

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

**2009**

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

For calendar year 2009, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

G Check all that apply:  Initial return  Initial return of a former public charity  Final return  
 Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific instructions.	Name of foundation <b>THE KOVNER FOUNDATION</b>	A Employer identification number <b>22-3468030</b>
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite <b>731 ALEXANDER ROAD, BUILDING 2</b>	B Telephone number <b>(609)919-7600</b>
	City or town, state, and ZIP code <b>PRINCETON, NJ 08540</b>	C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization:	<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) ▶ \$ <b>5,290,313.</b> (Part I, column (d) must be on cash basis.)	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" 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	1,156,720.	1,156,720.		STATEMENT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	973,732.			
b Gross sales price for all assets on line 6a	2,188,395.			
7 Capital gain net income (from Part IV, line 2)		973,732.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold				
c Gross profit or (loss)				
11 Other income	90,880.	0.		STATEMENT 2
12 Total. Add lines 1 through 11	2,221,332.	2,130,452.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees	3,653.	0.		0.
b Accounting fees				
c Other professional fees	14,574.	147.		0.
17 Interest				
18 Taxes	61,652.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses	4,058.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	83,937.	147.		0.
25 Contributions, gifts, grants paid	15,997,985.			15,997,985.
26 Total expenses and disbursements. Add lines 24 and 25	16,081,922.	147.		15,997,985.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	<13,860,590.>			
b Net investment income (if negative, enter -0-)		2,130,305.		
c Adjusted net income (if negative, enter -0-)			N/A	

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Part I Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	2,524,278.	53,708.	53,708.
	2 Savings and temporary cash investments	2,001,147.	520,390.	520,390.
	3 Accounts receivable	89,334.		
	Less: allowance for doubtful accounts	59,153.	89,334.	89,334.
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock	STMT 9 12,551,761.	4,621,507.	4,621,507.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis			
	Less: accumulated depreciation			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis			
	Less: accumulated depreciation			
	15 Other assets (describe)	STATEMENT 10 3,000,000.	5,374.	5,374.
	16 Total assets (to be completed by all filers)	20,136,339.	5,290,313.	5,290,313.
	17 Accounts payable and accrued expenses	7,367.	1,976.	
	18 Grants payable			
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe)				
23 Total liabilities (add lines 17 through 22)	7,367.	1,976.		
Net Assets or Fund Balances	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	20,128,972.	5,288,337.	
	30 Total net assets or fund balances	20,128,972.	5,288,337.	
31 Total liabilities and net assets/fund balances	20,136,339.	5,290,313.		

Part II 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	20,128,972.
2 Enter amount from Part I, line 27a	2	<13,860,590.>
3 Other increases not included in line 2 (itemize)	3	SEE STATEMENT 7 1,121,084.
4 Add lines 1, 2, and 3	4	7,389,466.
5 Decreases not included in line 2 (itemize)	5	SEE STATEMENT 8 2,101,129.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,288,337.

**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 CAXTON EQUITY GROWTH BVI REDEMPTION		P	VARIOUS	03/31/09
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 2,188,395.		1,214,663.	973,732.	
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))	
(l) 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			973,732.	
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		2 973,732.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		}		3 N/A

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see 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))
2008	12,023,064.	25,760,364.	.466727
2007	22,150,695.	47,639,921.	.464961
2006	10,640,000.	51,630,805.	.206079
2005	9,058,758.	39,137,882.	.231458
2004	5,843,662.	21,746,063.	.268723

  

2 Total of line 1, column (d)	2 1.637948
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 .327590
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4 9,665,223.
5 Multiply line 4 by line 3	5 3,166,230.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6 21,303.
7 Add lines 5 and 6	7 3,187,533.
8 Enter qualifying distributions from Part XII, line 4 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	8 15,997,985.

**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 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 <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b. _____	1	21,303.
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	21,303.
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	21,303.
6	Credits/Payments:		
a	2009 estimated tax payments and 2008 overpayment credited to 2009	6a	8,000.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	8,000.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	425.
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed <b>SEE STATEMENT 11</b>	9	13,728.
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 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		N/A
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

**Part VII-A Statements Regarding Activities (continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see Instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ N/A	13	X	
14	The books are in care of ▶ ACCOUNTANT Telephone no. ▶ 609-919-7600 Located at ▶ 731 ALEXANDER RD, BLDG 2, PRINCETON, NJ ZIP+4 ▶ 08540			
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 N/A			

**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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/> N/A	1b	
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 2009?	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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 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 2009.)	3b	X
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 2009?	4b	X

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No
- (3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  Yes  No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

5b		X
6a		
6b		X
7a		
7b		

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fall to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  Yes  No  
 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?  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  No  
 b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 14		0.	0.	0.

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

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

Total number of other employees paid over \$50,000  Yes  No 0

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

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

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

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

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

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

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3 ... 0.

**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	6,166,895.
b Average of monthly cash balances	1b	3,463,375.
c Fair market value of all other assets	1c	182,139.
d Total (add lines 1a, b, and c)	1d	9,812,409.
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	9,812,409.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	147,186.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	9,665,223.
6 Minimum investment return. Enter 5% of line 5	6	483,261.

**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	483,261.
2a Tax on investment income for 2009 from Part VI, line 5	2a	21,303.
b Income tax for 2009. (This does not include the tax from Part VI)	2b	
c Add lines 2a and 2b	2c	21,303.
3 Distributable amount before adjustments Subtract line 2c from line 1	3	461,958.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	461,958.
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	461,958.

**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	15,997,985.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	15,997,985.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	21,303.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	15,976,682.

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 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				461,958.
2 Undistributed Income, if any, as of the end of 2009:				
a Enter amount for 2008 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004	4,797,637.			
b From 2005	7,294,348.			
c From 2006	8,398,931.			
d From 2007	19,991,071.			
e From 2008	10,838,414.			
f Total of lines 3a through e	51,320,401.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 15,997,985.				
a Applied to 2008, 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 2009 distributable amount				461,958.
e Remaining amount distributed out of corpus	15,536,027.			
5 Excess distributions carryover applied to 2009 (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	66,856,428.			
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 2008. Subtract line 4a from line 2a. Taxable amount - see instr...			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	4,797,637.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	62,058,791.			
10 Analysis of line 9				
a Excess from 2005	7,294,348.			
b Excess from 2006	8,398,931.			
c Excess from 2007	19,991,071.			
d Excess from 2008	10,838,414.			
e Excess from 2009	15,536,027.			

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶  
 b Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

**BRUCE S. KOVNER**  
 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 of the person to whom applications should be addressed:

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

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- c Any submission deadlines:

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

**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
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT 15</p>				
<b>Total</b>				▶ 3a 15997985.
<p>b <i>Approved for future payment</i></p> <p>NONE</p>				
<b>Total</b>				▶ 3b 0.

Part XVI-A Analysis of Income-Producing Activities

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, membership dues, interest on savings, dividends, rental income, investment income, and expense reimbursement.

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

Table with 2 columns: Line No. and 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 1 Did the organization directly or indirectly engage in any of the following... a Transfers from the reporting foundation... b Other transactions... c Sharing of facilities... d If the answer to any of the above is 'Yes,' complete the following schedule.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code... [ ] Yes [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

Signature section containing: Signature of officer or trustee, Date, Title (CONTROLLER), Preparer's signature, Firm's name (WTAS LLC), address (452 FIFTH AVE, 23RD FLOOR, NEW YORK, NY 10018).

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FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAXTON SELECT (BVI) LTD.	4,621,507.	4,621,507.
CAXTON EQUITY GROWTH (BVI) LTD. CLASS A SERIES 3	0.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,621,507.	4,621,507.

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FORM 990-PF	OTHER ASSETS	STATEMENT	10
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
REDEMPTION RECEIVABLE	3,000,000.	5,374.	5,374.
TO FORM 990-PF, PART II, LINE 15	3,000,000.	5,374.	5,374.

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FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BROWN BROTHERS HARRIMAN	18,703.	0.	18,703.
CAXTON SELECT (BVI) LTD	1,138,017.	0.	1,138,017.
TOTAL TO FM 990-PF, PART I, LN 4	1,156,720.	0.	1,156,720.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
EXPENSE REIMBURSEMENT	90,880.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	90,880.	0.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	3,653.	0.		0.
TO FM 990-PF, PG 1, LN 16A	3,653.	0.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	14,427.	0.		0.
BANK FEES	147.	147.		0.
TO FORM 990-PF, PG 1, LN 16C	14,574.	147.		0.

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FORM 990-PF	TAXES	STATEMENT	5
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NEW YORK FILING FEE	750.	0.		0.
FEDERAL TAX EXPENSE	60,902.	0.		0.
TO FORM 990-PF, PG 1, LN 18	61,652.	0.		0.

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FORM 990-PF	OTHER EXPENSES	STATEMENT	6
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INSURANCE EXPENSE	3,734.	0.		0.
MISCELLANEOUS EXPENSE	324.	0.		0.
TO FORM 990-PF, PG 1, LN 23	4,058.	0.		0.

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FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	7
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DESCRIPTION	AMOUNT
CHANGE IN UNREALIZED GAIN ON INVESTMENTS	1,121,084.
TOTAL TO FORM 990-PF, PART III, LINE 3	1,121,084.

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FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	8
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DESCRIPTION	AMOUNT
TAX GAIN ON REDEMPTIONS NOT RECORDED ON BOOKS	958,952.
BOOK TO TAX DIFFERENCE ON CONTRIBUTION PAID	4,160.
TAXABLE DIVIDEND IN EXCESS OF BOOK	1,138,017.
TOTAL TO FORM 990-PF, PART III, LINE 5	2,101,129.



FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 14

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN CONTRIBUT	PLAN EXPENSE ACCOUNT
BRUCE S. KOVNER 1130 FIFTH AVENUE NEW YORK, NY 10128	DIRECTOR & PRESIDENT Time Devoted As Needed	0.	0.	0.
PETER P. D'ANGELO 90 THIRD STREET GARDEN CITY, NY 11530	DIRECTOR & TREASURER Time Devoted As Needed	0.	0.	0.
SCOTT B. BERNSTEIN 465 WEST END AVENUE NEW YORK, NY 10021	SECRETARY Time Devoted As Needed	0.	0.	0.
FRANK WOHL C/O LANKLER SIFFERT & WOHL 500 FIFTH AVENUE, 33RD FLOOR NEW YORK, NY 10110	DIRECTOR Time Devoted As Needed	0.	0.	0.
KAREN CROSS 1085 CREAMERY ROAD NEWTON, PA 18940	CONTROLLER Time Devoted As Needed	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 15

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
AMERICAN ENTERPRISE INSTITUTE 1150 SEVENTEENTH STREET NW WASHINGTON, DC 20036	PUBLIC POLICY RESEARCH	509(A)	3300000.
BROWN UNIVERSITY ONE PROSPECT STREET PROVIDENCE, RI 02912	EDUCATION	509(A)	475,000.
CARNEGIE HALL CORPORATION 881 SEVENTH AVENUE NEW YORK, NY 10019-3210	PERFORMING ARTS	509(A)	166,666.
CENTURION MINISTRIES 221 WITHERSPOON STREET PRINCETON, NJ 08542	FREE WRONGFULLY IMPRISONED INMATES	509(A)	75,000.
CHILDREN'S PROGRESS UNLIMITED, INC. ONE BETHANY ROAD, SUITE 72 HAZLET, NJ 07730	HELPING DISADVANTAGED PRESCHOOLERS	509(A)	100,000.
FOUNDATION FOR EDUCATION REFORM AND ACCOUNTABILITY 4 CHELSEA PARK, 2ND FLOOR CLIFTON PARK, NY 12065	EDUCATION REFORM	509(A)	200,000.
INSTITUTE FOR JUSTICE 1717 PENNSYLVANIA AVENUE, NW, SUITE 200 WASHINGTON, DC 20006	SOCIAL REFORM	509(A)	150,000.
LINCOLN CENTER FOR THE PERFORMING ARTS 70 LINCOLN CENTER PLAZA NEW YORK, NY 10023-6583	PERFORMING ARTS	509(A)	2666667.

THE KOVNER FOUNDATION

22-3468030

NEW WORLD SYMPHONY, INC. 541 LINCOLN ROAD MIAMI BEACH, FL 33139	PERFORMING ARTS	509 (A)	500,000.
ROYAL SHAKESPEARE COMPANY - THE COURTYARD THEATER, SOUTHERN LANE STAFFORDUPONAVON, WASHINGTON, UNITED KINGDOM WICKSHIRE	PERFORMING ARTS	FOREIGN	409,650.
STUDENT SPONSOR PARTNERSHIP, INC. 21 EAST 40TH STREET, SUITE 1601 NEW YORK, NY 10016	EDUCATION	509 (A)	200,000.
THE JUILLIARD SCHOOL 60 LINCOLN CENTER PLAZA NEW YORK, NY 10023-6588	EDUCATION - FINE ARTS	509 (A)	6100000.
THE METROPOLITAN OPERA LINCOLN CENTER NEW YORK, NY 10023	PERFORMING ARTS	509 (A)	1495840.
THE MORGAN LIBRARY AND MUSEUM 225 MADISON AVENUE NEW YORK, NY 10016-3405	MUSEUM ACQUISITIONS	509 (A)	59,162.
THOMAS B. FORDHAM INSTITUTE 1016 16TH STREET NW, 8TH FLOOR WASHINGTON, DC 20036	EDUCATION	509 (A)	50,000.
HARVARD UNIVERSITY MASSACHUSETTS HALL CAMBRIDGE, MA 02138	EDUCATION	509 (A)	50,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

15,997,985.

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FORM 8688

EXPLANATION FOR EXTENSION

STATEMENT 12

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EXPLANATION

ADDITIONAL TIME IS REQUIRED TO COMPILE THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE FORM 990-PF. APPLICATION IS THEREFORE RESPECTFULLY MADE FOR AN EXTENSION OF TIME TO NOVEMBER 15, 2010 TO ENSURE PROPER PREPARATION OF THE FOUNDATION'S TAX RETURN.

FORM 990-PF

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PAGE 6, PART VII-B, LINE 5c

The Kovner Foundation maintained expenditure responsibility for the following grant. The following information is required by Regulations Section 53.4945-5(d):

- [1] (i) The name and address of the grantee:  
Grantee: Royal Shakespeare Company  
Address: Southern Lane, Stratford-upon-Avon, Warwickshire CV37 6BB
- (ii) The date and amount of the grant:  
Date: June 9, 2009.  
Amount: 250,000 British Pounds
- (iii) The purpose of the grant:  
Purpose: To support the Ensemble and Artists' Development Programme
- (iv) Amounts expended by the grantee:  
Amount: 250,000 British Pounds
- (v) Whether the grantee has diverted any portion of the funds from the purpose of the grant:  
The Kovner Foundation is not aware of Royal Shakespeare Company diverting any portion of the funds from the purpose of the grant.
- (vi) The dates of any reports received from the grantee:  
An annual report was received in May, 2010.
- (vii) The date and results of any verification of the grantee's reports:  
The Kovner Foundation verified that the Royal Shakespeare Company has complied with the grant agreement dated May 10, 2007 on June 22, 2009.

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

OMB No. 1545-1709

▶ File a separate application for each return.

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

Do not complete Part II unless you have already been granted an automatic 3 month extension on a previously filed Form 8868.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

Type or print	Name of Exempt Organization <b>THE KOVNER FOUNDATION</b>	Employer identification number <b>22-3468030</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>731 ALEXANDER ROAD, BUILDING 2</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>PRINCETON, NJ 08540</b>	

Check type of return to be filed (file a separate application for each return):

- |   |   |                                    |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990               | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ            | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

**ACCOUNTANT**

- The books are in the care of ▶ **731 ALEXANDER RD, BLDG 2 - PRINCETON, NJ 08540**  
Telephone No. ▶ **609-919-7600** FAX No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box ▶ . If it is for part of the group, check this box ▶  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2010**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year **2009** or  
▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ <b>333.</b>
3b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$ <b>8,000.</b>
3c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ <b>0.</b>

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

- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box  **X**
- Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

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

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization <b>THE KOVNER FOUNDATION</b>	Employer identification number <b>22-3468030</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>731 ALEXANDER ROAD, BUILDING 2</b>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>PRINCETON, NJ 08540</b>	

Check type of return to be filed (File a separate application for each return):

<input type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-BL	<input checked="" type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 6069	

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

**ACCOUNTANT**

- The books are in the care of **731 ALEXANDER RD, BLDG 2 - PRINCETON, NJ 08540**  
Telephone No. **609-919-7600** FAX No. \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.
- 4 I request an additional 3-month extension of time until **NOVEMBER 15, 2010.**
- 5 For calendar year **2009**, or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.
- 6 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period
- 7 State in detail why you need the extension  
**SEE STATEMENT 12**

<b>8a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	<b>333.</b>
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	<b>8,000.</b>
<b>c</b> Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	<b>0.</b>

**Signature and Verification**

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

Signature **Mary J. [Signature]** Title **CPA** Date **7/29/2010**