000.00	SPDR BARCLAYS CONVERTIBLE BOND ETF	38.28	76,561.15	42.39	84,780.00	2.0	3.5
5,000.00	VANGUARD INT TERM BOND ETF	76.49	382,425.80	88.03	440,150.00	10.2	3.0
	Corporate Bonds		1,023,715.32		1,156,716.00	26.8	3.6
	CASH AND EQUIVALENTS						
	CASH & EQUIVALENTS		43,764.45		43,764.45	1.0	0.2
			43,764.45		43,764.45	1.0	0.2
	WARRANT						
40	AMERICAN INTERNATIONAL GROUP WARRANTS	396.19	15,847.63	15.20	608.00	0.0	1.6
			15,847.63	①	608.00	0.0	1.6
	PREFERRED STOCK						
2,000	POWERSHARES EXCHANGE	16.38	32,768.00	18.53	37,060.00	0.9	6.7
			32,768.00	①	37,060.00	0.9	6.7
	TOTAL PORTFOLIO		3,111,935.94		4,316,000.77	100.0	3.2

Shares 20 2,044,456.

2(2) 3,115,520