

**FINANCIAL DISCLOSURE REPORT
FOR CALENDAR YEAR 2005**

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) Gottschall, Joan B	2. Court or Organization U.S. District Court, NDIL	3. Date of Report 05/15/2006
4. Title (Article III judges indicate active or senior status; magistrate judges indicate full- or part-time) District Judge--active status	5a. Report Type (check appropriate type) <input type="checkbox"/> Nomination, Date <input type="checkbox"/> Initial <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final 5b. <input type="checkbox"/> Amended Report	6. Reporting Period 01/01/2005 to 12/31/2005
7. Chambers or Office Address 219 South Dearborn St. Room 2356 Chicago, IL 60604	8. On the basis of the information contained in this Report and any modifications pertaining thereto, it is, in my opinion, in compliance with applicable laws and regulations. Reviewing Officer _____ Date _____	
<p align="center">IMPORTANT NOTES: The instructions accompanying this form must be followed. Complete all parts, 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 instructions.)

NONE (No reportable positions.)

<u>POSITION</u>	<u>NAME OF ORGANIZATION/ENTITY</u>
1. Member	Visiting Committee to the Divinity School, University of Chicago
2. Member, Board of Directors	Illinois Humanities Council
3. Member, Board of Directors	Martin Marty Center at the University of Chicago Divinity School
4. Chair, District Selection Committee	The Rhodes Trust
5. Member, Board of Directors	Foundation for Law and Science Centers

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

NONE (No reportable agreements.)

<u>DATE</u>	<u>PARTIES AND TERMS</u>
1.	
2.	
3.	

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III. NON-INVESTMENT INCOME. *(Reporting individual and spouse; see pp. 17-24 of instructions.)*

A. Filer's Non-Investment Income

NONE *(No reportable non-investment income.)*

<u>DATE</u>	<u>SOURCE AND TYPE</u>	<u>INCOME</u> <i>(yours, not spouse's)</i>
1.	See Section VIII, note 1.	\$ 0.00
2.		
3.		
4.		
5.		

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.	
5.	

IV. REIMBURSEMENTS – *transportation, lodging, food, entertainment.*

(Includes those to spouse and dependent children. See pp. 25-27 of instructions.)

NONE *(No reportable reimbursements.)*

<u>SOURCE</u>	<u>DESCRIPTION</u>
1. Benzie Area Women's History Project	Crystal Mountain, MI, 3/18-3/20, conference speaker (air fare, meals, lodging)
2. Yale University	New Haven, Conn., 9/15-9/16, speaker at Sarah Smith Memorial Conference (air fare, ground transportation, meals, lodging)
3. Illinois Humanites Council	Springfield, IL, 9/29-9/30, attendance at Illinois Humanities Council board meeting (meals, lodging)
4.	
5.	

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V. GIFTS. *(Includes those to spouse and dependent children. See pp. 28-31 of instructions.)*

NONE *(No reportable gifts.)*

<u>SOURCE</u>	<u>DESCRIPTION</u>	<u>VALUE</u>
1. Reduced annual dues for judges	Union League Club of Chicago	\$ 2352
2.		
3.		
4.		
5.		

VI. LIABILITIES. *(Includes those of spouse and dependent children. See pp. 32-34 of instructions.)*

NONE *(No reportable liabilities.)*

<u>CREDITOR</u>	<u>DESCRIPTION</u>	<u>VALUE CODE</u>
1.		
2.		
3.		
4.		
5.		

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VII. INVESTMENTS and TRUSTS – income, value, transactions (includes those of the spouse and dependent children. See pp. 34-57 of filing instructions)

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

A. Description of Assets (including trust assets) Place "(X)" after each asset exempt from prior disclosure	B. Income during reporting period		C. Gross value at end of reporting period		D. Transactions during reporting period				
	(1) Amount Code 1 (A-H)	(2) Type (e.g. div., rent, or int.)	(1) Value Code 2 (J-P)	(2) Value Method Code 3 (Q-W)	(1) Type (e.g. buy, sell, merger, redemption)	If not exempt from disclosure			
						(2) Date Month - Day	(3) Value Code 2 (J-P)	(4) Gain Code 1 (A-H)	(5) Identity of buyer/seller (if private transaction)
1. Vanguard Wellington Fund	B	Dividend	K	T					
2. Vanguard Wellesley Fund	B	Dividend	K	T					
3. Vanguard Index Trust	B	Dividend	L	T					
4. Vanguard Prime Portfolio	A	Dividend	K	T					
5. Van Kampen Emerging Growth Fund		None	J	T					
6. Eaton Vance Muni Bond Fund	B	Dividend	K	T					
7. US Treasury Strip (11-15-09)		None	J	T					
8. Fed Empl Credit Union Accts	A	Interest	K	T					
9. IBM common stock	A	Dividend	J	T					
10. Sr.Hi Inc Port.	A	Dividend	J	T					
11. Viacom c/stock Class A	A	Dividend	J	T					
12. Viacom c/stock Class B	A	Dividend	J	T					
13. Munder Net Net Fund (now Internet Fund)		None	J	T					
14. Time Warner c/stock	A	Dividend	J	T					
15. Intel c/stock	A	Dividend	J	T					
16. Waste Management c/stock	A	Dividend	J	T					
17. Vanguard Tax-Managed Growth & Income Fund	A	Dividend	J	T					

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

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

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						(2) Date Month - Day	(3) Value Code 2 (J-P)	(4) Gain Code 1 (A-H)	(5) Identity of buyer/seller (if private transaction)
18. Flextronics c/stock		None	J	T					
19. Hewlett-Packard c/stock	A	Dividend	J	T					
20. Caremark c/stock		None	J	T					
21. Dycom c/stock		None	J	T					
22. MVSN c/stock		None	J	T					
23. MFS Mid-Cap Growth Fund B		None	J	T					
24. Putnam New Value Fund	A	Dividend	K	T					
25. MFS Utilities Fund	A	Dividend	J	T					
26. MFS Govt Securities Fund	C	Dividend	M	T					
27. MFS Value Fund B	A	Dividend	M	T					
28. MFS Large Cap Growth (name change: Core Growth)		None	K	T					
29. Morgan Stanley Active Assets Money Trust	B	Dividend	L	T	Bought/Sold	*	L		*passim
30. Morgan Stanley Liquid Assets Fund	A	Dividend	J	T	Bought/sold	*	J		*passim
31. Vanguard Capital Opportunity Fund	A	Dividend	J	T					
32. MFS Government Mortgage Fund (name change: MFS Govt Sec B)	C	Dividend	K	T					
33. Morgan Stanley (MS) US Govt Sec. Fund	A	Dividend	K	T					
34. ML Large Cap Value (name change: Mercury Large Cap Value)	A	Dividend	J	T					

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

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						(2) Date Month - Day	(3) Value Code 2 (J-P)	(4) Gain Code 1 (A-H)	(5) Identity of buyer/seller (if private transaction)
35. ML Value Opportunities (name change: Mercury Value Opport.)	A	Dividend	J	T					
36. MS MuniEnhanced Fund	B	Interest	L	T					2004 Report error: Value L

1. Income Gain Codes: (See Columns B1 and D4)	A =\$1,000 or less F =\$50,001 - \$100,000	B =\$1,001 - \$2,500 G =\$100,001 - \$1,000,000	C =\$2,501 - \$5,000 H1 =\$1,000,001 - \$5,000,000	D =\$5,001 - \$15,000 H2 =More than \$5,000,000	E =\$15,001 - \$50,000
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VIII. ADDITIONAL INFORMATION OR EXPLANATIONS. *(Indicate part of Report.)*

NOTE 1 (Section III)

I am a shareholder in a [REDACTED] business as was described fully in my 1991 Financial Disclosure Report and in the October 23, 1991, Opinion of the Committee on Codes of Conduct, which was attached to that Report and is attached hereto. I realized no income from this business during the reporting period.

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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 

Date April 27, 2006

NOT AND ONLY FALSIFIES OR FAILS TO FILE THIS REPORT MAY BE SUBJECT TO CIVIL (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

COMMITTEE ON CODES OF CONDUCT
OF THE
JUDICIAL CONFERENCE OF THE UNITED STATES
FEDERAL BUILDING, LOCKBOX 33
844 KING STREET
WILMINGTON, DELAWARE 19801

TELEPHONE
COM: (302) 873-6168
FTS: 487-6168

R. TOWNSEND ROBINSON
COUNSEL
FTS: 633-8987

JUDGE R. LANIER ANDERSON, III
JUDGE FRANKLIN B. BILLINGS, JR.
JUDGE JOHN P. FULLAN
MAGISTRATE HENRY L. JONES, JR.
JUDGE JOHN B. JONES
JUDGE NATHANIEL R. JONES
JUDGE ROBERT C. JONES
JUDGE HENRY A. POLITZ
JUDGE DAVID SAM
JUDGE ROBERT M. TAKASUGI
JUDGE JOSEPH L. TAURO
JUDGE PATRICIA M. WALD
JUDGE MIRIAM H. WARD
JUDGE JAMES B. ZAGEL

October 23, 1991

JUDGE WALTER K. STAPLETON
CHAIRMAN

The Honorable Joan B. Gottschall
United States District Court
219 South Dearborn Street
Chicago, Illinois 60604

Re: Docket No. 828

Dear Judge Gottschall:

In 1986, 1987, and 1988 you, along with [REDACTED] edited and proofread a manuscript on a non-legal subject written by [REDACTED]. The manuscript was published as a book by [REDACTED]. The book is selling well enough to produce income for its publisher, author, and editors. [REDACTED] who reside in Canada have proposed formation of a partnership under Canadian laws whose assets will be all the rights to the book. The partners will be [REDACTED] and you. After the partnership is formed, it will, in turn, be dissolved and the assets transferred to a Canadian corporation whose shareholders will be the partners of the dissolved partnership. After the partnership is formed, your sole role will be to serve as a shareholder. As a shareholder, you will share in proceeds arising from the sales of the book and the use of the rights to the book. You ask whether you may participate in this arrangement without transgressing either the Code of Conduct for United States Judges or the Ethics Reform Act of 1989.

The receipt of income from writing or editing a book is permitted under the Code of Conduct. Canon 5A says, "A judge may write ... on non-legal subjects." The Committee believes that editing and proofreading are activities covered by the word "writing." And the Committee has approved, at least implicitly, the receipt of income from writing. Advisory Opinion No. 55. There are restrictions on the manner in which a judge's name may be used in the promotion of a book, but, we assume, these restrictions are not likely to be involved in your case since you are not the author and your name is unlikely to be used in connection with selling of the book. Nor is there anything about the nature of the

The Honorable Joan B. Gottschall
October 23, 1991
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book, "Food and the Gut Reaction", that suggests your association with the book would "detract from the dignity of the judge's office." Canon 5A.

Under Canon 5C(2) a judge may serve as a "director [or] active partner . . . of any . . . business wholly owned by members of the judge's family all of whom are related to the judge . . . within the third degree . . . according to the civil law system." [REDACTED] are related to you within the third degree, and you may be their partner in a [REDACTED] business or a shareholder in the [REDACTED] corporation. The language of the Canon permits, a fortiori, your participation as an inactive partner and a non-officer shareholder in a family enterprise. Your participation in the enterprise would not violate your duty under Canon 5C.3 to "manage . . . financial interests to minimize the number of cases in which the judge is disqualified"; this is so because you could not, in any event, hear cases in which [REDACTED] have an interest. Canon 3C1(d).

Finally, the Ethics Reform Act does not generally prohibit either serving as a partner or a shareholder. There are specific limitations to such activity, but these are not, save one, remotely applicable here. Regulations of the Judicial Conference of the United States Under Title VI of the Ethic Reform Act of 1989 ("Title VI Regulations"). The Title VI Regulations do bar any service "for compensation as an officer or member of the board of any . . . corporation or other entity." § 5(a)(4). In your case, you will not serve as an officer or board member and the prohibition of § 5(a)(4) does not apply to your proposed activity.

You also should be aware that the Ethics Reform Act limits the amount of outside income earned in any one year. The income limit is not applicable in your circumstances. Title VI Regulations § 3(b)(2) provides that "funds received for services rendered . . . before January 1, 1991" are not outside earned income.

The Committee advises that the course of action proposed by you is consistent with the Codes of Conduct and the Title VI Regulations of the Judicial Conference.

For the Committee

[REDACTED]