

UNITED STATES DISTRICT COURT  
MEMORANDUM

Date: July 21, 2009  
To: Bobby R. Baldock, Chair, Committee on Financial Disclosure  
Re: Calendar Year 2008 Filing  
From: Judge Kornmann

I have received your letter of July 16. To answer my questions, I called the office of the committee. Upon discussing the matter, I was advised that I need not provide further information as to the name of the mutual funds, the reason being that the managed IRA accounts (which are now managed by Wells Fargo, the successor to Wachovia Securities, the successor to A.G. Edwards), operate entirely without any direction or even advance notice as to purchases or sales. They make literally hundreds of buys and sales during the year without any consultation with me [REDACTED]. We have agreed that we will not participate in management in any fashion. We do not even pay attention to what mutual funds they are buying or selling.

I trust this will be sufficient additional information. Thank you.

[REDACTED]  
UNITED STATES DISTRICT JUDGE  
United States Courthouse  
102 Fourth Avenue SE, Suite 408  
Aberdeen, SD 57401  
605-377-2600

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2009 JUL 27 A 11:25  
FINANCIAL  
DISCLOSURE OFFICE

# FINANCIAL DISCLOSURE REPORT FOR CALENDAR YEAR 2008

Report Required by the Ethics  
in Government Act of 1978  
(5 U.S.C. app. §§ 101-111)

|                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                             |                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| 1. Person Reporting (last name, first, middle initial)<br><br>Kornmann, Charles B.                                                                                                                                | 2. Court or Organization<br><br>District of South Dakota                                                                                                                                                                                                    | 3. Date of Report<br><br>05/26/2009                       |
| 4. Title (Article III judges indicate active or senior status;<br>magistrate judges indicate full- or part-time)<br><br>Senior status                                                                             | 5a. Report Type (check appropriate type)<br><br><input type="checkbox"/> Nomination,      Date<br><input type="checkbox"/> Initial <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final<br>5b. <input type="checkbox"/> Amended Report | 6. Reporting Period<br><br>01/01/2008<br>to<br>12/31/2008 |
| 7. Chambers or Office Address<br><br>102 4th Avenue SE, Suite 408<br>Aberdeen, SD 57401                                                                                                                           | 8. On the basis of the information contained in this Report and any<br>modifications pertaining thereto, it is, in my opinion, in compliance<br>with applicable laws and regulations.<br><br>Reviewing Officer _____ Date _____                             |                                                           |
| <p><b>IMPORTANT NOTES:</b> The instructions accompanying this form must be followed. Complete all parts,<br/>checking the NONE box for each part where you have no reportable information. Sign on last page.</p> |                                                                                                                                                                                                                                                             |                                                           |

## I. POSITIONS. (Reporting individual only; see pp. 9-13 of filing instructions.)

☐ NONE (No reportable positions.)

POSITION

NAME OF ORGANIZATION/ENTITY

|                    |                         |
|--------------------|-------------------------|
| 1. General partner | Kornmann, a partnership |
| 2.                 |                         |
| 3.                 |                         |
| 4.                 |                         |
| 5.                 |                         |

## II. AGREEMENTS. (Reporting individual only; see pp. 14-16 of filing instructions.)

☐ NONE (No reportable agreements.)

DATE

PARTIES AND TERMS

|           |                                   |
|-----------|-----------------------------------|
| 1. 1-1-97 | Articles of Partnership, Kornmann |
| 2.        |                                   |
| 3.        |                                   |

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**FINANCIAL DISCLOSURE REPORT**

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Name of Person Reporting

Kornmann, Charles B.

Date of Report

05/26/2009

**III. NON-INVESTMENT INCOME.** *(Reporting individual and spouse; see pp. 17-24 of filing instructions.)***A. Filer's Non-Investment Income**☒ NONE *(No reportable non-investment income.)*

| <u>DATE</u> | <u>SOURCE AND TYPE</u> | <u>INCOME</u><br>(yours, not spouse's) |
|-------------|------------------------|----------------------------------------|
| 1.          |                        |                                        |
| 2.          |                        |                                        |
| 3.          |                        |                                        |
| 4.          |                        |                                        |

**B. Spouse's Non-Investment Income -** *If you were married during any portion of the reporting year, complete this section.**(Dollar amount not required except for honoraria.)*☒ NONE *(No reportable non-investment income.)*

| <u>DATE</u> | <u>SOURCE AND TYPE</u> |
|-------------|------------------------|
| 1.          |                        |
| 2.          |                        |
| 3.          |                        |
| 4.          |                        |

**IV. REIMBURSEMENTS** *-- transportation, lodging, food, entertainment.**(Includes those to spouse and dependent children; see pp. 25-27 of filing instructions.)*☒ NONE *(No reportable reimbursements.)*

| <u>SOURCE</u> | <u>DATES</u> | <u>LOCATION</u> | <u>PURPOSE</u> | <u>ITEMS PAID OR PROVIDED</u> |
|---------------|--------------|-----------------|----------------|-------------------------------|
| 1.            |              |                 |                |                               |
| 2.            |              |                 |                |                               |
| 3.            |              |                 |                |                               |
| 4.            |              |                 |                |                               |
| 5.            |              |                 |                |                               |

# FINANCIAL DISCLOSURE REPORT

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Name of Person Reporting

Kornmann, Charles B.

Date of Report

05/26/2009

## VII. INVESTMENTS and TRUSTS – income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)

☐ NONE (No reportable income, assets, or transactions.)

| A.<br>Description of Assets<br>(including trust assets)<br><br>Place "(X)" after each asset<br>exempt from prior disclosure | B.<br>Income during<br>reporting period |                                               | C.<br>Gross value at end of<br>reporting period |                                           | D.<br>Transactions during reporting period      |                               |                                 |                                |                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------------|-------------------------------|---------------------------------|--------------------------------|-------------------------------------------------------------------|
|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>Month -<br>Day | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |
| 1. Common stock, Red Ribbon, Inc.                                                                                           |                                         | None                                          | K                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 2. Common stock, [REDACTED]                                                                                                 | A                                       | Int./Div.                                     | J                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 3. 1/3 ownership, house, Tyndall, SD                                                                                        | A                                       | Rent                                          | J                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 4. farm land, Hamlin County, SD                                                                                             | D                                       | Rent                                          | O                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 5. 43.84% interest, partner, [REDACTED] Kornmann                                                                            | E                                       | Distribution                                  | N                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 6. 43.84% interest, partner, [REDACTED] Kornmann                                                                            | E                                       | Distribution                                  | N                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 7. SD Retirement System, monthly benefits                                                                                   | D                                       | Distribution                                  | L                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 8. Interest in Black Hills Eagle I partnership                                                                              | B                                       | Interest                                      | J                                               | U                                         |                                                 |                               |                                 |                                |                                                                   |
| 9. Brandywine Fund shares                                                                                                   | D                                       | Dividend                                      | L                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 10. Mutual Beacon Fund CL Z shares                                                                                          | D                                       | Dividend                                      | M                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 11. Mutual Discovery Fund Shares                                                                                            | D                                       | Dividend                                      | M                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 12. Mutual European Fund shares                                                                                             | D                                       | Dividend                                      | M                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 13. Centennial Money Market Trust, IRA trust                                                                                | A                                       | Int./Div.                                     | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 14. Centennial Money Market Trust, IRA                                                                                      | A                                       | Int./Div.                                     | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 15. Centennial Money Market Trust (Wachovi Securities)                                                                      | B                                       | Int./Div.                                     | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 16. Oakmark Select Shares                                                                                                   | D                                       | Dividend                                      | L                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 17. Masters Select Equity Fund Shares                                                                                       | C                                       | Dividend                                      | K                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |

### 1. Income Gain Codes:

(See Columns B1 and D4)

### 2. Value Codes

(See Columns C1 and D3)

### 3. Value Method Codes

(See Column C2)

A = \$1,000 or less

F = \$50,001 - \$100,000

J = \$15,000 or less

N = \$250,001 - \$500,000

P3 = \$25,000,001 - \$50,000,000

Q = Appraisal

U = Book Value

B = \$1,001 - \$2,500

G = \$100,001 - \$1,000,000

K = \$15,001 - \$50,000

O = \$500,001 - \$1,000,000

R = Cost (Real Estate Only)

V = Other

C = \$2,501 - \$5,000

H1 = \$1,000,001 - \$5,000,000

L = \$50,001 - \$100,000

P1 = \$1,000,001 - \$5,000,000

P4 = More than \$50,000,000

S = Assessment

W = Estimated

D = \$5,001 - \$15,000

H2 = More than \$5,000,000

M = \$100,001 - \$250,000

P2 = \$5,000,001 - \$25,000,000

T = Cash Market

E = \$15,001 - \$50,000

# FINANCIAL DISCLOSURE REPORT

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Name of Person Reporting

Kornmann, Charles B.

Date of Report

05/26/2009

## VII. INVESTMENTS and TRUSTS – income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)

☐ NONE (No reportable income, assets, or transactions.)

| A.<br>Description of Assets<br>(including trust assets)<br><br>Place "(X)" after each asset<br>exempt from prior disclosure | B.<br>Income during<br>reporting period |                                               | C.<br>Gross value at end of<br>reporting period |                                           | D.<br>Transactions during reporting period      |                               |                                 |                                |                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------------|-------------------------------|---------------------------------|--------------------------------|-------------------------------------------------------------------|
|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>Month -<br>Day | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |
| 18. The Investment Company of America shares                                                                                | C                                       | Dividend                                      | K                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 19. NFJ Dividend Interest (Kornmann)                                                                                        | A                                       | Interest                                      | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 20. Vanguard 500 Index Fund (Kornmann)                                                                                      | C                                       | Dividend                                      | L                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 21. Vanguard GNMA Fund (Kornmann)                                                                                           | B                                       | Dividend                                      | K                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 22. Vanguard REIT Fund (Kornmann)                                                                                           | C                                       | Dividend                                      | K                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 23. Due on notes from family members to Kornmann                                                                            | A                                       | Interest                                      | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 24. Thornburg Mortgage, Inc. shares (Kornmann)                                                                              |                                         | None                                          |                                                 |                                           | Sold                                            | 12-31                         | J                               | A                              |                                                                   |
| 25. Eaton Vance Tax Managed BuyWrite Inc. Fund (Kornmann)                                                                   | A                                       | Interest                                      | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 26. Centennial Money Market Trust (Kornmann)                                                                                | A                                       | Int./Div.                                     | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 27. Foreign condo investment (Kornmann)                                                                                     |                                         | None                                          | M                                               | W                                         |                                                 |                               |                                 |                                |                                                                   |
| 28. Eaton Vance Tax Managed Buy Write Fund SBI                                                                              | B                                       | Dividend                                      | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 29. Eaton Vance Tax Global Buy Write Fund (Kornmann)                                                                        | C                                       | Distribution                                  | K                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 30. AG Edwards managed IRA account (from rollovers);                                                                        | C                                       | Distribution                                  | K                                               | T                                         | Pt. redempt                                     | 12-20                         | J                               | D                              |                                                                   |
| 31. AG Edwards Managed IRA account (from rollovers)                                                                         |                                         | None                                          | M                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 32. Blackrock Enhanced Divd & Kornmann                                                                                      | B                                       | Dividend                                      | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 33. Evergreen Gbl Oppty Fd                                                                                                  | C                                       | Dividend                                      | K                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 34. Ft. Spec Fin & Finl Oppty                                                                                               | B                                       | Dividend                                      | J                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |

|                                                  |                                                                                                                                          |                                                                                                                |                                                                                                                                                      |                                                                                                                      |                         |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------|
| 1. Income Gain Codes:<br>(See Columns B1 and D4) | A = \$1,000 or less<br>F = \$50,001 - \$100,000<br>J = \$15,000 or less<br>N = \$250,001 - \$500,000<br>P3 = \$25,000,001 - \$50,000,000 | B = \$1,001 - \$2,500<br>G = \$100,001 - \$1,000,000<br>K = \$15,001 - \$50,000<br>O = \$500,001 - \$1,000,000 | C = \$2,501 - \$5,000<br>H1 = \$1,000,001 - \$5,000,000<br>L = \$50,001 - \$100,000<br>P1 = \$1,000,001 - \$5,000,000<br>P4 = More than \$50,000,000 | D = \$5,001 - \$15,000<br>H2 = More than \$5,000,000<br>M = \$100,001 - \$250,000<br>P2 = \$5,000,001 - \$25,000,000 | E = \$15,001 - \$50,000 |
| 2. Value Codes<br>(See Columns C1 and D3)        | Q = Appraisal<br>U = Book Value                                                                                                          | R = Cost (Real Estate Only)<br>V = Other                                                                       | S = Assessment<br>W = Estimated                                                                                                                      | T = Cash Market                                                                                                      |                         |
| 3. Value Method Codes<br>(See Column C2)         |                                                                                                                                          |                                                                                                                |                                                                                                                                                      |                                                                                                                      |                         |

# FINANCIAL DISCLOSURE REPORT

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Name of Person Reporting

Kornmann, Charles B.

Date of Report

05/26/2009

## VII. INVESTMENTS and TRUSTS – income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)

☐ NONE (No reportable income, assets, or transactions.)

| A.<br>Description of Assets<br>(including trust assets)<br><br>Place "(X)" after each asset<br>exempt from prior disclosure | B.<br>Income during<br>reporting period |                                               | C.<br>Gross value at end of<br>reporting period |                                           | D.<br>Transactions during reporting period      |                               |                                 |                                |                                                                   |
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|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>Month -<br>Day | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |
| 35. Anderson Retirement LLC (Kornmann)                                                                                      |                                         | None                                          | L                                               | T                                         |                                                 |                               |                                 |                                |                                                                   |
| 36. Healthcare Plus Federal Credit Union                                                                                    | A                                       | Dividend                                      | K                                               | T                                         | Open                                            | 9-19                          | L                               |                                |                                                                   |
| 37.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 38.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 39.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 40.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 41.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 42.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 43.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 44.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |
| 45.                                                                                                                         |                                         |                                               |                                                 |                                           |                                                 |                               |                                 |                                |                                                                   |

|                                                  |                                                                                       |                                                        |                                                                                           |                                                              |                         |
|--------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|-------------------------|
| 1. Income Gain Codes:<br>(See Columns B1 and D4) | A = \$1,000 or less<br>F = \$50,001 - \$100,000                                       | B = \$1,001 - \$2,500<br>G = \$100,001 - \$1,000,000   | C = \$2,501 - \$5,000<br>H1 = \$1,000,001 - \$5,000,000                                   | D = \$5,001 - \$15,000<br>H2 = More than \$5,000,000         | E = \$15,001 - \$50,000 |
| 2. Value Codes<br>(See Columns C1 and D3)        | J = \$15,000 or less<br>N = \$250,001 - \$500,000<br>P3 = \$25,000,001 - \$50,000,000 | K = \$15,001 - \$50,000<br>O = \$500,001 - \$1,000,000 | L = \$50,001 - \$100,000<br>P1 = \$1,000,001 - \$5,000,000<br>P4 = More than \$50,000,000 | M = \$100,001 - \$250,000<br>P2 = \$5,000,001 - \$25,000,000 |                         |
| 3. Value Method Codes<br>(See Column C2)         | Q = Appraisal<br>U = Book Value                                                       | R = Cost (Real Estate Only)<br>V = Other               | S = Assessment<br>W = Estimated                                                           | T = Cash Market                                              |                         |

# FINANCIAL DISCLOSURE REPORT

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Name of Person Reporting

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05/26/2009

## VIII. ADDITIONAL INFORMATION OR EXPLANATIONS. *(Indicate part of Report.)*

### VII. INVESTMENTS AND TRUSTS (Contd.)

Line 1, Red Ribbon, Inc. owns an unimproved parcel of land in Indiana. It is a Subchapter S corporation and the income and losses are passed through to the stockholder. There have been no distributions and the land continues to produce no income.

Line 3, this is a rental producing property to cover all the expenses. We are trying to sell it.

Line 4, this land is leased on a cash rent basis.

Line 5 and Line 6, this partnership owns apartment houses. Liquid investments of the partnership and income therefrom are reported in Part VII.

Line 30, because of age of one IRA withdrawal was required.

Line 35, this is a limited partnership interest, a very small interest as a limited partner; the partnership is operating an assisted care living facility in Indiana.

# FINANCIAL DISCLOSURE REPORT

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Name of Person Reporting

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Date of Report

05/26/2009

## IX. CERTIFICATION.

I certify that all information given above (including information pertaining to my spouse and minor or dependent children, if any) is accurate, true, and complete to the best of my knowledge and belief, and that any information not reported was withheld because it met applicable statutory provisions permitting non-disclosure.

I further certify that earned income from outside employment and honoraria and the acceptance of gifts which have been reported are in compliance with the provisions of 5 U.S.C. app. § 501 et. seq., 5 U.S.C. § 7353, and Judicial Conference regulations.

Signature

NOTE: ANY INDIVIDUAL WHO KNOWINGLY AND WILFULLY FALSIFIES OR FAILS TO FILE THIS REPORT MAY BE SUBJECT TO CIVIL AND CRIMINAL SANCTIONS (5 U.S.C. app. § 104)

### FILING INSTRUCTIONS

Mail signed original and 3 additional copies to:

Committee on Financial Disclosure  
Administrative Office of the United States Courts  
Suite 2-301  
One Columbus Circle, N.E.  
Washington, D.C. 20544