

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

**2011**

Department of the Treasury  
Internal Revenue Service

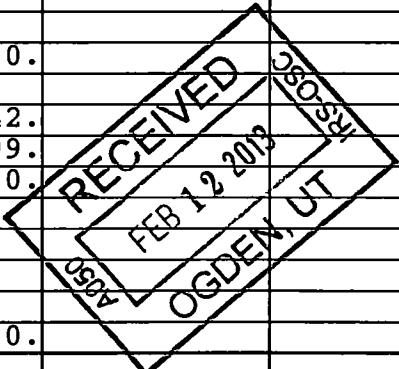
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2011 or tax year beginning

, and ending

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) <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"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ <b>77,464,855.</b>	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	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)
Revenue	1 Contributions, gifts, grants, etc., received	40,000,000.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	1,850,916.	1,540,167.		STATEMENT 2
	4 Dividends and interest from securities	416,143.	411,060.		STATEMENT 3
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	57,103.			STATEMENT 1
	b Gross sales price for all assets on line 6a	694,357.			
	7 Capital gain net income (from Part IV, line 2)		170,006.		
	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	<107,898.>	<107,898.>		STATEMENT 4	
12 Total. Add lines 1 through 11	42,216,264.	2,013,335.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 5	132,709.	0.		0.
	b Accounting fees				
	c Other professional fees STMT 6	171,111.	143,342.		0.
	17 Interest	131,850.	110,999.		0.
	18 Taxes STMT 7	229,775.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 8	3,734.	0.		0.	
24 Total operating and administrative expenses. Add lines 13 through 23	669,179.	254,341.		0.	
25 Contributions, gifts, grants paid	4,830,804.			4,830,804.	
26 Total expenses and disbursements. Add lines 24 and 25	5,499,983.	254,341.		4,830,804.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	36,716,281.				
b Net investment income (if negative, enter -0-)		1,758,994.			
c Adjusted net income (if negative, enter -0-)			N/A		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing		16,908.	21,536.	21,536.
	2	Savings and temporary cash investments		30,392,543.	52,688,226.	52,688,226.
	3	Accounts receivable ▶	3,268.			
		Less: allowance for doubtful accounts ▶		2,779,510.	3,268.	3,268.
	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 10	1,267,429.	8,709,088.	8,709,088.
	c	Investments - corporate bonds				
	11	Investments - land, buildings, and equipment basis ▶				
	Less accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other	STMT 11	7,483,623.	16,042,737.	16,042,737.	
14	Land, buildings, and equipment: basis ▶					
	Less accumulated depreciation ▶					
15	Other assets (describe ▶ STATEMENT 12)		20,682.	0.	0.	
16	<b>Total assets (to be completed by all filers)</b>		<b>41,960,695.</b>	<b>77,464,855.</b>	<b>77,464,855.</b>	
Liabilities	17	Accounts payable and accrued expenses		13,581.	34,666.	
	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	<b>Total liabilities (add lines 17 through 22)</b>		<b>13,581.</b>	<b>34,666.</b>		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.					
	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		41,947,114.	77,430,189.	
30	<b>Total net assets or fund balances</b>		<b>41,947,114.</b>	<b>77,430,189.</b>		
31	<b>Total liabilities and net assets/fund balances</b>		<b>41,960,695.</b>	<b>77,464,855.</b>		

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	41,947,114.
2	Enter amount from Part I, line 27a	2	36,716,281.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	78,663,395.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9	5	1,233,206.
6	<b>Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	6	<b>77,430,189.</b>

**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	SILVER SANDS FUND LLC	P	VARIOUS	VARIOUS
b	SILVER SANDS FUND LLC	P	VARIOUS	VARIOUS
c	ECKHARDT FUTURES LP	P	VARIOUS	VARIOUS
d	CXTACTICAL LLC	P	VARIOUS	VARIOUS
e	CXTACTICAL LLC	P	VARIOUS	VARIOUS

	(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	37,005.		7,468.	29,537.
b			476,070.	<476,070.>
c			40,813.	<40,813.>
d	641,994.			641,994.
e	15,358.			15,358.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			29,537.
b			<476,070.>
c			<40,813.>
d			641,994.
e			15,358.

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	170,006.
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))
2010	11,679,423.	18,719,439.	.623919
2009	15,976,682.	9,665,223.	1.653007
2008	12,023,064.	25,760,364.	.466727
2007	22,150,695.	47,639,921.	.464961
2006	10,640,000.	51,630,805.	.206079

2	Total of line 1, column (d)	2	3.414693
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	.682939
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	40,688,454.
5	Multiply line 4 by line 3	5	27,787,732.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	17,590.
7	Add lines 5 and 6	7	27,805,322.
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	4,830,804.

**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)		1	35,180.
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	0.
3 Add lines 1 and 2		3	35,180.
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	35,180.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	49,903.	
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	49,903.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	14,723.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input type="checkbox"/> 14,723.   Refunded <input type="checkbox"/> 0.	11		0.

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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
1c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> _____ NY, DE		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		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 make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 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 and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No X

**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 instructions)? Organizations relying on a current notice regarding disaster assistance check here 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 2011?	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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <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.) N/A	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 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 2011.)	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 2011?	4b	X

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

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

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

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  **5b**  X  
 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 **6b**  X

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 **7b**  N/A

**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 13		0.	0.	0.

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

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

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

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

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

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

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

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

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 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	
<b>Total.</b> Add lines 1 through 3 <span style="float: right;">▶</span>	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	118,944.
b	Average of monthly cash balances	1b	19,324,353.
c	Fair market value of all other assets	1c	21,864,778.
d	Total (add lines 1a, b, and c)	1d	41,308,075.
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	41,308,075.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	619,621.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	40,688,454.
6	Minimum investment return. Enter 5% of line 5	6	2,034,423.

**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	2,034,423.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	35,180.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	76,902.
c	Add lines 2a and 2b	2c	112,082.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,922,341.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,922,341.
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	1,922,341.

**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	4,830,804.
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	4,830,804.
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	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,830,804.

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				1,922,341.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	8,398,931.			
b From 2007	19,991,071.			
c From 2008	10,838,414.			
d From 2009	15,536,027.			
e From 2010	10,859,312.			
f Total of lines 3a through e	65,623,755.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$	4,830,804.			
a Applied to 2010, 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 2011 distributable amount				1,922,341.
e Remaining amount distributed out of corpus	2,908,463.			
5 Excess distributions carryover applied to 2011 (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:	68,532,218.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2010. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				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 2006 not applied on line 5 or line 7	8,398,931.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	60,133,287.			
10 Analysis of line 9:				
a Excess from 2007	19,991,071.			
b Excess from 2008	10,838,414.			
c Excess from 2009	15,536,027.			
d Excess from 2010	10,859,312.			
e Excess from 2011	2,908,463.			

**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 2011, 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) 2011	(b) 2010	Prior 3 years		
			(c) 2009	(d) 2008	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities					
Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> 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).)

**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:

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

**c** Any submission deadlines:

**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	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)				
<b>a Paid during the year</b>				
AMERICAN ENTERPRISE INSTITUTE 1150 SEVENTEENTH STREET NW WASHINGTON, DC 20036		PUBLIC CHARITY	PUBLIC POLICY RESEARCH	1,300,000.
CARNEGIE HALL CORPORATION 881 SEVENTH AVENUE NEW YORK, NY 10019-3210		PUBLIC CHARITY	PERFORMING ARTS	100,000.
CENTURION MINISTRIES 221 WITHERSPOON STREET PRINCETON, NJ 08542		PUBLIC CHARITY	FREE WRONGFULLY IMPRISONED INMATES	75,000.
FOUNDATION FOR EDUCATION REFORM AND ACCOUNTABILITY 4 CHELSEA PARK, 2ND FLOOR CLIFTON PARK, NY 12065		PRIVATE OPERATING FOUNDATION	EDUCATION REFORM	100,000.
HARVARD UNIVERSITY MASSACHUSETTS HALL CAMBRIDGE, MA 02138		PUBLIC CHARITY	EDUCATION	50,000.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			<b>4,830,804.</b>
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>				<b>0.</b>

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments	900000	310,749.	14	1,540,167.	
4 Dividends and interest from securities	900000	5,083.	14	411,060.	
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	900000		14	<107,898.>	
8 Gain or (loss) from sales of assets other than inventory	900000	<112,903.>	18	170,006.	
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)		202,929.		2,013,335.	0.
13 Total. Add line 12, columns (b), (d), and (e)					13 2,216,264.

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

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

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?

a Transfers from the reporting foundation to a noncharitable exempt organization of:

(1) Cash

(2) Other assets

b Other transactions:

(1) Sales of assets to a noncharitable exempt organization

(2) Purchases of assets from a noncharitable exempt organization

(3) Rental of facilities, equipment, or other assets

(4) Reimbursement arrangements

(5) Loans or loan guarantees

(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

Table with columns Yes/No and rows 1a(1), 1a(2), 1b(1), 1b(2), 1b(3), 1b(4), 1b(5), 1b(6), 1c.

Schedule table with columns (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3) or in section 527?

Yes No [X]

b If "Yes," complete the following schedule.

Table with columns (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

Date

1-30-13 CONTROLLER

May the IRS discuss this return with the preparer shown below (see Instr. 1)?

Yes No [X]

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

MARILYN B. CALISTER

Firm's name WTAS LLC

Firm's address 1177 AVENUE OF THE AME NEW YORK, NY 10036

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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

**2011**

Name of the organization

THE KOVNER FOUNDATION

Employer identification number

22-3468030

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

**General Rule**

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

**Special Rules**

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ \_\_\_\_\_

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization <b>THE KOVNER FOUNDATION</b>	Employer identification number <b>22-3468030</b>
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**Part I Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	BRUCE KOVNER <hr/> 1130 FIFTH AVENUE <hr/> NEW YORK, NY 10128	\$ 40,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
—	<hr/> <hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization <b>THE KOVNER FOUNDATION</b>	Employer identification number <b>22-3468030</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	



Name of organization <b>THE KOVNER FOUNDATION</b>	Employer identification number <b>22-3468030</b>
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**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$ \_\_\_\_\_  
 Use duplicate copies of Part III if additional space is needed

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

**Part XV** Supplementary Information**3** Grants and Contributions Paid During the Year (Continuation)

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
INSTITUTE FOR JUSTICE 1717 PENNSYLVANIA AVENUE, NW, SUITE 200 WASHINGTON, DC 20006		PUBLIC CHARITY	SOCIAL REFORM	250,000.
NEW WORLD SYMPHONY, INC. 541 LINCOLN ROAD MIAMI BEACH, FL 33139		PUBLIC CHARITY	PERFORMING ARTS	500,000.
ROYAL SHAKESPEARE COMPANY THE COURTYARD THEATER, SOUTHERN LANE STAFFORDUPONAVON, WASHINGTON, UNITED KINGDOM WICKSHIRE		FOREIGN CHARITY	PERFORMING ARTS	403,625.
STUDENT SPONSOR PARTNERSHIP, INC. 21 EAST 40TH STREET, SUITE 1601 NEW YORK, NY 10016		PUBLIC CHARITY	EDUCATION	200,000.
THE JUILLIARD SCHOOL 60 LINCOLN CENTER PLAZA NEW YORK, NY 10023-6588		PUBLIC CHARITY	EDUCATION - FINE ARTS	1,200,000.
NEW YORK PUBLIC RADIO 160 VARICK STREET NEW YORK, NY 10013		PUBLIC CHARITY	PUBLIC RADIO	10,000.
THE MIDDLE EAST MEDIA RESEARCH INSTITUTE P.O. BOX 27837 WASHINGTON, DC 20038		PUBLIC CHARITY	PUBLIC POLICY RESEARCH	350,000.
THE MORGAN LIBRARY AND MUSEUM 225 MADISON AVENUE NEW YORK, NY 10016-3405		PUBLIC CHARITY	MUSEUM ACQUISITIONS	91,179.
THOMAS B. FORDHAM INSTITUTE 1016 16TH STREET NW, 8TH FLOOR WASHINGTON, DC 20036		PUBLIC CHARITY	EDUCATION	100,000.
FRIENDS OF BRONX PREP CHARTER SCHOOL 3872 THIRD AVENUE BRONX, NY 10457		PUBLIC CHARITY	EDUCATION	1,000.
<b>Total from continuation sheets</b>				<b>3,205,804.</b>

**Part XV** Supplementary Information

**3** Grants and Contributions Paid During the Year (Continuation)

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)				
NEW YORK CHARTER SCHOOLS ASSOCIATION 915 BROADWAY, SUITE 110 ALBANY, NY 12207		PUBLIC CHARITY	EDUCATION	100,000.
<b>Total from continuation sheets</b>				

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
SILVER SANDS FUND LLC	37,005.	0.	0.	PURCHASED	VARIOUS	VARIOUS

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
SILVER SANDS FUND LLC	0.	596,441.	0.	PURCHASED	VARIOUS	VARIOUS

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED DEPREC.	(F) DATE ACQUIRED GAIN OR LOSS	DATE SOLD
ECKHARDT FUTURES LP	0.	40,813.	0.	PURCHASED	VARIOUS	VARIOUS

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED	(F) DATE ACQUIRED	DATE SOLD
CXTACTICAL LLC	641,994.	0.	0.	PURCHASED	VARIOUS	VARIOUS

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED	(F) DATE ACQUIRED	DATE SOLD
CXTACTICAL LLC	15,358.	0.	0.	PURCHASED	VARIOUS	VARIOUS

CAPITAL GAINS DIVIDENDS FROM PART IV						0.
TOTAL TO FORM 990-PF, PART I, LINE 6A						57,103.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
CXTACTICAL LLC	505.
ECKHARDT FUTURES LP	466.
JPMORGAN #25009	90.
JPMORGAN #61211	38,755.
SILVER SANDS FUND II LLC	1,811,100.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	1,850,916.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 3

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CXTACTICAL LLC	372,851.	0.	372,851.
JPMORGAN #25009	13,668.	0.	13,668.
SILVER SANDS FUND II LLC	29,624.	0.	29,624.
TOTAL TO FM 990-PF, PART I, LN 4	416,143.	0.	416,143.

FORM 990-PF OTHER INCOME STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
ECKHARDT FUTURES LP - SEC. 988	40,156.	40,156.	
ECKHARDT FUTURES LP - 1256 INCOME	<132,548.>	<132,548.>	
ECKHARDT FUTURES LP - OTHER INCOME	<15,506.>	<15,506.>	
TOTAL TO FORM 990-PF, PART I, LINE 11	<107,898.>	<107,898.>	

FORM 990-PF LEGAL FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	132,709.	0.		0.
TO FM 990-PF, PG 1, LN 16A	132,709.	0.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	604.	0.		0.
BANK FEES	844.	844.		0.
INVESTMENT MANAGEMENT FEES	169,663.	142,498.		0.
TO FORM 990-PF, PG 1, LN 16C	171,111.	143,342.		0.

FORM 990-PF TAXES STATEMENT 7

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	183,500.	0.		0.
DELAWARE FILING FEE	25.	0.		0.
NEW YORK TAX EXPENSE	45,500.	0.		0.
TO FORM 990-PF, PG 1, LN 18	229,775.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 8

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

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FORM 990-PF	OTHER DECREASES IN NET ASSETS OR FUND BALANCES	STATEMENT	9
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DESCRIPTION	AMOUNT
CHANGE IN UNREALIZED LOSS ON INVESTMENTS	1,233,206.
TOTAL TO FORM 990-PF, PART III, LINE 5	1,233,206.

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FORM 990-PF	CORPORATE STOCK	STATEMENT	10
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CAXTON SELECT (BVI) LTD.	353,292.	353,292.
VEGASOUL FUND	927,266.	927,266.
BEAM MULTI-STRATEGY LTD	1,080,146.	1,080,146.
BLUEGOLD GLOBAL FUND INC.	1,078,825.	1,078,825.
MILLENNIUM INTERNATIONAL LTD	5,269,559.	5,269,559.
TOTAL TO FORM 990-PF, PART II, LINE 10B	8,709,088.	8,709,088.

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FORM 990-PF	OTHER INVESTMENTS	STATEMENT	11
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SILVER SANDS FUND II LLC	COST	8,624,595.	8,624,595.
CXTACTICAL LLC	COST	6,565,704.	6,565,704.
ECKHARDT FUTURES LP	COST	852,438.	852,438.
TOTAL TO FORM 990-PF, PART II, LINE 13		16,042,737.	16,042,737.

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FORM 990-PF	OTHER ASSETS	STATEMENT	12
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
REDEMPTION RECEIVABLE	20,682.	0.	0.
TO FORM 990-PF, PART II, LINE 15	20,682.	0.	0.



FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 13

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
BRUCE S. KOVNER 1130 FIFTH AVENUE NEW YORK, NY 10128	DIRECTOR & PRESIDENT 1.00	0.	0.	0.
PETER P. D'ANGELO 90 THIRD STREET GARDEN CITY, NY 11530	DIRECTOR & TREASURER 1.00	0.	0.	0.
SCOTT B. BERNSTEIN 465 WEST END AVENUE NEW YORK, NY 10021	SECRETARY 1.00	0.	0.	0.
FRANK WOHL C/O LANKLER SIFFERT & WOHL 500 FIFTH AVENUE, 33RD FLOOR NEW YORK, NY 10110	DIRECTOR 1.00	0.	0.	0.
KAREN CROSS 1085 CREAMERY ROAD NEWTON, PA 18940	CONTROLLER 1.00	0.	0.	0.
SUZANNE F. KOVNER 1130 FIFTH AVENUE NEW YORK, NY 10128	VICE PRESIDENT 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

**THE KOVNER FOUNDATION**  
**22-3468030**  
**RESPONSE TO: Part VII-B-5(c)**  
**TAX YEAR: 2011**

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The Kovner Foundation (the "Foundation") claims exemption from the tax because it maintained expenditure responsibility and hereby provides the statement required by Treas. Reg. § 53.4945-5(d).

1. The grant recipient is: Foundation for Education Reform and Accountability, a United States organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and classified as a private operating foundation pursuant to Code section 4942(j)(3);
2. The date and amount of each grant was as follows:

April 14, 2011	\$50,000
June 30, 2011	\$50,000
3. The exclusively charitable and educational purposes of the grant are to provide general support for the charitable and educational activities of the Foundation for Education Reform and Accountability.
4. The amount expended by the grant recipient towards accomplishment of those purposes is \$100,000 (based on the most recent report received from the grant recipient);
5. To the best of the Foundation's knowledge, the grant recipient has not diverted any portion of the funds (or any income there from) from the purpose of the grant;
6. The Foundation has received reports from the grant recipient for the grant recipient's 2011 fiscal year. The date of the report received from the grant recipient is March 2012; and
7. The Foundation has not undertaken an investigation of the grant recipient's reports because the Foundation has no reason to believe that those reports are of dubious accuracy or reliability.

**THE KOVNER FOUNDATION**  
**22-3468030**  
**RESPONSE TO: Part VII-B-5(c)**  
**TAX YEAR: 2011**

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The Kovner Foundation (the "Foundation") claims exemption from the tax because it maintained expenditure responsibility and hereby provides the statement required by Treas. Reg. § 53.4945-5(d).

1. The grant recipient is: Royal Shakespeare Company  
Address: Southern Lane, Stratford-upon-Avon, Warwickshire CV37 6BB
2. The date and amount of each grant was as follows:  

June 22, 2011	250,000 British Pounds
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3. The exclusively charitable and educational purposes of the grant is to support the Ensemble and Artists' Development Program;
4. The amount expended by the grant recipient towards accomplishment of those purposes is 250,000 British Pounds;
5. To the best of the Foundation's knowledge, the grant recipient has not diverted any portion of the funds (or any income there from) from the purpose of the grant;
6. The Foundation has received reports from the grant recipient for the grant recipient's 2011 fiscal year. The date of the report received from the grant recipient is September 2011; and
7. The Foundation has not undertaken an investigation of the grant recipient's reports because the Foundation has no reason to believe that those reports are of dubious accuracy or reliability.

## 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  **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

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

**Electronic filing (e-file)** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

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

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

Part I only

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

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>THE KOVNER FOUNDATION</b>	Employer identification number (EIN) or <input checked="" type="checkbox"/> <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>	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>PRINCETON, NJ 08540</b>	

COPY

Enter the Return code for the return that this application is for (file a separate application for each return) 04

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

**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.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2012**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year **2011** or  
 ▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$ <b>49,453.</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.	3b	\$ <b>49,453.</b>
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ <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.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 1-2012)

• 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).

<b>Type or print</b> <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions <b>THE KOVNER FOUNDATION</b>	<b>Enter filer's identifying number, see instructions</b> Employer identification number (EIN) or <input checked="" type="checkbox"/> <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>	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>PRINCETON, NJ 08540</b>	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

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

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

**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, 2012.**
- 5 For calendar year **2011**, or other tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.
- 6 If the tax year entered in line 5 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  
**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, 2012.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$ <b>49,453.</b>
8b 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>49,453.</b>
8c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$ <b>0.</b>

**Signature and Verification must be completed for Part II only.**

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

Signature Title **CPA** Date **8/14/2011**