Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation
THE PETER AND ELIZABETH C TOWER FOUNDATION

A Employer identification number
16-6350753

Number and street (or P O box number if mail is not delivered to street address)
2351 NORTH FOREST ROAD

Room/suite
106

B Telephone number
(716)689-0370

City or town, state, and ZIP code
GETZVILLE, NY 14068-1225

C If exemption application is pending, check here ▶ ☐

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

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year (*from Part II, col. (c), line 16*) ▶$ 71,365,616.

J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) (*Part I, column (d) must be on cash basis.*)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))

		(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	4,368,194.		N/A	
	2 Check ▶ ☐ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	197.	197.		STATEMENT 1
	4 Dividends and interest from securities	2,075,198.	2,075,198.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	1,903,481.			STATEMENT 3
	b Gross sales price for all assets on line 6a 37,577,339.				
	7 Capital gain net income (from Part IV, line 2)		1,903,975.		
	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	18,107.	0.		STATEMENT 4
	12 **Total.** Add lines 1 through 11	8,365,177.	3,979,370.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	192,129.	0.		192,129.
	14 Other employee salaries and wages	314,661.	0.		314,661.
	15 Pension plans, employee benefits	114,430.	0.		114,430.
	16a Legal fees STMT 5	34,761.	11,660.		23,101.
	b Accounting fees STMT 6	42,533.	21,267.		21,266.
	c Other professional fees STMT 7	279,425.	278,304.		1,121.
	17 Interest				
	18 Taxes STMT 8	93,670.	11,478.		36,707.
	19 Depreciation and depletion	12,285.	0.		
	20 Occupancy	87,164.	0.		87,164.
	21 Travel, conferences, and meetings	37,211.	0.		37,211.
	22 Printing and publications	679.	0.		679.
	23 Other expenses STMT 9	96,969.	0.		96,969.
	24 **Total operating and administrative expenses** Add lines 13 through 23	1,305,917.	322,709.		925,438.
	25 Contributions, gifts, grants paid	3,708,297.			3,708,297.
	26 **Total expenses and disbursements.** Add lines 24 and 25	5,014,214.	322,709.		4,633,735.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	3,350,963.			
	b **Net investment income** (if negative, enter -0-)		3,656,661.		
	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	183,298.	141,419.	141,419.
	2 Savings and temporary cash investments	3,150,510.	2,706,847.	2,706,847.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	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 STMT 10	1,788,858.	1,173,018.	1,212,224.
	b Investments - corporate stock STMT 11	3,393,017.	9,797,231.	8,689,805.
	c Investments - corporate bonds STMT 12	8,029,607.	7,951,825.	7,729,284.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 13	44,639,989.	42,819,196.	46,637,815.
	14 Land, buildings, and equipment: basis ▶ 169,297.			
	Less accumulated depreciation STMT 14 ▶ 144,397.	35,650.	24,900.	24,900.
	15 Other assets (describe ▶ STATEMENT 15)	4,606,862.	4,564,318.	4,223,322.
	16 **Total assets** (to be completed by all filers)	65,827,791.	69,178,754.	71,365,616.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ [X] 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	65,827,791.	69,178,754.	
	30 **Total net assets or fund balances**	65,827,791.	69,178,754.	
	31 **Total liabilities and net assets/fund balances**	65,827,791.	69,178,754.	

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	65,827,791.
2 Enter amount from Part I, line 27a	2	3,350,963.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	69,178,754.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	69,178,754.

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)
a	PUBLICLY TRADED SECURITIES			
b	CAPITAL GAINS DIVIDENDS			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	37,504,528.		35,673,363.	1,831,164.
b	72,811.			72,811.
c				
d				
e				

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				1,831,164.
b				72,811.
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 } **2** 1,903,975.

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	3,588,183.	67,429,712.	.053214
2009	3,038,696.	59,481,416.	.051086
2008	2,964,504.	55,659,692.	.053261
2007	3,024,145.	62,683,494.	.048245
2006	2,611,593.	58,653,577.	.044526

2	Total of line 1, column (d)	2	.250332
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	.050066
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	74,318,777.
5	Multiply line 4 by line 3	5	3,720,844.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	36,567.
7	Add lines 5 and 6	7	3,757,411.
8	Enter qualifying distributions from Part XII, line 4	8	4,635,764.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ (attach copy of letter if necessary-see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b		1	36,567.
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	36,567.
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	36,567.
6	Credits/Payments			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a 35,000.		
b	Exempt foreign organizations - tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments Add lines 6a through 6d		7	35,000.
8	Enter any **penalty** for underpayment of estimated tax Check here [X] 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	1,567.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	Refunded ▶	11	

Part VII-A Statements Regarding Activities

		Line	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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
	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.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ 0. (2) On foundation managers ▶ $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 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.*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		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?	6	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.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NY			
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*	8b	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*	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses STMT 16	10	X	

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

			Yes	No
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?	13	X	

Website address ▶ WWW.THETOWERFOUNDATION.ORG

14 The books are in care of ▶ LUMSDEN & MC CORMICK, LLP Telephone no ▶ (716)856-3300

Located at ▶ 403 MAIN STREET, SUITE 430, BUFFALO, NY ZIP+4 ▶ 14203

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

			Yes	No
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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ 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)? ☐ Yes ☒ 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) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
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? ☐ Yes ☒ 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? ☐ Yes ☒ 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)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 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)? N/A — 5b

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? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? — 6b — No: X

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? N/A — 7b

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

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

(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 17		192,129.	19,225.	4,486.

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
DONALD W MATTESON - 2351 NORTH FOREST ROAD, SUITE 106, GETZVILLE,	CHIEF PROGRAM OFF. 40.00	85,843.	16,147.	1,850.
NICHOLAS G RANDELL - 2351 NORTH FOREST ROAD, SUITE 106, GETZVILLE,	PROGRAM OFF. 40.00	70,116.	15,675.	1,736.
CHARLES E COLSTON JR - 2351 NORTH FOREST ROAD, SUITE 106, GETZVILLE,	PROGRAM OFF. 40.00	62,547.	15,449.	1,837.
KATHLEEN E ANDRIACCIO - 2351 NORTH FOREST ROAD, SUITE 106, GETZVILLE,	ADMIN MGR. 40.00	53,262.	15,170.	2,458.
DAWN M PYTLIK - 2351 NORTH FOREST ROAD, SUITE 106, GETZVILLE, NY	OFFICE MGR. 40.00	42,893.	14,859.	1,600.

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
MORGANSTANLEY SMITHBARNEY - 50 FOUNTAIN PLAZA, KEY CENTER, SUITE 800, BUFFALO, NY	INVESTMENT ADVISORY	233,282.
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	66,884,571.
b	Average of monthly cash balances	1b	4,429,283.
c	Fair market value of all other assets	1c	4,136,681.
d	**Total** (add lines 1a, b, and c)	1d	75,450,535.
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	75,450,535.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	1,131,758.
5	**Net value of noncharitable-use assets**. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	74,318,777.
6	**Minimum investment return**. Enter 5% of line 5	6	3,715,939.

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	3,715,939.
2a	Tax on investment income for 2011 from Part VI, line 5 — 2a: 36,567.		
b	Income tax for 2011 (This does not include the tax from Part VI) — 2b		
c	Add lines 2a and 2b	2c	36,567.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	3,679,372.
4	Recoveries of amounts treated as qualifying distributions	4	18,107.
5	Add lines 3 and 4	5	3,697,479.
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	3,697,479.

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	4,633,735.
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	2,029.
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	4,635,764.
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	36,567.
6	**Adjusted qualifying distributions**. Subtract line 5 from line 4	6	4,599,197.

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				3,697,479.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			2,392,297.	
b Total for prior years ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2011				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 4,635,764.				
a Applied to 2010, but not more than line 2a			2,392,297.	
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				2,243,467.
e Remaining amount distributed out of corpus	0.			
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:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
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				1,454,012.
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	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

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

SEE STATEMENT 18

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

SEE STATEMENT 19

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 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
a *Paid during the year*				
SEE ATTACHMENT D				3,708,297.
Total ▶ 3a				3,708,297.
b *Approved for future payment*				
SEE ATTACHMENT E				3,536,112.
Total ▶ 3b				3,536,112.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
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			14	197.	
4 Dividends and interest from securities			14	2,075,198.	
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					
8 Gain or (loss) from sales of assets other than inventory			18	1,903,975.	<494.>
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a REFUND OF PRIOR YEAR					
b CONTRIBUTIONS					18,107.
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		3,979,370.	17,613.

13 Total. Add line 12, columns (b), (d), and (e) 13 3,996,983.

(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)
	N/A

123621
12-02-11

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

			Yes	No
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	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [X] Yes [ ] No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
	N/A	

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: John N Blair | Date: 5/10/12 | Title: ATTORNEY TRUSTEE

May the IRS discuss this return with the preparer shown below (see instr)? [X] Yes [ ] No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
DALE B. DEMYANICK		5/9/12		P00155344

Firm's name ▶ LUMSDEN & MCCORMICK, LLP — Firm's EIN ▶ 16-0765486

Firm's address ▶ 403 MAIN ST. SUITE 430 BUFFALO, NY 14203 — Phone no (716)856-3300

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	**Employer identification number**
THE PETER AND ELIZABETH C TOWER FOUNDATION	16-6350753

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).

Name of organization: THE PETER AND ELIZABETH C TOWER FOUNDATION

Employer identification number: 16-6350753

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	PETER TOWER, INC. 403 MAIN STREET, BOX 23 BUFFALO, NY 14203	$ 4,368,000.	Person [ ] Payroll [ ] Noncash [X] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

Name of organization
THE PETER AND ELIZABETH C TOWER FOUNDATION

Employer identification number
16-6350753

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
1	50,000 SHARES M&T BANK CORPORATION	$ 4,368,000.	03/25/11

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

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

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

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

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

Name of organization	Employer identification number
THE PETER AND ELIZABETH C TOWER FOUNDATION	16-6350753

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.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Form **4562** Department of the Treasury Internal Revenue Service (99)

Depreciation and Amortization 990-PF
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172 **2011** Attachment Sequence No **179**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
THE PETER AND ELIZABETH C TOWER FOUNDATION	FORM 990-PF PAGE 1	16-6350753

Part I **Election To Expense Certain Property Under Section 179** **Note:** *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	500,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	

8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012 Add lines 9 and 10, less line 12 ▶ 13		

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	2,029.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	310.

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	9,946.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b)	(c)	(d)	(e)	(f)	(g)
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	12,285.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No | 24b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2011 tax year:					
43 Amortization of costs that began before your 2011 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

116252 11-18-11

2011 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1 990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	COMPUTER SYSTEM	102901	200DB	5.00	17	7,127.			7,127.	7,127.		0.
2	COMPUTER SYSTEM	110901	200DB	5.00	17	1,895.			1,895.	1,895.		0.
3	COPIER	110901	200DB	5.00	17	9,927.			9,927.	9,927.		0.
4	FURNITURE	121101	200DB	7.00	17	293.			293.	293.		0.
5	FURNITURE	092101	200DB	7.00	17	2,864.			2,864.	2,864.		0.
6	FURNITURE	120301	200DB	7.00	17	2,885.			2,885.	2,885.		0.
7	FURNITURE	120301	200DB	7.00	17	2,356.			2,356.	2,356.		0.
8	TELEPHONE SYSTEM	092401	200DB	7.00	17	2,804.			2,804.	2,804.		0.
9	OFFICE FURNITURE	020702	200DB	7.00	17	1,079.			1,079.	1,079.		0.
10	COMPUTER EQUIPMENT	040902	200DB	5.00	17	4,346.			4,346.	4,346.		0.
11	PAPER SHREDDER	042503	200DB	5.00	17	700.		700.				0.
12	GALLERY SHOP ARTWORK	112304	200DB	7.00	17	602.		301.	301.	266.		35.
13	FURNITURE-ETHAN ALLEN	121004	200DB	7.00	17	208.		104.	104.	92.		12.
14	REFRIGERATOR	102804	200DB	7.00	17	392.		196.	196.	173.		23.
15	OFFICE FURNITURE	121304	200DB	7.00	17	500.		250.	250.	221.		29.
16	KITCHEN TABLE	102504	200DB	7.00	17	254.		127.	127.	113.		14.
17	OFFICE FURNITURE-FWS	111604	200DB	7.00	17	250.		125.	125.	111.		14.
18	ART POSTERS (HALLWAY)	070105	200DB	7.00	17	603.			603.	522.		54.

128102
05-01-11

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
19	ART POSTERS (HALLWAY)	011905	200DB	7.00	17	281.			281.	243.		25.
20	ART (EXEC DIRECTOR'S OFFICE)	031505	200DB	7.00	17	449.			449.	389.		40.
21	ART (EXEC DIRECTOR'S OFFICE)	030805	200DB	7.00	17	942.			942.	816.		84.
22	CABINET	070105	200DB	7.00	17	649.			649.	562.		58.
23	5 CHAIRS-GUEST, BURGANDY	031805	200DB	7.00	17	1,175.			1,175.	1,018.		105.
24	DESKTOP COMPUTER	032105	200DB	5.00	17	1,229.			1,229.	1,229.		0.
25	HP DESKTOP COMPUTERS AND MONIT	111505	200DB	5.00	17	2,457.			2,457.	2,457.		0.
26	LAPTOP COMPUTER	032105	200DB	5.00	17	1,742.			1,742.	1,742.		0.
27	(D)CORNICES	071905	200DB	7.00	17	4,212.			4,212.	3,648.		188.
28	DESK (PROGRAM OFFICER)	031805	200DB	7.00	17	1,110.			1,110.	962.		99.
29	GLASS FOR TABLE TOP (CONFERENCE)	032105	200DB	7.00	17	143.			143.	124.		13.
30	MIRROR (RECEPTION)	070105	200DB	7.00	17	319.			319.	276.		29.
31	PROJECTOR	032105	200DB	5.00	17	1,950.			1,950.	1,950.		0.
32	ESPRESSO TABLE (CONFERENCE)	070105	200DB	7.00	17	970.			970.	840.		87.
33	TABLE (RECEPTION)	070105	200DB	7.00	17	399.			399.	346.		35.
34	TABLE/SOFA (RECEPTION)	070105	200DB	7.00	17	519.			519.	449.		47.
35	TABLE/SOFA (CONFERENCE)	070105	200DB	7.00	17	569.			569.	493.		51.
39	OFFICE FURNITURE	063007	200DB	7.00	17	41,387.			41,387.	28,459.		3,694.

128102
05-01-11

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
40	TELEPHONE/COMPUTER EQUIPMENT	063007	200DB	5.00	17	21,313.			21,313.	17,631.		2,455.
41	ADJUSTABLE HEIGHT CART W/CABINET	063008	200DB	7.00	17	313.		157.	156.	60.		27.
42	AERON OFFICE CHAIRS	063008	200DB	7.00	17	4,215.		2,108.	2,107.	817.		369.
43	GLASS TOPS FOR TABLES	063008	200DB	7.00	17	279.		140.	139.	54.		24.
44	LATERAL FILE	063008	200DB	7.00	17	260.		130.	130.	51.		23.
45	48" HUTCH (PROGRAM OFFICER)	063008	200DB	7.00	17	363.		182.	181.	70.		32.
46	66" HUTCH (ADMIN MANAGER OFFICE)	063008	200DB	7.00	17	533.		267.	266.	103.		47.
47	KEYLESS ENTRY SYSTEM	063008	200DB	5.00	17	1,463.		732.	731.	380.		140.
48	LAPTOP COMPUTER	063008	200DB	5.00	17	1,462.		731.	731.	380.		140.
49	LAPTOP COMPUTER	063008	200DB	5.00	17	1,462.		731.	731.	380.		140.
50	ART PRINTS	063008	200DB	7.00	17	5,467.		2,734.	2,733.	1,059.		478.
51	OFFICE CHAIR (MILLINGTON LOCKWOO	011709	200DB	7.00	17	863.		432.	431.	168.		75.
52	COMPUTER MONITOR (DELL)	012809	200DB	5.00	17	179.		90.	89.	47.		17.
53	LAPTOP COMPUTER (DELL)	012809	200DB	5.00	17	1,658.		829.	829.	431.		159.
54	HUTCH (MILLINGTON LOCKWOOD)	032509	200DB	7.00	17	385.		193.	192.	75.		33.
55	RICOH COPIER #V1285900117	040209	200DB	5.00	17	8,842.		4,421.	4,421.	2,299.		849.
56	DESKTOP COMPUTER (ADMIN MANAGER)	082709	200DB	5.00	17	797.		399.	398.	208.		76.
57	DOOR SOUNDPROOFING	012109	SL	39.00	16	1,150.			1,150.	56.		29.

128102
05-01-11

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
58	SOUNDPROOFING	061009	SL	39.00	16	10,954.			10,954.	445.		281.
59	KITCHEN EQUIPMENT	022110	200DB	5.00	17	140.		70.	70.	25.		18.
60	LASER PRINER (DELL 2330)	051910	200DB	5.00	17	219.		110.	109.	27.		33.
61	LASER PRINTER (DELL 1110)	052010	200DB	5.00	17	99.		50.	49.	12.		15.
62	APPLE IPADS (QTY 13)	111010	200DB	5.00	17	9,477.		9,477.				0.
63	APPLE IPAD2 (QTY 2)	102511	200DB	5.00	19B	1,429.		1,429.				1,429.
64	CHAIRS (QTY 30)	111611	200DB	7.00	19C	600.		600.				600.
99	(D)PAPER SHREDDER	063007	200DB	5.00	17	1,030.			1,030.	852.		60.
	* TOTAL 990-PF PG 1 DEPR					174,539.		27,815.	146,724.	108,707.	0.	12,285.

128102
05-01-11

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
INTEREST ON SAVINGS AND MONEY MARKET FUNDS	197.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	197.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ACCRUED INTEREST PAID	<57,705.>	0.	<57,705.>
DIVIDEND & INTEREST FROM SECURITIES	2,205,714.	72,811.	2,132,903.
TOTAL TO FM 990-PF, PART I, LN 4	2,148,009.	72,811.	2,075,198.

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 3

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
PUBLICLY TRADED SECURITIES			

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
37,504,528.	35,673,363.	0.	0.	1,831,164.

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
OFFICE EQUIPMENT & FURNISHINGS	PURCHASED	VARIOUS	01/28/11

(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS
0.	5,242.	0.	4,748.	<494.>

NET GAIN OR LOSS FROM SALE OF ASSETS	1,830,670.
CAPITAL GAINS DIVIDENDS FROM PART IV	72,811.
TOTAL TO FORM 990-PF, PART I, LINE 6A	1,903,481.

FORM 990-PF OTHER INCOME STATEMENT 4

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
REFUND OF PRIOR YEAR CONTRIBUTIONS	18,107.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	18,107.	0.	

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	34,761.	11,660.		23,101.
TO FM 990-PF, PG 1, LN 16A	34,761.	11,660.		23,101.

FORM 990-PF ACCOUNTING FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	42,533.	21,267.		21,266.
TO FORM 990-PF, PG 1, LN 16B	42,533.	21,267.		21,266.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISOR FEES	278,304.	278,304.		0.
CONSULTING FEES	1,121.	0.		1,121.
TO FORM 990-PF, PG 1, LN 16C	279,425.	278,304.		1,121.

FORM 990-PF TAXES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PAYROLL TAXES	36,707.	0.		36,707.
FOREIGN TAXES	11,478.	11,478.		0.
EXCISE TAXES	45,485.	0.		0.
TO FORM 990-PF, PG 1, LN 18	93,670.	11,478.		36,707.

FORM 990-PF — OTHER EXPENSES — STATEMENT 9

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NYS FILING FEE	1,500.	0.		1,500.
TRUSTEES MEETING	30,962.	0.		30,962.
INSURANCE	3,808.	0.		3,808.
ASSOCIATION DUES	4,013.	0.		4,013.
TELEPHONE/INTERNET	15,505.	0.		15,505.
POSTAGE	1,448.	0.		1,448.
ADVERTISING AND PUBLICITY	1,659.	0.		1,659.
PAYROLL SERVICES	1,892.	0.		1,892.
OFFICE EXPENSE	14,654.	0.		14,654.
WORKSHOPS	51.	0.		51.
STRATEGIC PLANNING	18,476.	0.		18,476.
STAFF DEVELOPMENT	3,001.	0.		3,001.
TO FORM 990-PF, PG 1, LN 23	96,969.	0.		96,969.

FORM 990-PF — U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS — STATEMENT 10

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
GOVERNMENT OBLIGATIONS SEE ATTACHMENT C	X		1,173,018.	1,212,224.
TOTAL U.S. GOVERNMENT OBLIGATIONS			1,173,018.	1,212,224.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			1,173,018.	1,212,224.

FORM 990-PF — CORPORATE STOCK — STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
59,499 SH TRUSTCO BANK CORP NY	721,128.	333,789.
CORPORATE STOCK SEE ATTACHMENT A	1,796,550.	1,969,839.
110,000 SH FRANKLIN ST PROPERTIES	1,465,132.	1,094,500.
CORPORATE BONDS SEE ATTACHMENT C	1,446,271.	1,474,677.
50,000 SH M&T BK CORP	4,368,000.	3,817,000.
31 SH EPIX MEDICAL INC CONV B/E	150.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10B	9,797,231.	8,689,805.

FORM 990-PF	CORPORATE BONDS	STATEMENT 12

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE BONDS SEE ATTACHMENT A	6,366,155.	6,134,787.
INTERNATIONAL BONDS SEE ATTACHMENT A	1,580,420.	1,594,497.
20,000 HAWAIIAN TELECOM	5,250.	0.
TOTAL TO FORM 990-PF, PART II, LINE 10C	7,951,825.	7,729,284.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 13

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CLOSED END FUNDS SEE ATTACHMENT B	COST	39,461,969.	43,353,183.
MUTUAL FUNDS SEE ATTACHMENT C	COST	2,340,645.	2,268,050.
SATELLITE PLACE REIT INVESTMENT	COST	261,368.	261,368.
505 WATERFORD CORP REIT INVESTMENT	COST	236,979.	236,979.
1441 MAIN STREET REIT INVESTMENT	COST	253,360.	253,360.
GALLERIA NORTH REIT INVESTMENT	COST	264,875.	264,875.
TOTAL TO FORM 990-PF, PART II, LINE 13		42,819,196.	46,637,815.

FORM 990-PF	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT 14

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COMPUTER SYSTEM	7,127.	7,127.	0.
COMPUTER SYSTEM	1,895.	1,895.	0.
COPIER	9,927.	9,927.	0.
FURNITURE	293.	293.	0.
FURNITURE	2,864.	2,864.	0.
FURNITURE	2,885.	2,885.	0.
FURNITURE	2,356.	2,356.	0.
TELEPHONE SYSTEM	2,804.	2,804.	0.
OFFICE FURNITURE	1,079.	1,079.	0.
COMPUTER EQUIPMENT	4,346.	4,346.	0.
PAPER SHREDDER	700.	700.	0.
GALLERY SHOP ARTWORK	602.	602.	0.
FURNITURE-ETHAN ALLEN	208.	208.	0.
REFRIGERATOR	392.	392.	0.
OFFICE FURNITURE	500.	500.	0.
KITCHEN TABLE	254.	254.	0.

OFFICE FURNITURE-FWS	250.	250.	0.
ART POSTERS (HALLWAY)	603.	576.	27.
ART POSTERS (HALLWAY)	281.	268.	13.
ART (EXEC DIRECTOR'S OFFICE)	449.	429.	20.
ART (EXEC DIRECTOR'S OFFICE)	942.	900.	42.
CABINET	649.	620.	29.
5 CHAIRS-GUEST, BURGANDY	1,175.	1,123.	52.
DESKTOP COMPUTER	1,229.	1,229.	0.
HP DESKTOP COMPUTERS AND MONITOR	2,457.	2,457.	0.
LAPTOP COMPUTER	1,742.	1,742.	0.
DESK (PROGRAM OFFICER)	1,110.	1,061.	49.
GLASS FOR TABLE TOP (CONFERENCE)	143.	137.	6.
MIRROR (RECEPTION)	319.	305.	14.
PROJECTOR	1,950.	1,950.	0.
ESPRESSO TABLE (CONFERENCE)	970.	927.	43.
TABLE (RECEPTION)	399.	381.	18.
TABLE/SOFA (RECEPTION)	519.	496.	23.
TABLE/SOFA (CONFERENCE)	569.	544.	25.
OFFICE FURNITURE	41,387.	32,153.	9,234.
TELEPHONE/COMPUTER EQUIPMENT	21,313.	20,086.	1,227.
ADJUSTABLE HEIGHT CART W/CABINET	313.	244.	69.
AERON OFFICE CHAIRS	4,215.	3,294.	921.
GLASS TOPS FOR TABLES	279.	218.	61.
LATERAL FILE	260.	204.	56.
48" HUTCH (PROGRAM OFFICER)	363.	284.	79.
66" HUTCH (ADMIN MANAGER OFFICE)	533.	417.	116.
KEYLESS ENTRY SYSTEM	1,463.	1,252.	211.
LAPTOP COMPUTER	1,462.	1,251.	211.
LAPTOP COMPUTER	1,462.	1,251.	211.
ART PRINTS	5,467.	4,271.	1,196.
OFFICE CHAIR (MILLINGTON LOCKWOOD)	863.	675.	188.
COMPUTER MONITOR (DELL)	179.	154.	25.
LAPTOP COMPUTER (DELL)	1,658.	1,419.	239.
HUTCH (MILLINGTON LOCKWOOD)	385.	301.	84.
RICOH COPIER #V1285900117	8,842.	7,569.	1,273.
DESKTOP COMPUTER (ADMIN MANAGER)	797.	683.	114.
DOOR SOUNDPROOFING	1,150.	85.	1,065.
SOUNDPROOFING	10,954.	726.	10,228.
KITCHEN EQUIPMENT	140.	113.	27.
LASER PRINER (DELL 2330)	219.	170.	49.
LASER PRINTER (DELL 1110)	99.	77.	22.
APPLE IPADS (QTY 13)	9,477.	9,477.	0.
APPLE IPAD2 (QTY 2)	1,429.	1,429.	0.
CHAIRS (QTY 30)	600.	600.	0.
TOTAL TO FM 990-PF, PART II, LN 14	169,297.	142,030.	27,267.

FORM 990-PF OTHER ASSETS STATEMENT 15

DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST	17,956.	7,571.	7,571.
VARIOUS INSURANCE POLICIES	2,431,475.	2,392,365.	2,393,857.
VARIOUS INSURANCE POLICIES	2,114,779.	2,114,747.	1,772,259.
DUE FROM BROKER	42,652.	46,705.	46,705.
CREDIT CARD DEPOSITS	0.	2,259.	2,259.
FSA DEPOSIT / DUE FROM EMPLOYEE	0.	671.	671.
TO FORM 990-PF, PART II, LINE 15	4,606,862.	4,564,318.	4,223,322.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS STATEMENT 16
PART VII-A, LINE 10

NAME OF CONTRIBUTOR	ADDRESS
PETER TOWER, INC.	403 MAIN STREET, BOX 23 BUFFALO, NY 14203

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 17

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
PETER TOWER 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 0.00	0.	0.	0.
ELIZABETH C. TOWER 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 0.00	0.	0.	0.
MOLLIE TOWER BYRNES 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	0.	0.	0.
CYNTHIA T. DOYLE 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	0.	0.	0.
ROBERT M. DOYLE 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	0.	0.	0.
J[illegible]N H. BYRNES 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	0.	0.	0.
TRACY SAWICKI 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	EXECUTIVE DIRECTOR 40.00	131,629.	19,225.	4,486.
JOHN N. BLAIR 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	ATTORNEY TRUSTEE 10.00	0.	0.	0.
DONNA OWENS 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	6,500.	0.	0.
ALBERT MICHAELS 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	13,000.	0.	0.
JOSEPH J. ROSA 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	14,000.	0.	0.

SHERIF A. NADA 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	14,000.	0.	0.
DEBORAH BRAYTON 2351 NORTH FOREST ROAD, SUITE 106 GETZVILLE, NY 140681225	TRUSTEE 2.00	13,000.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		192,129.	19,225.	4,486.

FORM 990-PF PART XV - LINE 1A STATEMENT 18

LIST OF FOUNDATION MANAGERS

NAME OF MANAGER

PETER TOWER
ELIZABETH C. TOWER

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 19
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

TRACY A. SAWICKI
2351 NORTH FOREST ROAD
GETZVILLE, NY 14068-1225

TELEPHONE NUMBER

(716)689-0370

FORM AND CONTENT OF APPLICATIONS

SUBMIT LETTER OF INQUIRY REGARDING PROGRAM/PROJECT THAT QUALIFIES, PER GRANT GUIDELINES ON WEBSITE. IF PROPOSAL IS SELECTED FOR CONSIDERATION, A FULL GRANT APPLICATION MUST BE COMPLETED. GRANT APPLICATIONS ARE BY REQUEST ONLY, AND MUST BE SUBMITTED DIRECTLY TO THE FOUNDATION. THE FOUNDATION DOES NOT ACCEPT APPLICATIONS OVER ITS WEBSITE.

ANY SUBMISSION DEADLINES

SEE ATTACHMENT F

RESTRICTIONS AND LIMITATIONS ON AWARDS

FOUR DISTINCT FUNDING CATEGORIES: LEARNING DISABILITIES, INTELLECTUAL DISABILITIES, MENTAL HEALTH AND SUBSTANCE ABUSE. EACH CATEGORY HAS ITS OWN OBJECTIVE, TARGET POPULATION, AND FUNDING PRIORITIES. MAY NOT BE USED FOR THE PRIVATE BENEFIT OF ANY GRANT RECIPIENT, ATTEMPT TO INFLUENCE LEGISLATION, OR ATTEMPT TO INFLUENCE OR INTERVENE IN ANY POLITICAL CAMPAIGN.

Money fund

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency Although money market funds seek to preserve the value of your investment at $1 00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below $1 00 per share. In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account

Number of shares	Description	Current value	Accrued dividends	Annualized % dividend yield	Anticipated Income (annualized)
774,027 39	MORGAN STANLEY LIQUID ASSET FUND INC	$ 774,027.39		.01%	$ 77.40
Total money fund		$ 774,027.39	$ 0.00		$ 77.40

Common stocks & options

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
267	ASHLAND INC (NEW)	ASH	11/17/08	$ 4,701.87	$ 17 61	$ 57 16	$ 15,261.72	$ 10,559 85 LT	1.224%	$ 186 90
1,225	BRISTOL MYERS SQUIBB CO	BMY	11/28/05	27,117 09	22.129	35 24	43,169 00	16,051 91* LT		
725			11/28/05	16,038 23	22.129	35 24	25,549.00	9,510 77* LT		
300			11/28/05	6,635 28	22.129	35 24	10,572 00	3,936 72* LT		
2,250				49,790.60	22.129		79,290.00	29,499.40	3.859	3,060 00
585	FAIRPOINT COMMUNICATIONS, INC WARRANTS EXP 01/24/2018			$150.93		10	58.50	Not available		
88 0915	FAIRPOINT COMMUNICATIONS INC	FRP	04/21/09	22 38 p	254	4 33	381 44	359.06 LT		
91 0375			04/23/09	23.36 p	256	4 33	394 19	370 83 LT		
91.0375			05/05/09	25.62 p	281	4 33	394.19	368.57 LT		
18 2075			05/13/09	5 90 p	324	4 33	78 84	72.94 LT		
54 6225			06/18/09	11 16 p	204	4 33	236 52	225.36 LT		
0035			07/29/09	01 p	2 857	4.33	02	.01 LT		
343				88 43	.258		1,485.20	1,396.77		
106	WTS HAWAIIAN TELCOM HOLDCO INC EXP 10/28/2015		02/07/08	21,187 50	19,988 207	3 00	318.00	(20,869.50) LT		
475	KB HOME	KBH	04/13/06	30,566 45	64.35	6 72	3,192.00	(27,374.45) LT	3.72	118.75
1,750	MERCK & CO INC NEW	MRK	11/02/05	49,150.68	28.086	37 70	65,975.00	16,824.32* LT	4 456	2,940.00
237.1875	OWENS ILLINOIS INC NEW	OI	11/16/04	9,231.94	38.936	19 38	4,596 69	(4,635 25)* LT		
237.1875			05/05/05	9,869 21	41.624	19 38	4,596 69	(5,272 52)* LT		
450 6563			05/15/06	15,997.52	35 511	19 38	8,733.72	(7,263 80)* LT		
23 7188			05/15/06	838 48	35 363	19 38	459 67	(378 81)* LT		
23 7188			05/16/06	838 48	35 363	19 38	459 67	(378 81)* LT		

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 20[illegible]
Attachment A

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Ref 00011749 00102814

Reserved
Client Statement
December 1 - December 31, 2011

THE PETER AND ELIZABETH C. *Account number 356-73568-15 640*

Common stocks & options *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
23 7188	OWENS ILLINOIS INC NEW	OI	05/18/06	$ 835 73	$ 35 247	$ 19 38	$ 459 67	($ 376 06)* LT		
23 7188			05/19/06	833 23	35 142	19 38	459 67	(373 56)* LT		
23.7188			05/24/06	831.98	35 089	19.38	459 67	(372 31)* LT		
23 7188			06/09/06	834 46	35.194	19 38	459 67	(374.79)* LT		
426.9375			06/26/06	14,953 11	35 037	19 38	8,274 05	(6,679 06)* LT		
23 7184			06/26/06	837 23	35 311	19 38	459 66	(377 57)* LT		
1,518				**55,901 37**	**36.826**		**29,418.83**	**(26,482.54)**		
790 6667	VALEANT PHARMACEUTICALS INTERNATIONAL INC NEW	VRX	02/28/05	10,175 43	1,286 943	46 69	36,916.23	26,740 80* LT		
395 3333			03/07/05	5,215 09	1,319 162	46 69	18,458.11	13,243 02* LT		
790 6667			03/09/05	10,282 99	1,300 546	46 69	36,916 23	26,633 24* LT		
1,186			03/22/05	14,790 42	1,247 084	46.69	55,374 34	40,583.92* LT		
395 3333			10/05/05	4,492.50	1,136 382	46 69	18,458.11	13,965 61* LT		
395.3333			10/12/05	4,421.55	1,118.436	46 69	18,458.11	14,036.56* LT		
395 3333			10/18/05	4,387.50	1,109 823	46 69	18,458.11	14,070.61* LT		
395 3333			10/27/05	4,300 65	1,087 854	46 69	18,458.11	14,157 46* LT		
1,581 3333			11/16/05	16,903 80	1,068 958	46 69	73,832.45	56,928.65* LT		
790 6668			11/29/05	8,397 00	1,062 014	46 69	36,916.23	28,519 23* LT		
7,116				**83,366 93**	**11.715**		**332,246.03**	**248,879.10**		
1,070 9505	VERTEX PHARMACEUTICALS INC	VRTX	07/28/04	15,360 00	14.342	33 21	35,566.27	20,206.27* LT		
1,004 016			08/03/04	14,343 75	14 28	33 21	33,343 37	18,999.62* LT		
1,673 0335			09/15/04	24,932 63	14 304	33 21	55,561.44	30,628.81* LT		
3,748				**54,636 38**	**14 577**		**124,471.08**	**69,834.70**		
Total common stocks and options				$349,541 14	(1)		**$ 651,716.36** (2)	**$ 0.00** ST **$ 302,267.65** LT	**.96**	**$ 6,305.65**

Preferred stocks

The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities All credit ratings represent the "opinions" of the provider and are not representations or guarantees of performance Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
100	AES TRUST III 6 75% CONV	AESPRC	12/10/04	$ 5,470 00	$ 54.70	$ 49 09	$ 4,909 00	($ 561 00)* LT		
500	Rated B		01/20/05	27,024 00	54.048	49.09	24,545.00	(2,479.00)* LT		
200	Next call on 01/04/12		05/03/05	10,060 00	50.30	49 09	9,818 00	(242.00)* LT		

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Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Preferred stocks *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
600	AES TRUST III 6 75% CONV	AESPRC	06/06/05	$ 30,255.00	$ 50 425	$ 49 09	$ 29,454 00	($ 801 00)* LT		
1,400	Rated B Next call on 01/04/12	$90,685 25 = OID 17,876.25 +		**72,809 00**	**52.006**		**68,726.00**	**(4,083 00)**	**6.876**	**4,725.00**
1,825	ALLY FINANCIAL INC SER A PFD Rated CCC Next call on 05/15/16	ALLYPR	03/22/11	**45,625.00**	25.00	18.39	**33,561.75**	**(12,063 25)*ST**	**11 555**	**3,878 13**
1,500	CMS ENERGY TR I 7.75% QUARTERLY INCOME PFD SECS Rated BB Next call on 12/31/11		01/15/04	**67,875.00**	45 25	40.00	**60,000.00**	**(7,875.00)*LT**	**9.687**	**5,812.50**
500	EL PASO ENERGY CAP TR 1 4 75%	EPPRC	01/19/06	17,400 00	34.80	46 04	23,020 00	5,620 00* LT		
400	PFD CONV TR SECS		05/19/06	14,320 00	35 80	46.04	18,416 00	4,096.00* LT		
215	Rated B		01/17/08	7,879.75	36 65	46 04	9,898 60	2,018 85* LT		
3	Next call on 01/04/12		01/22/08	105 90	35.30	46 04	138 12	32.22* LT		
104			01/23/08	3,723 20	35.80	46 04	4,788 16	1,064.96* LT		
233			01/24/08	8,514 82	36 544	46 04	10,727 32	2,212 50* LT		
400			11/09/10	15,200 00	38 00	46 04	18,416 00	3,216 00* LT		
100			11/29/10	3,850 00	38.50	46 04	4,604 00	754 00* LT		
1,955		$71,980.76 = OID 987 09 +		**70,893.67**	**36.314**		**90,008.20**	**19,014.53**	**5.158**	**4,643.13**
50	GENERAL MOTORS COMPANY 4 75%	GMPRB	03/04/10	2,500 49	49 99	34 25	1,712 50	(787.99)* LT		
500	SER B MANDATORY CONV JR PFD		11/18/10	25,000 00	50 00	34.25	17,125 00	(7,875 00)* LT		
50			11/23/10	2,501 00	50 00	34.25	1,712 50	(788 50)* LT		
50			11/23/10	2,498 50	49.95	34 25	1,712 50	(786 00)* LT		
150			02/10/11	8,062 50	53 73	34 25	5,137 50	(2,925 00)* ST		
150			02/10/11	8,112 00	54 06	34 25	5,137 50	(2,974 50)* ST		
100			02/10/11	5,401 00	53.99	34 25	3,425 00	(1,976 00)* ST		
150			02/11/11	8,055 00	53 68	34.25	5,137 50	(2,917 50)* ST		
100			02/11/11	5,314 00	53 12	34 25	3,425 00	(1,889 00)* ST		
150			02/14/11	8,080 14	53.847	34.25	5,137 50	(2,942.64)* ST		
300			02/15/11	16,144 50	53.815	34.25	10,275 00	(5,869.50)* ST		
100			02/15/11	5,345 00	53.43	34 25	3,425 00	(1,920 00)* ST		
100			02/15/11	5,381 92	53 799	34 25	3,425 00	(1,956 92)* ST		
250			02/17/11	13,510 00	54 02	34.25	8,562 50	(4,947 50)* ST		
150			02/17/11	8,071 50	53 79	34 25	5,137 50	(2,934 00)* ST		
250			02/18/11	13,577 50	54.29	34 25	8,562 50	(5,015 00)* ST		
250			02/22/11	13,300 00	53 18	34.25	8,562.50	(4,737 50)* ST		
150			02/23/11	7,728 00	51.50	34.25	5,137.50	(2,590 50)* ST		

The Peter and Elizabeth C. Tower Foun[illegible]on
EIN: 16-6350753, December 31, 20[illegible]
Attachment A

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Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Preferred stocks *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
150	GENERAL MOTORS COMPANY 4 75% SER B MANDATORY CONV JR PFD	GMPRB	02/23/11	$ 7,896 74	$ 52 62	$ 34 25	$ 5,137 50	($ 2,759 24)* ST		
150			02/23/11	7,999 50	53 31	34 25	5,137 50	(2,862 00)* ST		
150			02/24/11	7,573 50	50.47	34 25	5,137 50	(2,436 00)* ST		
150			02/24/11	7,816.50	52 09	34 25	5,137.50	(2,679 00)* ST		
100			02/24/11	4,977 00	49 75	34 25	3,425 00	(1,552 00)* ST		
100			02/24/11	5,157 00	51 55	34 25	3,425.00	(1,732.00)* ST		
50			02/25/11	2,546 50	50 91	34 25	1,712.50	(834.00)* ST		
50			02/25/11	2,549 50	50.97	34 25	1,712 50	(837 00)* ST		
50			02/28/11	2,532.00	50.62	34 25	1,712 50	(819 50)* ST		
50			03/01/11	2,493 00	49 84	34 25	1,712 50	(780 50)* ST		
50			03/01/11	2,530 50	50.59	34.25	1,712.50	(818 00)* ST		
50			03/03/11	2,497 00	49.94	34 25	1,712 50	(784 50)* ST		
50			03/04/11	2,509 50	50 17	34 25	1,712 50	(797 00)* ST		
50			03/07/11	2,443.50	48.85	34 25	1,712.50	(731 00)* ST		
50			03/07/11	2,476 00	49.50	34 25	1,712.50	(763 50)* ST		
50			03/07/11	2,421.50	48.41	34 25	1,712 50	(709 00)* ST		
50			03/09/11	2,471 00	49.40	34 25	1,712 50	(758 50)* ST		
50			04/06/11	2,520 41	50.388	34 25	1,712 50	(807 91)* ST		
100			05/04/11	5,094 87	50 928	34 25	3,425 00	(1,669 87)* ST		
100			05/06/11	5,014 00	50.12	34.25	3,425 00	(1,589.00)* ST		
100			05/24/11	4,876 00	48.74	34.25	3,425.00	(1,451 00)* ST		
100			05/31/11	4,944.88	49.428	34 25	3,425.00	(1,519 88)* ST		
4,800				**249,923.45**	**52.067**		**164,400.00**	**(85,523.45)**	**6.934**	**11,400.00**
100	GOODYEAR TIRE & RUBBER CO MAND CONV PREF 5.875	GTPRA	08/05/11	4,816 40	48.124	48 574	4,857 40	41.00* ST		
100			08/17/11	4,778 48	47.744	48 574	4,857 40	78 92* ST		
100			08/18/11	4,318 31	43.143	48 574	4,857 40	539 09* ST		
50			08/18/11	2,152 00	43 00	48 574	2,428.70	276.70* ST		
100			08/19/11	4,275 75	42.717	48 574	4,857.40	581.65* ST		
100			08/23/11	4,191.50	41.875	48 574	4,857.40	665.90* ST		
100			08/25/11	4,308 68	43.046	48.574	4,857.40	548 72* ST		
100			08/25/11	4,229 00	42 25	48 574	4,857 40	628 40* ST		
100			08/26/11	4,134 00	41.30	48 574	4,857 40	723 40* ST		
100			08/30/11	4,427.30	44.273	48 574	4,857 40	430 10 ST		
100			09/02/11	4,387.00	43 87	48 574	4,857 40	470 40 ST		
50			09/02/11	2,142 35	42 847	48 574	2,428 70	286 35 ST		

Preferred stocks *continued*

Quantity	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Average % yield	Anticipated Income (annualized)
50	GOODYEAR TIRE & RUBBER CO	GTPRA	09/06/11	$ 2,024 80	$ 40.496	$ 48 574	$ 2,428 70	$ 403 90 ST		
150	MAND CONV PREF 5.875		09/08/11	6,437 00	42.873	48 574	7,286.10	849 10* ST		
50			09/09/11	2,086.50	41.73	48 574	2,428 70	342 20* ST		
100			09/12/11	4,128.95	41 249	48 574	4,857 40	728 45* ST		
50			09/13/11	2,012.10	40.242	48 574	2,428.70	416.60* ST		
50			09/14/11	2,006.50	40 13	48 574	2,428 70	422.20* ST		
50			09/15/11	2,066.86	41.297	48 574	2,428.70	361 84* ST		
50			09/16/11	2,089 50	41 79	48 574	2,428 70	339 20* ST		
50			09/19/11	2,048.85	40.977	48 574	2,428.70	379 85* ST		
50			09/20/11	2,074 20	41 484	48 574	2,428 70	354 50* ST		
100			09/22/11	3,707.50	37.075	48.574	4,857.40	1,149.90* ST		
50			09/22/11	1,908.25	38.125	48.574	2,428 70	520.45* ST		
100			09/26/11	4,021 63	40 216	48 574	4,857.40	835 77* ST		
50			11/21/11	2,163 55	43 271	48 574	2,428.70	265.15* ST		
2,050				**86,936 96**	**42.408**		**99,576.70**	**12,639 74**	**6.048**	**6,022 90**
25	LUCENT TECH CAP CONV 7.75%	LUTHP	09/30/03	28,575 00	1,143.00	611 25	15,281.25	(13,293.75)* LT		
40	TR PFD SECS DTD 8/16/02		01/16/08	32,800 00	820 00	611 25	24,450 00	(8,350 00)* LT		
65	Rated CCC Next call on 02/02/12	$80,433 54 = OID 19,058.54 +		**61,375 00**	**944.231**		**39,731.25**	**(21,643.75)**	**12.678**	**5,037.50**
515	NEWELL FINL TR I GTD CV	NEFIO	03/04/09	8,819 38	17.125	42 25	21,758.75	12,939 37# LT		
275	QTLY INC PFD SECS 5 250%		03/19/09	4,675 00	17.00	42 25	11,618.75	6,943 75 LT		
50	Rated BB		10/19/09	1,762 50	35.25	42 25	2,112 50	350 00# LT		
125	Next call on 02/02/12		11/05/09	4,312 50	34.50	42 25	5,281 25	968 75# LT		
75			11/05/09	2,634.38	35.125	42.25	3,168 75	534 37# LT		
275			04/09/10	10,738.75	39.05	42.25	11,618 75	880.00* LT		
475			04/29/10	18,376 56	38.687	42.25	20,068.75	1,692.19* LT		
1,790		$61,839.58 = OID 10,520 51 +		**51,319 07**	**28 67**		**75,627.50**	**24,308.43**	**6.213**	**4,698.75**
163	SOVEREIGN CAP IV CV PFD	SNCTO	01/24/08	5,015.35	30.769	47 50	7,742.50	2,727.15* LT		
114	0 5482		01/25/08	3,655 30	32 064	47 50	5,415 00	1,759 70* LT		
277	Rated BBB +	$13,418 82 = OID 4,748 17 +		**8,670 65**	**31 302**		**13,157.50**	**4,486 85**	**4.573**	**601.78**
50	UNITED RENTALS TRUST I CV PFD	URIRP	07/01/11	2,256 90	45 138	45 25	2,262 50	5 60* ST		
50	6 50%		07/05/11	2,263 72	45 274	45 25	2,262 50	(1 22)* ST		
14	Rated CCC		09/30/11	507 50	36.25	45 25	633.50	126 00* ST		
114		$5,200.01 = OID 171 89 +		**5,028.12**	**44.106**		**5,158.50**	**130.38**	**7.182**	**370.50**
Total preferred stocks				$773,918.37 (1)			**$ 649,947.40** (2)	**($ 74,579.09) ST** **$ 3,970.57 LT**	**7.26**	**$ 47,190.19**

Mortgage and asset backed securities

Current Value is calculated as follows Original Principal Amount x Factor x Price = Current Value

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
150,000	INDYMAC MBS INC 2004-AR7 MTG PASSTHRU CTF CL INT: 00 723% MATY 09/25/2034 FACTOR .06286599 Curr.face $ 9,429 90 Int paid monthly Rated CAA1/AA+	05/10/11 45660NT96	$ 6,180.45	$ 68.687	$ 60 082 $ .76	$ 5,665.67	($ 514.78) ST	1.204%	$ 68.23
75,000	AMERICAN HOME MTGE INV TRUST DTD 09/01/2004	07/19/10 02660TBM4	5,336 14	73.00	62.834	4,872 46	(463.68) LT		
75,000	FLTR INT: 02.621% MATY 10/25/2034	06/20/11	5,858.57	76.00	62 834	4,872.46	(986.11) ST		
150,000	FACTOR 10339322 Curr face $ 15,508.98 Int paid monthly Rated B1/AAA		11,194 71	7.50	6.78	9,744.92	(1,449.79)	4.171	406.54
75,000	GS SER 2004-14 CLASS IIIA1 FLTR DTD 11/01/2004 INT: 02 890% MATY. 12/25/2034 FACTOR. .09153536 Curr.face $ 6,865.15 Int paid monthly Rated B3/BBB-	07/20/11 36242DPF4	4,889.93	72.875	68.232 3.31	4,684.23	(205.70) ST	4.236	198.44
25,000	BANK OF AMERICA MORTGAGE SECS ,TG PASS THROUGH CERT DTD 01/01/2005 MTY 02/25/2035 INT: 02 875% MATY 02/25/2035 FACTOR. .32857500 Curr face $ 8,214 38 Int paid monthly Rated Moody B2	04/26/11 05949AH86	7,077.10	87.312	81.867 3 84	6,724.86	(352 24) ST	3 512	236.19
150,000	CHL MORTGAGE PASS-THROUGH TR SER 2005-2 CL 2A DTD 01/31/05 INT: 00.633% MATY· 03/25/2035 FACTOR 17746666 Curr.face $ 26,620 00 Int paid monthly Rated CAA3/CCC	01/28/11 12669GPT2	16,748 08	66 00	49 945 3.28	13,295.36	(3,452.72) ST	1.268	168 66

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
50,000	INDYMAC INDX MORTGAGE LOAN TR SER 2005-AR1 CLASS 3A1	04/13/11 45660LDE6	$ 10,913.53	$ 85 50	$ 76 246	$ 9,842.31	($ 1,071 22) ST		
75,000	03/25/2035 DTD 01/01/2005 INT 02.566% MATY: 03/25/2035	07/20/11	$ 15,985 56	$ 83 187	$ 76 246	$ 14,763 47	($ 1,222 09) ST		
125,000	FACTOR 25817251 Curr face $ 32,271.56 Int paid monthly Rated CAA1/AAA		$ 26,899 09	$ 21 50	$ 13 80	$ 24,605 78	($ 2,293 31)	3.365	$ 828.21
300,000	MASTER ADJUSTABLE RATE MTGS TR REMIC P/T CTFS SER 2005-2 CLASS 3A1 FLTR INT 02.597% MATY 03/25/2035 FACTOR 12891205 Curr face $ 38,673 62 Int paid monthly Rated CAA2/B-	10/21/10 576433XW1	$ 25,866.66	$ 71 25	$ 63 251 $ 16.74	$ 24,461.45	($ 1,405.21) LT	4 106%	$ 1,004 43
75,000	MASTR ADJUSTABLE RATE MORTGAGE SER 2005-2 CLASS V-A-1 FLTR DTD 02/01/2005 MTY 03/25/2035 INT: 02.624% MATY. 03/25/2035 FACTOR 22673250 Curr face $ 17,004 94 Int paid monthly Rated CAA1/B-	576433XY7	$20,635.90		83 139 7.44	14,137.73	Not available	3.156	446.27
25,000	NEW CENTURY HOME EQUITY LOAN T REMIC SER 2005-1 CLASS M-3 FLTR DTD 02/25/2005 INT: 00.777% MATY: 03/25/2035 FACTOR· 1 0000000 Curr face $ 25,000 00 Int paid monthly Rated CAA3/AA-	07/19/10 64352VKC4	13,750.00	55.00	68 383 3.24	17,095.75	3,345 75 LT	1.136	194.30
100,000	COUNTRYWIDE HOME LOANS SER 2005-11 CLASS III-A-3	02/16/11 12669GUP4	10,451 00	55 093	42 912	8,726 38	(1,724 62) ST		
25,000	FLTR DTD 02/01/2005 MTY 04/25/2035	02/16/11	2,442.50	52.00	42 912	2,181 60	(260 90) ST		
125,000	INT· 02 997% MATY 04/25/2035 FACTOR. 20335526 Curr face $ 25,419 41 Int paid monthly Rated CA/CC		12,893 50	10.30	12 70	10,907.88	(1,985.52)	6.985	761.95

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
25,000	INDYMAC INDX MTG LOAN TR INT. 04.542% MATY 04/25/2035 FACTOR 28559072 Curr face $ 7,139 77 Int paid monthly Rated CAA2/A	06/15/11 45660LFN4	$ 5,557.50	$ 78 75	$ 71 461 $ 5 41	$ 5,102.15	($ 455.35) ST	6.357%	$ 324.35
75,000	GMACM MORTGAGE LOAN TRUST SER 2005-AR3 CLASS II-A-1 FLTR DTD 05/01/2005 MTY 06/19/2035 INT· 02 866% MATY 06/19/2035 FACTOR 36899084 Curr face $ 27,674.31 Int paid monthly Rated CAA3/CCC	05/10/11 36185N6Z8	23,867.06	86.625	84 708 26.44	23,442.36	(424.70) ST	3.383	793.22
25,000	NEW CENTY HOME EQUIT DTD 04/22/2005 INT: 00.743% MATY· 06/25/2035 FACTOR. 1 0000000 Curr face $ 25,000 00 Int paid monthly Rated CAA2/AA	09/17/10 64352VKU4	17,000 00	68.00	57 658 3.10	14,414.50	(2,585.50) LT	1.289	185 90
75,000	STRUCTURED ASSET SEC TRUST SER 2005-9XS CL II-A2 INT: 00 583% MATY 06/25/2035 FACTOR· 22844591 Curr.face $ 17,133 44 Int paid monthly Rated CAA2/BB-	04/27/11 86359DES2	12,298.01	74 125	62 876 1 67	10,772.82	(1,525.19) ST	.928	99.99
25,000	PARK PLACE SECURITIES INC DTD 06/28/2005	09/15/10 70069FLG0	16,312 50	65 25	54 881	13,720.25	(2,592.25) LT		
25,000	FLTR INT: 00.793% MATY 07/25/2035	09/27/10	17,812 50	71 25	54.881	13,720 25	(4,092 25) LT		
50,000	FACTOR· 1 0000000 Curr face $ 50,000 00 Int paid monthly Rated B3/BBB-		34,125.00	68.30	6.61	27,440.50	(6,684.50)	1.446	396 80

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
50,000	BEAR STEARNS ADJUSTBALE REATE	11/29/11	$ 13,292 67	$ 85 625	$ 85 333	$ 13,247 34	($ 45.33) ST		
	SER 2005-5 CLASS A-2	07387ACK9							
50,000	FLTR DTD 07/01/2005	11/29/11	$ 13,244.16	$ 85.312	$ 85 333	$ 13,247 34	$ 3.18 ST		
	MTY 08/25/2035								
	INT. 02 150% MATY 08/25/2035								
100,000	FACTOR 31048574		$ 26,536 83	$ 26.50		$ 26,494 68	($ 42.15)	2.519	$ 667.54
	Curr.face $ 31,048.57				$ 11.13				
	Int paid monthly								
	Rated BA3/AAA								
75,000	INDYMAC INDX MORTGAGE LOAN TR	06/22/11	$ 15,150 94	$ 64.375	$ 55.994	$ 13,468.31	($ 1,682 63) ST		
	SER 2005-AR14 CLASS 2A1A	45660LRX9							
25,000	08/25/2035 DTD 06/29/2005	06/22/11	$ 5,060.72	$ 64 50	$ 55 994	$ 4,489.44	($ 571.28) ST		
	INT: 00.593% MATY: 08/25/2035								
	FACTOR. 32070841								
100,000	Curr face $ 32,070 84		$ 20,211 66	$ 20 20		$ 17,957.75	($ 2,253.91)	1.06	$ 190.37
	Int paid monthly				$ 3.17				
	Rated B3/B								
50,000	AMERIQUEST MTG SECURITIES	08/03/10	$ 26,039.06	$ 52.078	$ 46.882	$ 23,441.00	($ 2,598 06) LT		
	SER 2005-R7 CLASS M2	03072SJ97							
25,000	INT: 00 793% MATY 09/25/2035	10/06/10	$ 14,687 50	$ 58 75	$ 46 882	$ 11,720 50	($ 2,967 00) LT		
	FACTOR: 1 0000000								
	Curr face $ 75,000.00								
75,000	Int paid monthly		$ 40,726.56	$ 54.30		$ 35,161.50	($ 5,565.06)	1.692	$ 595.20
	Rated B3/A				$ 8 27				
75,000	COUNTRYWIDE ALTERNATIVE LOAN T	11/22/10	$ 11,066 86	$ 60 312	$ 47.42	$ 9,261.75	($ 1,805.11) LT		
	SER 2005-38 CLASS A-3	12667GZ30							
25,000	FLTR DTD 07/29/2005	04/20/11	$ 4,053 08	$ 64.093	$ 47 42	$ 3,087.25	($ 965.83) ST		
	INT· 00 643% MATY: 09/25/2035								
	FACTOR: 26041752								
100,000	Curr.face $ 26,041 75		$ 15,119.94	$ 15.10		$ 12,349.00	($ 2,770.94)	1.357	$ 167.60
	Int paid monthly				$ 2.79				
	Rated CAA2/B-								
75,000	GS MORTGAGE SECURITIES	03/10/10	$ 27,058.54	$ 85 00	$ 82.444	$ 27,715 78	$ 657.24 LT	3.322%	$ 920.86
	SER 2005-AR7 CLASS IIA1	362341WZ8			$ 15 35				
	FLTR DTD 10/01/2005								
	INT. 02.739% MATY. 11/25/2035								
	FACTOR· 44823613								
	Curr face $ 33,617.71								
	Int paid monthly								
	Rated S&P B-								

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated income (annualized)
125,000	CSFB MORTGAGE SECURITIES REMIC SER 2005-AR10 CLASS V-A- FLTR DTD 09/30/2005 INT· 00.553% MATY 01/25/2036 FACTOR 21183374 Curr.face $ 26,479 22 Int paid monthly Rated CAA3/CCC	11/02/09 007036TM8	$ 12,985.61	$ 62 375	$ 56 406 $ 2.44	$ 14,935 87	$ 1,950.26 LT	.981%	$ 146.58
25,000	AMERIQUEST MORTGAGE DTD 12/20/2005 1MO LIB + 45BPS INT. 00 743% MATY 01/25/2036 FACTOR 1 0000000 Curr face $ 25,000 00 Int paid monthly Rated BA3/AA +	10/07/10 03072SU94	15,937.50	63 75	57 354 3.10	14,338.50	(1,599.00) LT	1.296	185.90
100,000	LEHMAN MTG TRUST INT: 00.793% MATY. 01/25/2036 FACTOR: .47503383 Curr face $ 47,503 38 Int paid monthly Rated CAA3/D	10/13/09 52520MDS9	23,739.46	59 00	57 555 1.05	27,340.57	3,601.11 LT	1.378	376.98
50,000	INDYMAC INDEX MTG 2004 AR14 INT: 05.320% MATY 02/25/2036 FACTOR· .50741772 Curr face $ 25,370 89 Int paid monthly Rated CAA2/D	05/25/11 45660L2F5	18,056.40	72.50	59 562 22.50	15,111 41	(2,944 99) ST	8.933	1,349.98
100,000	INDYMAC INDX MTG LOAN TRUST REMIC SER 2006-AR7 CLASS 4A1 6 27840% DTD 03/01/2006 INT: 05.408% MATY. 04/25/2036 FACTOR: .50452694 Curr face $ 50,452 69 Int paid monthly Rated CA/D	02/08/10 45661EDC5	28,245.74	55.00	47.381 45.48	23,904.99	(4,340.75) LT	11.414	2,728 60

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
50,000	RESIDENTIAL ACCREDIT LOANS SER 2006-QS6 CLASS I-A-16 6 00% DTD 06/01/2006 MTY 06/25/2036 INT· 06.000% MATY 06/25/2036 FACTOR. .74347087 Curr face $ 37,173.54 Int paid monthly Rated CAA3/D	06/10/11 74922EAR0	$ 23,360 47	$ 62 50	$ 60 808 $ 37.17	$ 22,604 49	($ 755.98) ST	9.867%	$ 2,230 41
150,000	RESIDENTIAL ACCREDIT LOANS SER 2006-QA9 CLASS A-1 FLTR DTD 10/30/2006 INT. 00 473% MATY 11/25/2036 FACTOR 38397506 Curr face $ 57,596.26 Int paid monthly Rated CAA3/CCC	07/08/09 75115VAA3	9,937.43	41.75	45 625 4 55	26,278.29	16,340.86 LT	1.038	272.77
250,000	GSAA HOME EQUTIY TRUST SER 2006-20CL 1A1 DTD 12/29/06 INT: 00 363% MATY. 01/25/2037 FACTOR: .18437897 Curr face $ 46,094.74 Int paid monthly Rated CA/CCC	07/20/11 362351AA6	19,167 16	44.203	38 785 3.26	17,877.85	(1,289 31) ST	.937	167.60
125,000	STRUCTURED ADJUSTABLE RATE MORTGAGE LOAN TRUST 2006-12 INT. 00.453% MATY. 01/25/2037 FACTOR. .43605396 Curr face $ 54,506 75 Int paid monthly Rated CAA3/CCC	07/16/09 86362RAA9	12,114 80	48 50	43 529 4.12	23,726.24	11,611.44 LT	1.042	247.24
75,000	MERRILL LYNCH ALTERNATIVE NOTE SERIES 2007-F1 CL 2A7 INT 06 000% MATY 03/25/2037 FACTOR. .57858222 Curr face $ 43,393 67 Int paid monthly Rated Moody CAA3	06/03/11 59023YAH7	28,863 40	66 625	60 549 43.39	26,274.43	(2,588.97) ST	9.909	2,603 62

Ref 00011749 00102824

MorganStanley
SmithBarney

Reserved
Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. Account number 356-73568-15 640

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
100,000	STRUCTURED ASSET SECURITIES CO DTD 04/25/2007 INT 00 383% MATY 03/25/2037 FACTOR· 15179287 Curr face $ 15,179 29 Int paid monthly Rated CAA2/CCC	11/12/09 86363HAB8	$ -2,139.83	$ 61 00	$ 62 672 $ 97	$ 9,513.16	$ 11,652 99 LT	.612%	$ 58.22
50,000	LEHMAN XS TRUST SER 2007-10H CL IA1 INT: 00.413% MATY· 07/25/2037 FACTOR 27106123 Curr face $ 13,553 06 Int paid monthly Rated CAA3/D	06/28/11 525237BF9	5,449.36	39.875	38.478 1.09	5,214.95	(234.41) ST	1.074	56 05
75,000	MASTR ASSET SECURITIZATION TRU SER 2007-1 CLASS 1-A-4 6.50% DTD 10/01/2007 INT 06 500% MATY. 11/25/2037 FACTOR. .46483723 Curr face $ 34,862 79 Int paid monthly Rated S&P CCC	06/29/11 55292AAD0	28,434.14	82 50	85 688 37 77	29,873.23	1,439 09 ST	7.585	2,266 08
20,000	CREDIT SUISSE MTGE CAP CERT REMIC SER 2007-C3 CLASS AM FLTR DTD 06/01/2007 MTY 06/15/2039 INT 05 713% MATY. 06/15/2039 FACTOR. 1.0000000 Curr face $ 20,000 00 Int paid monthly Rated A3/BB-	10/26/11 22544QAG4	15,348.44	76.742	74 441 44 44	14,888 20	(460 24) ST	7.674	1,142.66
20,000	GS MTG SEC CORP II REMIC SER 2007-GG10 CLASS AM	09/27/11 36246LAG6	14,557.81	72.789	81.367	16,273 40	1,715.59 ST		
10,000	FLTR DTD 07/01/2007 MTY 08/10/2045	10/26/11	7,553.91	75.539	81.367	8,136.70	582 79 ST		
10,000	INT: 05.790% MATY 08/10/2045 FACTOR. 1 0000000 Curr.face $ 40,000 00	10/26/11	7,585 94	75.859	81 367	8,136 70	550 76 ST		
40,000	Int paid monthly Rated BAA1/B +		29,697 66	74.20	135.10	32,546.80	2,849 14	7.116	2,316 03

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 20
Attachment A

MorganStanley SmithBarney

Ref· 00011749 00102825

Reserved
Client Statement
December 1 - December 31, 2011

THE PETER AND ELIZABETH C. *Account number 356-73568-15 640*

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
100,000	RESIDENTIAL ACCREDIT LOAN, IN REMIC SER 2006-QO7 CLASS 1A1 FLTR DTD 09/01/2006 MTY 09/25/2046 INT. 01 017% MATY 09/25/2046 FACTOR· 61415749 Curr.face $ 61,415.75 Int paid monthly Rated CA/CCC	04/08/11 751150AA1	$ 24,832 69	$ 44 50	$ 36.041 $ 10.42	$ 22,134.85	($ 2,697 84) ST	2.823%	$ 625.07
25,000	WAMU MORTGAGE PASS-THROUGH CERTIFICATES SERIES 2007-OA3 INT 00.977% MATY 04/25/2047 FACTOR .59964989 Curr face $ 14,991.25 Int paid monthly Rated CAA2/CCC	07/18/11 93364AAC6	10,423.19	70.75	62 95 2.44	9,436.99	(986.20) ST	1.552	146.53
Total mortgage and asset backed securities 3,360,000			$673,090.14 (1)		$ 555.22	$ 668,175.59 (2)	($ 23,127.22)*ST $ 24,710.84**LT	3.82	$ 25,575.37

sum (1) = $1,796,549.65 Part II, Line 10b (b)
sum (2) = $1,969,839.35 Part II, Line 10b (c)

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 2011
Attachment A

Ref 00011749 00102826

MorganStanley SmithBarney

Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Bonds

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount

Call features shown indicate the next regularly scheduled call date and price Your holdings may be subject to other redemption features including sinking funds or extraordinary calls

The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities. All credit ratings represent the "opinions" of the provider and are not representations or guarantees of performance Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings

International bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
500,000	EUROPEAN BANK FOR RECONSTR AND DEVELOPMENT DTD 02/10/2010 INT 09.250% MATY 09/10/2012 EXCHANGE RATE· 5357334 Shares traded in. Brazilian reals Face value in US dollars $ 267,866.70 Int paid annually Rating S&P AAA	07/02/10 G3157R3A4	$ 281,309 72 $ 281,309.72	$ 56 261 $ 56 261	53.111 $ 7,639.78	$ 265,555.00	($ 15,754 72) ($ 15,754.72)	LT LT	9.33 $ 24,777.67	$ 0.00 ($ 15,754.72)
100,000,000	INTL BK RECON & DEV DTD 02/26/2010 INT: 02.300% MATY· 02/26/2013 EXCHANGE RATE 0008636 Shares traded in. South Korean dollars Face value in US dollars $ 86,369.00 Int paid annually Rating AAA/AAA	08/09/10 U9871DBN4	87,500 00 87,500.00	087 .087	087 1,682.90	87,000.00	(500 00) (500.00)	LT LT	2 283 1,986.48	0 00 (500.00)
105,000	CANADA GOVERNMENT DTD 06/24/2008 INT: 03.500% MATY. 06/01/2013 EXCHANGE RATE· 9789525 Amount denominated in. Canadian dollars Face value in US dollars· $ 102,790 01 Rating AAA/AAA	06/30/11 135087YN8	112,804 29 112,804.29	107 432 107 432	101 366 299.80	106,434 30	(6,369.99) (6,369.99)	ST ST	3 38 3,597.65	0 00 (6,369.99)

International bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
2,350,000	INTER-AMERICAN DEVE BANK	12/22/10	$ 51,845 44	$ 2 206	1 844	$ 43,334 00	($ 8,511 44)	LT		$ 0 00
	MTN	1719900A3	$ 51,845.44	$ 2 206			($ 8,511 44)	LT		($ 8,511 44)
2,400,000	DTD 01/10/2011	01/05/11	53,053 98	2 21	1.844	44,256 00	(8,797.98)	ST		0 00
	INT· 04.750% MATY· 01/10/2014		53,053.98	2 21			(8,797 98)	ST		(8,797 98)
4,750,000	EXCHANGE RATE. .0188306		104,899 42	2 20		87,590.00	(17,309 42)		4.85	0 00
	Shares traded in:		104,899.42	2.20	3,183.14		(17,309.42)		4,248.65	(17,309.42)
	Indian rupees									
	Face value in US dollars.									
	$ 89,445 39									
	Int paid annually									
	Rating AAA/AAA									
35,000	ONTARIO PROVINCE OF	07/29/11	37,009.70	105 742	105.311	36,858 85	(150 85)	ST	2.801	0.00
	DTD 02/05/2010	6832348H4	36,779.75	105 085	418 74		79 10	ST	1,032.50	79 10
	INT. 02.950% MATY: 02/05/2015									
	EXCHANGE RATE 1 0000000									
	Amount denominated in:									
	U S dollars									
	Rating AA1/AA-									
4,040,000,000	INTER-AMERICAN DEVEL BK	08/11/10	336,471 19	008	009	363,600 00	27,128.81	LT		0.00
	DTD 08/20/2010	U45818A99	336,471.19	008			27,128.81	LT		27,128.81
	INT. 00 000% MATY. 08/20/2015									
	EXCHANGE RATE 0001088									
	Amount denominated in·									
	Indonesian IDRs									
	Face value in US dollars									
	$ 439,592.40									
	Rating AAA/AAA									
42,000,000	COLOMBIA REPUBLIC OF	04/21/06	22,015 14	05	066	27,720 00	5,704 86*	LT		0 00
	DTD 02/24/2005	P3772NAU6	22,015 14	05			5,704 86*	LT		5,704 86
61,000,000	INT· 12.000% MATY 10/22/2015	04/25/06	31,873 76	05	066	40,260 00	8,386 24*	LT		0 00
	EXCHANGE RATE· 0005149		31,873 76	.05			8,386 24*	LT		8,386 24
103,000,000	Shares traded in:		53,888 90	10		67,980.00	14,091.10		9.362	0 00
	Columbian pesos		53,888 90	10	1,219 83		14,091.10		6,364.53	14,091.10
	Face value in US dollars.									
	$ 53,037.79									
	Int paid annually									
	Rating BAA3/BBB-									

International bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
40,000	ONTARIO PROV CDA-USD	07/29/11	$ 45,249 20	$ 113 123	112 538	$ 45,015.20	($ 234 00)	ST	4.22	$ 0.00
	INT: 04.750% MATY 01/19/2016	683234YB8	$ 44,784.40	$ 111 961	$ 855.00		$ 230.80	ST	$ 1,900.00	$ 230.80
	EXCHANGE RATE. 1 0000000									
	Amount denominated in									
	U.S dollars									
	Rating AA1/AA-									
5,000	INTELSAT LUXEMBOURG S A-US	05/24/10	4,950 00	99.00	96.75	4,837 50	(112.50)	LT		0 00
	INT. 11.250% MATY 02/04/2017	458204AH7	4,950.00	99 00			(112.50)	LT		(112 50)
10,000	EXCHANGE RATE: 1 0000000	05/25/10	9,787 50	97 875	96 75	9,675 00	(112 50)	LT		0 00
	Amount denominated in.		9,787 50	97.875			(112 50)	LT		(112.50)
	U S dollars									
5,000	Rating CAA3/CCC +	06/15/10	4,937.50	98 75	96.75	4,837.50	(100.00)	LT		0.00
	Next call on 02/15/13 @ 105.625		4,937 50	98 75			(100 00)	LT		(100 00)
20,000		09/09/11	18,950 00	94 75	96 75	19,350.00	400 00	ST		41.60
			18,950 00	94 75			400.00	ST		358.40
10,000		09/09/11	9,387.50	93.875	96 75	9,675.00	287 50	ST		24.10
			9,387 50	93 875			287.50	ST		263.40
10,000		09/12/11	9,312 50	93.125	96 75	9,675.00	362 50	ST		26 70
			9,312 50	93 125			362.50	ST		335 80
10,000		09/13/11	9,275 00	92.75	96.75	9,675 00	400.00	ST		27.80
			9,275 00	92.75			400.00	ST		372.20
10,000		09/13/11	9,237.50	92.375	96 75	9,675.00	437 50	ST		29 20
			9,237 50	92.375			437 50	ST		408.30
10,000		09/14/11	9,250.00	92.50	96.75	9,675 00	425 00	ST		28 10
			9,250 00	92.50			425 00	ST		396.90
5,000		09/15/11	4,612 50	92.25	96 75	4,837 50	225 00	ST		14 40
			4,612.50	92 25			225 00	ST		210.60
5,000		09/21/11	4,650 00	93.00	96 75	4,837 50	187 50	ST		12 50
			4,650 00	93 00			187.50	ST		175 00
5,000		09/22/11	4,562 50	91 25	96 75	4,837.50	275 00	ST		15.20
			4,562.50	91 25			275.00	ST		259 80
10,000		09/23/11	9,075.00	90 75	96.75	9,675 00	600.00	ST		31.70
			9,075 00	90 75			600 00	ST		568.30
20,000		11/02/11	19,700 00	98 50	96 75	19,350 00	(350 00)	ST		0 00
			19,700 00	98.50			(350 00)	ST		(350.00)
5,000		11/15/11	4,725 00	94 50	96 75	4,837.50	112 50	ST		5 15
			4,725 00	94 50			112 50	ST		107.35
5,000		11/17/11	4,675 00	93 50	96 75	4,837 50	162 50	ST		5 40
			4,675 00	93 50			162 50	ST		157.10

International bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	INTELSAT LUXEMBOURG S A-US	11/21/11	$ 4,518 75	$ 90 375	96 75	$ 4,837 50	$ 318 75	ST		$ 7 00
	INT: 11.250% MATY. 02/04/2017	458204AH7	$ 4,518.75	$ 90 375			$ 318.75	ST		$ 311.75
5,000	EXCHANGE RATE 1.0000000	11/22/11	4,462 50	89.25	96.75	4,837 50	375.00	ST		7 05
	Amount denominated in		4,462.50	89 25			375 00	ST		367 95
	U.S. dollars									
155,000	Rating· CAA3/CCC +		146,068 75	94 20		149,962 50	3,893 75		11.627	275.90
	Next call on 02/15/13 @ 105 625		146,068.75	94 20	6,587.50		3,893.75		17,437.50	3,617.85
5,000	REPUBLIC OF IRELAND	07/11/11	4,002 68	80 053	103 882	5,194 10	1,191 42	ST	6 227	0 00
	DTD 01/21/2010	G4935KBB5	4,002.68	80 053	65.59		1,191.42	ST	323.47	1,191.42
	INT: 05.000% MATY 10/18/2020									
	EXCHANGE RATE 1 2939000									
	Shares traded in									
	EURO Monetary Unit									
	Face value in US dollars.									
	$ 6,469 50									
	Int paid annually									
	Rating BA1/BBB +									
5,000	OBRIGACOES DO TESOUR	06/27/11	4,263.10	85 262	65.968	3,298.40	(964.70)	ST		0.00
	DTD 06/10/2008	X6738PDY7	4,263 10	85 262			(964 70)	ST		(964 70)
5,000	11/16/2005	07/06/11	3,868 16	77 363	65 968	3,298.40	(569.76)	ST		0 00
	INT· 04 950% MATY· 10/25/2023		3,868 16	77.363			(569.76)	ST		(569.76)
5,000	EXCHANGE RATE 1 2939000	07/06/11	3,939.79	78.795	65 968	3,298.40	(641.39)	ST		0 00
	Shares traded in.		3,939 79	78 795			(641 39)	ST		(641 39)
	EURO Monetary Unit									
15,000	Face value in US dollars.		12,071 05	80 50		9,895.20	(2,175.85)		9.708	0.00
	$ 19,408 50		12,071.05	80.50	176 13		(2,175.85)		960.72	(2,175 85)
	Int paid annually									
	Rating BA2/BBB-									
25,000	UNITED MEXICAN STATES-MXN	04/08/11	255,190 26	10.207	9.271	231,775 00	(23,415 26)	ST	7 733	0 00
	10 % BONOS /2005-5 12.24 SER M	P9767GB34	255,190.26	10 207	1,273.62		(23,415 26)	ST	17,924 23	(23,415.26)
	INT: 10.000% MATY· 12/05/2024									
	EXCHANGE RATE. 0716969									
	Amount denominated in									
	Mexican pesos									
	Rating· BAA1/A-									

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 20
Attachment A

MorganStanley SmithBarney

Ref 00011749 00102830

Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. — Account number 356-73568-15 640

International bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	REPUBLIC OF IRELAND	06/23/11	$ 4,400 39	$ 88 007	102 345	$ 5,117 25	$ 716.86	ST		$ 0 00
	DTD 10/13/2009	G4935KAW0	$ 4,400.39	$ 88.007			$ 716.86	ST		$ 716 86
5,000	INT: 05.400% MATY 03/13/2025	07/06/11	4,244 23	84 884	102 345	5,117 25	873.02	ST		0 00
	EXCHANGE RATE 1 2939000		4,244 23	84 884			873 02	ST		873.02
10,000	Shares traded in: EURO Monetary Unit	07/07/11	8,292 61	82 926	102 345	10,234 50	1,941 89	ST		0.00
	Face value in US dollars		8,292 61	82 926			1,941.89	ST		1,941 89
5,000	$ 32,347.50	07/13/11	3,853 83	77.076	102.345	5,117.25	1,263.42	ST		0.00
	Int paid annually		3,853 83	77 076			1,263.42	ST		1,263.42
25,000	Rating. BA1/BBB +		20,791 06	83.20		**25,586.25**	4,795.19		**6.826**	**0.00**
			20,791 06	83 20	**1,397.41**		**4,795 19**		**1,746.76**	**4,795.19**
15,000	NORTHERN TELECOM CAP	06/15/04	13,725 00	91 50	106.00	15,900.00	2,175.00*	LT		206.25
	DTD 06/17/1996	665810AB3	13,725.00	91.50			2,175 00*	LT		1,968.75
30,000	INT: 07.875% MATY 06/15/2026	03/09/06	28,350 00	94 50	106.00	31,800 00	3,450 00*	LT		237.30
	EXCHANGE RATE. 1 0000000		28,350 00	94.50			3,450.00*	LT		3,212 70
45,000	Amount denominated in. U S dollars		42,075 00	93 50		**47,700.00**	5,625 00			**443.55**
	Rating Moody WR		**42,075.00**	93 50			**5,625.00**			**5,181.45**
290,000	REPUBLICA ORIENTAL D	03/29/07	11,948 91	4 12	7.182	**29,433.85**	17,484.94*	LT	**2 973**	**0.00**
	DTD 04/03/2007	760942AU6	**11,948.91**	4.12	**209.11**		**17,484.94***	LT	**875.34**	**17,484 94**
	027 LINKED TO URUI(INDEX)									
	INT: 04.250% MATY 04/05/2027									
	EXCHANGE RATE. 0502563									
	Face value in US dollars									
	$ 14,574.32									
	Factor 1.41320									
	Curr.face $ 409,828 00									
	Rating: BA1/BB +									
25,000,000	REPUBLIC OF COLOMBIA	06/12/07	12,990 12	05	073	**18,250.00**	5,259 88*	LT	**6.948**	**0.00**
	DTD 06/28/2007	P3772NBA9	**12,990.12**	05	**644 58**		**5,259 88***	LT	**1,268.01**	**5,259.88**
	INT: 09.850% MATY 06/28/2027									
	EXCHANGE RATE 0005149									
	Shares traded in:									
	Columbian pesos									
	Face value in US dollars									
	$ 12,873.25									
	Int paid annually									
	Rating. BAA3/BBB-									

International bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
15,000	BUONI POLIENNALI DEL	11/09/11	$ 16,149 40	$ 107 662	111 112	$ 16,666.80	$ 517 40	ST	6 695	$ 0.00
	DTD 03/18/2002	T60259E45	$ 16,149.40	$ 107 662	$ 465.00		$ 517.40	ST	$ 1,115.98	$ 517.40
	INT. 05.750% MATY. 02/01/2033									
	EXCHANGE RATE 1 2939000									
	Shares traded in:									
	EURO Monetary Unit									
	Face value in US dollars									
	$ 19,408 50									
	Rating Moody A2									
Total international bonds			$ 1,580,419.65		$ 26,118.13	$ 1,594,497.05	($ 29,726.42)	ST	5.36	$ 719.45
4,274,005,000							$ 44,498.57	LT	$ 85,559.49	$ 14,052.70

PART II, LINE 10C, STATEMENT 11

Please note: Amounts *are denominated in the currency of th*

Market value *is denominated in U S. dollars. Changes in* ***exchange rate*** *will affect the "face value in U.S dollars" and* ***market value.***

Corporate bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	HUMAN GENOME SCIENCES INC CV	09/25/08	$ 3,369.25	$ 67 385	99 00	$ 4,950 00	$ 1,580 75	LT		$ 1,309 49
	SUB NTS BOOK/ENTRY	444903AM0	$ 3,369.25	$ 67 385			$ 1,580 75	LT		$ 271 26
5,000	DD 10/14/2005	09/26/08	3,354.10	67.082	99.00	4,950 00	1,595 90	LT		1,320.90
	INT 02.250% MATY. 08/15/2012		3,354.10	67 082			1,595 90	LT		275.00
5,000		03/06/09	2,076 14	41 522	99 00	4,950 00	2,873 86	LT		2,153 66
			2,076.14	41.522			2,873.86	LT		720 20
15,000			8,799.49	58 70		14,850.00	6,050.51		2.272	4,784.05
			8,799 49	58.70	127.50		6,050.51		337.50	1,266.46
45,000	AMERICAN GENERAL FINANCE MED	06/30/10	40,725.00	90.50	94 50	42,525.00	1,800 00	LT	5.687	1,800.00
	TERM NOTE BK/ENTRY	02635PRT2	40,725.00	90 50	604.69		1,800.00	LT	2,418.75	0 00
	DTD 9/30/02									
	INT. 05.375% MATY: 10/01/2012									
	Rating B3/B									
15,000	CLEAR CHANNEL COMMUN	10/21/10	13,312 50	88 75	95 00	14,250 00	937 50	LT		843 15
	DTD 01/09/2003	184502AP7	13,312 50	88 75			937 50	LT		94 35
10,000	INT. 05.750% MATY: 01/15/2013	10/22/10	8,900 00	89 00	95 00	9,500 00	600 00	LT		549.40
	Rating CA/CCC-		8,900 00	89 00			600.00	LT		50 60

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	CLEAR CHANNEL COMMUN	10/27/10	$ 4,462.50	$ 89 25	95 00	$ 4,750 00	$ 287.50	LT		$ 267 40
	DTD 01/09/2003	184502AP7	$ 4,462.50	$ 89 25			$ 287 50	LT		$ 20.10
5,000	INT· 05 750% MATY: 01/15/2013	10/27/10	4,500 00	90 00	95 00	4,750.00	250 00	LT		249.30
	Rating CA/CCC-		4,500 00	90 00			250 00	LT		70
5,000		10/29/10	4,525 00	90 50	95 00	4,750 00	225 00	LT		225.00
			4,525 00	90 50			225.00	LT		0.00
5,000		11/04/10	4,618 75	92 375	95 00	4,750.00	131.25	LT		131 25
			4,618 75	92.375			131.25	LT		0.00
5,000		11/05/10	4,662 50	93.25	95 00	4,750 00	87.50	LT		87.50
			4,662 50	93 25			87 50	LT		0 00
5,000		11/15/10	4,637 50	92 75	95 00	4,750.00	112.50	LT		112.50
			4,637 50	92.75			112 50	LT		0 00
20,000		11/19/10	18,350.00	91.75	95.00	19,000.00	650 00	LT		650.00
			18,350 00	91 75			650 00	LT		0 00
10,000		11/23/10	9,025 00	90 25	95 00	9,500 00	475 00	LT		470 00
			9,025 00	90 25			475 00	LT		5.00
5,000		11/23/10	4,537.50	90 75	95.00	4,750.00	212.50	LT		212.50
			4,537 50	90.75			212 50	LT		0 00
5,000		11/24/10	4,575 00	91.50	95 00	4,750 00	175 00	LT		175 00
			4,575 00	91 50			175 00	LT		0.00
5,000		11/24/10	4,575 00	91 50	95.00	4,750.00	175.00	LT		175.00
			4,575 00	91 50			175 00	LT		0 00
5,000		11/30/10	4,550 00	91 00	95.00	4,750.00	200.00	LT		200.00
			4,550 00	91 00			200 00	LT		0 00
105,000			95,231 25	90.70		**99,750.00**	4,518 75		**6.052**	**4,348.00**
			95,231.25	90 70	**2,783 96**		**4,518.75**		**6,037.50**	**170.75**
5,000	AMERICAN GENL FIN NOTES	07/12/10	4,475.00	89.50	88.00	4,400.00	(75 00)	LT		0 00
	BOOK/ENTRY	02635PTD5	4,475 00	89.50			(75 00)	LT		(75 00)
10,000	DD 6/12/2006	07/20/10	9,075 00	90 75	88 00	8,800 00	(275 00)	LT		0 00
	INT· 05 850% MATY 06/01/2013		9,075 00	90 75			(275.00)	LT		(275.00)
100,000	Rating B3/B	10/05/10	93,125 00	93.125	88 00	88,000.00	(5,125 00)	LT		0 00
			93,125 00	93 125			(5,125 00)	LT		(5,125 00)
115,000			106,675 00	92.80		**101,200 00**	(5,475.00)		**6 647**	**0.00**
			106,675.00	92 80	**560 63**		**(5,475.00)**		**6,727 50**	**(5,475.00)**
25,000	ISTAR FINL INC	11/27/07	21,481 50	85 926	85 75	21,437 50	(44 00)*	LT		0 00
	DTD 09/22/2006	45031UAZ4	21,481 50	85 926			(44 00)*	LT		(44 00)
10,000	INT: 05.950% MATY. 10/15/2013	11/27/07	8,600 00	86 00	85 75	8,575 00	(25 00)*	LT		0 00
	Rating CAA1/B +		8,600 00	86 00			(25 00)*	LT		(25.00)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	ISTAR FINL INC	04/03/08	$ 3,912 50	$ 78 25	85 75	$ 4,287 50	$ 375 00	LT		$ 375.00
	DTD 09/22/2006	45031UAZ4	$ 3,912 50	$ 78 25			$ 375 00	LT		$ 0 00
40,000	INT. 05.950% MATY: 10/15/2013		33,994 00	85 00		**34,300.00**	306 00		**6 938**	**375.00**
	Rating CAA1/B +		**33,994.00**	85 00	**502.44**		**306 00**		**2,380.00**	**(69 00)**
40,000	MICRON TECHNOLOGY INC CV	08/30/10	34,898 80	87 247	95 50	38,200 00	3,301 20	LT		1,686 00
	BK/ENTRY-DTD 05/23/2007	595112AH6	34,898.80	87.247			3,301 20	LT		1,615 20
25,000	INT· 01 875% MATY. 06/01/2014	08/31/10	21,625.00	86 50	95.50	23,875.00	2,250 00	LT		1,110.50
	Rating· S&P BB-		21,625 00	86 50			2,250.00	LT		1,139.50
65,000			56,523 80	87 00		**62,075.00**	5,551 20		**1.963**	**2,796.50**
			56,523.80	87 00	**101 56**		**5,551 20**		**1,218.75**	**2,764 70**
5,000	STEEL DYNAMICS INC CONV	07/14/11	5,950 19	119 003	108 875	5,443.75	(506.44)	ST		0.00
	BOOK/ENTRY	858119AP5	5,950.19	119 003			(506 44)	ST		(506 44)
5,000	DTD 06/09/2009	07/15/11	5,934 25	118 685	108.875	5,443.75	(490.50)	ST		0.00
	INT 05 125% MATY 06/15/2014		5,934 25	118 685			(490 50)	ST		(490.50)
5,000	Rating. S&P BB +	07/26/11	5,977 57	119 551	108 875	5,443.75	(533.82)	ST		0 00
			5,977.57	119.551			(533 82)	ST		(533 82)
15,000			17,862.01	119.10		**16,331.25**	(1,530.76)		**4.707**	**0 00**
			17,862.01	119.10	**34.17**		**(1,530.76)**		**768.75**	**(1,530.76)**
30,000	NAVISTAR INTL	10/22/09	30,000.00	100 00	107 75	**32,325.00**	2,325.00	LT	**2.784**	**0 00**
	CVBD DTD 10/28/2009 $32,371.19 = OID 2,371.19 +		**30,000 00**	100.00	**190.00**		**2,325.00**	LT	**900.00**	**2,325 00**
	INT· 03 000% MATY· 10/15/2014									
	Rating B1/B									
5,000	TXU CORP SR NOTES-BK/ENTRY	10/11/07	4,018.75	80 375	71 00	3,550.00	(468 75)*	LT		0 00
	DTD 11/26/2004	873168AL2	4,018.75	80 375			(468 75)*	LT		(468.75)
5,000	INT. 05 550% MATY· 11/15/2014	10/15/07	4,006.25	80 125	71.00	3,550.00	(456.25)*	LT		0.00
	Rating CA/D		4,006 25	80.125			(456.25)*	LT		(456.25)
5,000		10/16/07	4,000.00	80.00	71.00	3,550.00	(450.00)*	LT		0 00
			4,000 00	80 00			(450 00)*	LT		(450 00)
5,000		01/29/08	4,012 50	80 25	71 00	3,550 00	(462.50)*	LT		0 00
			4,012.50	80 25			(462 50)*	LT		(462 50)
20,000			16,037 50	80.20		**14,200.00**	(1,837.50)		**7.816**	**0 00**
			16,037.50	80.20	**141 83**		**(1,837.50)**		**1,110.00**	**(1,837.50)**
5,000	KB HOME SR NOTES	06/20/07	4,412 50	88.25	92 00	4,600 00	187 50*	LT		187.50
	BK/ENTRY DTD 12/15/2004	48666KAL3	4,412 50	88.25			187.50*	LT		0 00
10,000	INT: 05.875% MATY. 01/15/2015	06/22/07	8,775.00	87.75	92.00	9,200 00	425 00*	LT		425.00
	Rating B2/B +		8,775.00	87.75			425.00*	LT		0.00
15,000			13,187 50	87 90		**13,800.00**	612.50		**6 385**	**612.50**
			13,187.50	87 90	**406 35**		**612.50**		**881.25**	**0.00**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
30,000	RESIDENTIAL CAPITAL LLC	07/09/10	$ 29,362 50	$ 97 875	70 00	$ 21,000 00	($ 8,362 50)	LT		$ 0 00
	BOOK/ENTRY	76114EAH5	$ 29,362 50	$ 97 875			($ 8,362 50)	LT		($ 8,362 50)
35,000	DTD 06/04/2008	08/18/10	34,912 50	99 75	70 00	24,500 00	(10,412 50)	LT		0 00
	INT. 09.625% MATY 05/15/2015		34,912 50	99 75			(10,412 50)	LT		(10,412 50)
5,000	Rating CAA3/CC	08/23/10	4,975 00	99 50	70 00	3,500 00	(1,475.00)	LT		0 00
	Next call on 01/29/12 @ 102.407		4,975 00	99 50			(1,475.00)	LT		(1,475.00)
5,000		10/14/10	4,775 00	95 50	70.00	3,500 00	(1,275.00)	LT		0 00
			4,775 00	95 50			(1,275 00)	LT		(1,275 00)
5,000		10/19/10	4,875 00	97 50	70.00	3,500.00	(1,375.00)	LT		0 00
			4,875 00	97 50			(1,375 00)	LT		(1,375 00)
20,000		10/21/10	19,300 00	96 50	70 00	14,000.00	(5,300 00)	LT		0.00
			19,300.00	96 50			(5,300.00)	LT		(5,300.00)
5,000		08/05/11	4,775.00	95.50	70.00	3,500.00	(1,275.00)	ST		0.00
			4,775 00	95 50			(1,275.00)	ST		(1,275 00)
5,000		08/10/11	4,587 50	91 75	70 00	3,500 00	(1,087.50)	ST		0 00
			4,587.50	91.75			(1,087.50)	ST		(1,087.50)
5,000		11/09/11	2,825 00	56.50	70.00	3,500 00	675 00	ST		42.75
			2,825 00	56.50			675.00	ST		632.25
5,000		11/09/11	2,825 00	56 50	70 00	3,500 00	675 00	ST		42.75
			2,825 00	56 50			675 00	ST		632 25
10,000		11/10/11	5,825 00	58.25	70 00	7,000 00	1,175 00	ST		82 10
			5,825.00	58 25			1,175.00	ST		1,092 90
130,000			119,037 50	91 60		**91,000.00**	(28,037.50)		**13.75**	**167.60**
			119,037.50	91 60	**1,598.82**		**(28,037.50)**		**12,512.50**	**(28,205.10)**
15,000	MGM MIRAGE SR NOTES	01/21/11	13,987 50	93 25	95 00	14,250 00	262 50	ST		180.15
	BOOK/ENTRY	552953AR2	13,987.50	93 25			262 50	ST		82 35
5,000	DD 12/8/05	11/09/11	4,650 00	93.00	95.00	4,750 00	100 00	ST		10.65
	INT 06.625% MATY 07/15/2015		4,650 00	93 00			100 00	ST		89.35
15,000	Rating. B3/B-	12/20/11	14,287 50	95 25	95 00	14,250 00	(37 50)	ST		0.00
			14,287.50	95 25			(37.50)	ST		(37 50)
35,000			32,925.00	94 10		**33,250.00**	325.00		**6.973**	**190.80**
			32,925.00	94 10	**1,069 20**		**325 00**		**2,318.75**	**134.20**
40,000	JEFFERIES GROUP INC	12/19/11	34,500 00	86.25	88.50	**35,400 00**	900 00	ST	**4 378**	**26.40**
	DTD 11/09/2010	472319AJ1	**34,500.00**	86 25	**223 89**		**900.00**	ST	**1,550.00**	**873.60**
	INT 03 875% MATY· 11/09/2015									
	Rating BAA2/BBB									

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
50,000	COLUMBIA/HCA HEALTHCARE CORP	07/30/02	$ 48,502 00	$ 97 004	100 00	**$ 50,000 00**	$ 1,498 00*	LT	**7 19**	**$ 0 00**
	DEBS-BK/ENTRY-DTD 11/15/1995	197677AD9	**$ 48,502.00**	$ 97 004	**$ 459.36**		**$ 1,498.00***	LT	**$ 3,595.00**	**$ 1,498.00**
	INT· 07.190% MATY. 11/15/2015									
	Rating B3/B-									
15,000	AMERICAN GEN FIN CORP MEDIUM	05/17/11	14,334 38	95 562	72 75	10,912.50	(3,421 88)	ST		0 00
	TERM SR NTS-BOOK ENTRY	02635PTC7	14,334 38	95 562			(3,421 88)	ST		(3,421 88)
10,000	DTD 12/01/2005	05/17/11	9,550 00	95.50	72.75	7,275.00	(2,275 00)	ST		0 00
	INT: 05 400% MATY 12/01/2015		9,550 00	95 50			(2,275 00)	ST		(2,275 00)
5,000	Rating B3/B	06/09/11	4,612 50	92 25	72 75	3,637 50	(975.00)	ST		0 00
			4,612.50	92 25			(975 00)	ST		(975 00)
10,000		06/10/11	9,187 50	91 875	72.75	7,275 00	(1,912 50)	ST		0.00
			9,187 50	91 875			(1,912.50)	ST		(1,912 50)
40,000			37,684.38	94 20		**29,100.00**	(8,584.38)		**7 422**	**0 00**
			37,684.38	94 20	**180.00**		**(8,584.38)**		**2,160.00**	**(8,584.38)**
70,000	CONTINENTAL AIRLS PA	10/13/09	8,987.58	86 50	97 62	**13,628.53**	4,640.95	LT	**7 552**	**545.17**
	PASS THRU CTF SER 2001-1 CL B	210805DK0	**8,987.58**	86 50	**45 75**		**4,640.95**	LT	**1,029.32**	**4,095 78**
	DTD 04/19/2001									
	INT· 07.373% MATY 12/15/2015									
	Factor· .19944									
	Curr.face $ 13,960 80									
	Rating BA1/BB-									
100,000	MORGAN STANLEY	02/25/11	100,998 37	99 52	99 602	**99,602.00**	(1,396.37)	ST	**7.783**	**0.00**
	DTD 03/03/2011	2089900E2	**100,998.37**	99 52	**2,541.04**		**(1,396.37)**	ST	**7,752.33**	**(1,396.37)**
	INT: 07.625% MATY 03/03/2016									
	Rating. A2/A-									
5,000	MGM MIRAGE INC	01/31/11	4,612.50	92 25	92 50	**4,625.00**	12 50	ST	**7.432**	**12 50**
	DTD 04/05/2006	552953AY7	**4,612.50**	92 25	**85.94**		**12.50**	ST	**343.75**	**0 00**
	INT: 06.875% MATY. 04/01/2016									
	Rating B3/B-									
5,000	DEAN FOODS COMPANY	11/09/10	4,787 50	95 75	98 75	4,937 50	150 00	LT		35 75
	DTD 05/17/2006	242370AA2	4,787.50	95 75			150 00	LT		114.25
10,000	INT: 07 000% MATY: 06/01/2016	11/10/10	9,525.00	95 25	98 75	9,875 00	350.00	LT		79 60
	Rating B2/B-		9,525 00	95 25			350 00	LT		270.40
20,000		11/12/10	18,950 00	94 75	98 75	19,750 00	800 00	LT		175 20
			18,950 00	94 75			800 00	LT		624.80
5,000		11/12/10	4,687.50	93.75	98 75	4,937 50	250 00	LT		51 90
			4,687.50	93.75			250 00	LT		198.10

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
10,000	DEAN FOODS COMPANY DTD 05/17/2006	11/16/10 242370AA2	$ 9,250 00 $ 9,250.00	$ 92 50 $ 92 50	98 75	$ 9,875 00	$ 625.00 $ 625.00	LT LT		$ 123 20 $ 501 80
50,000	INT 07.000% MATY. 06/01/2016 Rating B2/B-		47,200 00 **47,200.00**	94 40 94 40	**291.67**	**49,375.00**	2,175 00 **2,175 00**		**7 088** **3,500.00**	**465.65** **1,709.35**
15,000	MGM MIRAGE INC DTD 05/17/2007	01/13/10 552953BC4	13,087 50 13,087 50	87 25 87 25	95 75	14,362 50	1,275 00 1,275 00	LT LT		461 70 813.30
20,000	INT 07.500% MATY· 06/01/2016 Rating B3/B-	01/14/10	17,700 00 17,700.00	88.50 88 50	95 75	19,150 00	1,450 00 1,450 00	LT LT		558 80 891.20
15,000		01/22/10	12,975.00 12,975 00	86 50 86 50	95 75	14,362.50	1,387.50 1,387 50	LT LT		483.15 904 35
5,000		01/04/11	4,712.50 4,712 50	94 25 94.25	95 75	4,787.50	75 00 75 00	ST ST		42 70 32.30
10,000		11/18/11	9,412.50 9,412.50	94 125 94 125	95.75	9,575.00	162 50 162 50	ST ST		10.10 152 40
65,000			57,887.50 **57,887.50**	89 10 89 10	**406.25**	**62,237.50**	4,350 00 **4,350.00**		**7.832** **4,875.00**	**1,556.45** **2,793.55**
10,000	K HOVNANIAN ENTERPRISES INT 10.625% MATY. 10/15/2016	07/26/11 442488BH4	9,500.00 9,500.00	95 00 95 00	79.75	7,975 00	(1,525.00) (1,525.00)	ST ST		0 00 (1,525.00)
5,000	Rating B3/CCC- Next call on 10/15/12 @ 107.969	07/26/11	4,743 75 4,743 75	94 875 94 875	79 75	3,987 50	(756 25) (756 25)	ST ST		0 00 (756 25)
5,000		08/09/11	4,300.00 4,300 00	86 00 86.00	79 75	3,987 50	(312.50) (312 50)	ST ST		0 00 (312.50)
5,000		08/18/11	4,350 00 4,350 00	87.00 87 00	79.75	3,987.50	(362.50) (362 50)	ST ST		0.00 (362.50)
25,000	$22,915 20 = OID 21.45 +		22,893 75 **22,893.75**	91 60 91.60	**560.76**	**19,937.50**	(2,956.25) **(2,956.25)**		**13.322** **2,656.25**	**0 00** **(2,956.25)**
120,000	FORD MOTOR COMPANY CVBD DTD 11/09/2009 INT: 04.250% MATY 11/15/2016 Rating BA2/BB +	11/03/09 345370CN8	120,000.00 **120,000 00**	100.00 100.00	143.375 **651.67**	**172,050.00**	52,050 00 **52,050.00**	LT LT	**2.964** **5,100.00**	**0.00** **52,050.00**
5,000	USG CORP DTD 11/17/2006	03/10/08 903293AR9	4,000 00 4,000.00	80.00 80 00	78 00	3,900.00	(100.00)* (100 00)*	LT LT		0.00 (100 00)
10,000	WHEN ISSUED INT: 06 300% MATY 11/15/2016 Rating CAA2/B-	11/02/09	8,625 00 8,625 00	86 25 86 25	78 00	7,800 00	(825 00) (825.00)	LT LT		0 00 (825 00)
20,000		02/05/10	17,850 00 17,850 00	89.25 89 25	78 00	15,600 00	(2,250 00) (2,250.00)	LT LT		0 00 (2,250.00)
10,000		03/12/10	8,900 00 8,900 00	89.00 89 00	78.00	7,800 00	(1,100.00) (1,100.00)	LT LT		0 00 (1,100 00)

The Peter and Elizabeth C. Tower Foun[illegible]n
EIN: 16-6350753, December 31, 20[illegible]
Attachment A

Ref· 00011749 00102837

MorganStanley
SmithBarney

Reserved
Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
10,000	USG CORP	04/29/10	$ 9,450 00	$ 94 50	78 00	$ 7,800 00	($ 1,650.00)	LT		$ 0.00
	DTD 11/17/2006	903293AR9	$ 9,450 00	$ 94 50			($ 1,650 00)	LT		($ 1,650.00)
50,000	WHEN ISSUED	06/15/10	42,375 00	84 75	78.00	39,000 00	(3,375.00)	LT		0.00
	INT· 06 300% MATY 11/15/2016		42,375 00	84 75			(3,375 00)	LT		(3,375 00)
55,000	Rating CAA2/B-	11/09/10	48,950 00	89 00	78 00	42,900 00	(6,050 00)	LT		0 00
			48,950.00	89 00			(6,050 00)	LT		(6,050.00)
10,000		11/17/10	8,800 00	88 00	78 00	7,800 00	(1,000.00)	LT		0.00
			8,800.00	88 00			(1,000.00)	LT		(1,000 00)
170,000			148,950 00	87 60		**132,600.00**	(16,350 00)		**8 076**	**0.00**
			148,950.00	87.60	**1,368.50**		**(16,350.00)**		**10,710.00**	**(16,350.00)**
15,000	MGM MIRAGE INC	01/11/10	12,825 00	85 50	95 25	14,287.50	1,462 50	LT		458.85
	DTD 12/21/06	552953BB6	12,825 00	85 50			1,462 50	LT		1,003.65
15,000	INT: 07.625% MATY 01/15/2017	01/12/10	12,975 00	86 50	95 25	14,287.50	1,312 50	LT		429.30
	Rating B3/B-		12,975 00	86 50			1,312 50	LT		883 20
20,000		01/05/11	18,725 00	93.625	95 25	19,050 00	325 00	ST		162.20
			18,725 00	93.625			325.00	ST		162.80
25,000		01/25/11	23,718 75	94.875	95.25	23,812 50	93.75	ST		93.75
			23,718 75	94.875			93 75	ST		0.00
5,000		01/28/11	4,743 75	94.875	95.25	4,762 50	18 75	ST		18 75
			4,743 75	94 875			18 75	ST		0 00
5,000		03/10/11	4,737.50	94 75	95.25	4,762 50	25.00	ST		25.00
			4,737 50	94 75			25.00	ST		0 00
25,000		11/04/11	23,625 00	94.50	95.25	23,812.50	187.50	ST		33.00
			23,625 00	94.50			187.50	ST		154.50
5,000		11/04/11	4,737 50	94 75	95 25	4,762 50	25 00	ST		6 30
			4,737.50	94 75			25 00	ST		18.70
10,000		12/05/11	9,575 00	95 75	95.25	9,525 00	(50.00)	ST		0.00
			9,575 00	95 75			(50.00)	ST		(50.00)
125,000			115,662 50	92 50		**119,062.50**	3,400 00		**8.005**	**1,227.15**
			115,662.50	92 50	**4,394.97**		**3,400 00**		**9,531.25**	**2,172.85**
5,000	LEVEL 3 FING INC	01/19/11	4,675 00	93.50	101 75	5,087 50	412.50	ST		37.65
	GTD SR NT FLTG	527298AL7	4,675.00	93.50			412 50	ST		374.85
5,000	DTD 02/14/2007	01/20/11	4,675.00	93 50	101 75	5,087 50	412.50	ST		37.55
	INT. 08.750% MATY 02/15/2017		4,675.00	93 50			412 50	ST		374.95
5,000	Rating B3/CCC	01/20/11	4,675 00	93 50	101 75	5,087 50	412.50	ST		37 55
	Next call on 02/15/12 @ 104 375		4,675 00	93.50			412.50	ST		374.95
15,000		01/21/11	14,062 50	93 75	101.75	15,262 50	1,200.00	ST		108.15
			14,062 50	93.75			1,200 00	ST		1,091.85

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
15,000	LEVEL 3 FING INC	01/21/11	$ 14,081 25	$ 93 875	101 75	$ 15,262 50	$ 1,181 25	ST		$ 106 05
	GTD SR NT FLTG	527298AL7	$ 14,081 25	$ 93 875			$ 1,181.25	ST		$ 1,075.20
15,000	DTD 02/14/2007	01/21/11	14,025 00	93.50	101 75	15,262 50	1,237 50	ST		112.35
	INT 08 750% MATY 02/15/2017		14,025 00	93 50			1,237 50	ST		1,125 15
10,000	Rating. B3/CCC	01/21/11	9,350 00	93 50	101 75	10,175 00	825 00	ST		74 90
	Next call on 02/15/12 @ 104 375		9,350 00	93 50			825.00	ST		750.10
5,000		01/25/11	4,743 75	94 875	101.75	5,087.50	343 75	ST		29.50
			4,743.75	94 875			343 75	ST		314.25
10,000		01/26/11	9,550 00	95.50	101 75	10,175 00	625.00	ST		51 30
			9,550 00	95 50			625 00	ST		573 70
5,000		01/26/11	4,762 50	95.25	101.75	5,087 50	325 00	ST		27.05
			4,762 50	95.25			325.00	ST		297.95
5,000		01/27/11	4,775 00	95.50	101 75	5,087 50	312.50	ST		25 65
			4,775 00	95 50			312 50	ST		286 85
10,000		10/05/11	9,050 00	90 50	101 75	10,175.00	1,125 00	ST		29 30
			9,050 00	90 50			1,125.00	ST		1,095.70
105,000			98,425 00	93 70		**106,837.50**	8,412 50		**8.599**	**677.00**
			98,425.00	93.70	**3,470.83**		**8,412.50**		**9,187 50**	**7,735 50**
50,000	CONTINENTAL AIRLINES PASS THRU	01/13/04	10,082 00	109 87	94 62	**7,988.29**	(2,093.71)*	LT	**7.131**	0 00
	TRUST SER 1998-1 CL B BK/ENTRY	210805CC9	**8,845 88**	104 778	**167 75**		**(857.59)***	LT	**569 69**	**(857.59)**
	DTD 2/20/1998									
	INT: 06.748% MATY 03/15/2017									
	Factor 16885									
	Curr.face $ 8,442 50									
	Rating· BA2/BB									
5,000	CIT GROUP FUNDING COMPANY	03/11/10	4,487 50	89.75	100 00	5,000 00	512 50	LT		68.95
	DTD 12/10/2009	125581FX1	4,487 50	89 75			512 50	LT		443 55
45,000	INT: 07.000% MATY 05/01/2017	04/01/10	41,737 50	92 75	100 00	45,000 00	3,262.50	LT		353 25
	Int paid quarterly		41,737 50	92 75			3,262 50	LT		2,909 25
30,000	Rating B2/B +	04/05/10	27,862.50	92 875	100 00	30,000.00	2,137 50	LT		228.00
	Next call on 01/29/12 @ 100 000		27,862 50	92 875			2,137 50	LT		1,909.50
30,000		04/08/10	28,050 00	93 50	100 00	30,000 00	1,950 00	LT		190 50
			28,050.00	93.50			1,950 00	LT		1,759.50
5,000		06/11/10	4,512 50	90 25	100 00	5,000 00	487 50	LT		84.95
			4,512 50	90 25			487 50	LT		402.55
20,000		09/02/10	19,050 00	95 25	100 00	20,000 00	950 00	LT		150 20
			19,050 00	95 25			950 00	LT		799 80

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
20,000	CIT GROUP FUNDING COMPANY	09/02/10	$ 19,050 00	$ 95 25	100 00	$ 20,000 00	$ 950 00	LT		$ 150 20
	DTD 12/10/2009	125581FX1	$ 19,050 00	$ 95 25			$ 950 00	LT		$ 799 80
155,000	INT: 07 000% MATY. 05/01/2017		144,750 00	93 40		**155,000.00**	10,250 00		**7.00**	**1,226.05**
	Int paid quarterly		**144,750 00**	93 40	**632.92**		**10,250 00**		**10,850.00**	**9,023.95**
	Rating B2/B +									
	Next call on 01/29/12 @ 100 000									
10,000	UNITED STATES STEEL CORP	05/14/09	7,750.00	77 50	95.50	9,550 00	1,800.00	LT		545.00
	BK/ENTRY-DTD 05/21/2007	912909AC2	7,750 00	77 50			1,800 00	LT		1,255 00
5,000	INT. 06.050% MATY: 06/01/2017	05/14/09	3,875 00	77 50	95.50	4,775 00	900 00	LT		272 50
	Rating. B1/BB		3,875 00	77 50			900.00	LT		627.50
5,000		06/15/09	4,237 50	84 75	95.50	4,775 00	537.50	LT		189.05
			4,237 50	84 75			537 50	LT		348 45
20,000			15,862 50	79 30		**19,100 00**	3,237.50		**6 335**	**1,006.55**
			15,862.50	79 30	**100.83**		**3,237.50**		**1,210.00**	**2,230.95**
5,000	CIENA CORP CV	05/17/01	4,741 66	94.456	75.75	3,787 50	(954.16)*	LT		0.00
	DD 06/11/2007	171779AE1	4,741 66	94 456			(954 16)*	LT		(954 16)
10,000	INT: 00.875% MATY· 06/15/2017	09/15/09	6,618 75	66 187	75 75	7,575 00	956 25	LT		829.75
	Rating· S&P B		6,618 75	66 187			956 25	LT		126 50
5,000		09/16/09	3,399 73	67 994	75.75	3,787.50	387.77	LT		387 77
			3,399 73	67 994			387.77	LT		0.00
10,000		09/21/09	6,900.00	69 00	75 75	7,575 00	675.00	LT		675.00
			6,900 00	69 00			675 00	LT		0 00
10,000		09/24/09	6,889 00	68 89	75 75	7,575 00	686 00	LT		686.00
			6,889 00	68.89			686 00	LT		0 00
5,000		09/30/09	3,468 75	69.375	75.75	3,787.50	318 75	LT		318.75
			3,468 75	69 375			318 75	LT		0.00
5,000		10/01/09	3,377 50	67 55	75 75	3,787 50	410 00	LT		394 85
			3,377 50	67 55			410 00	LT		15 15
5,000		10/01/09	3,350 00	67.00	75 75	3,787.50	437.50	LT		400.20
			3,350.00	67 00			437.50	LT		37 30
5,000		10/02/09	3,312 50	66 25	75 75	3,787.50	475.00	LT		407.05
			3,312 50	66 25			475 00	LT		67.95
5,000		10/06/09	3,175 00	63 50	75 75	3,787 50	612 50	LT		431 80
			3,175 00	63 50			612.50	LT		180.70
5,000		10/07/09	3,180 40	63 608	75 75	3,787.50	607 10	LT		429 20
			3,180 40	63.608			607 10	LT		177 90
5,000		10/23/09	3,140 00	62 80	75 75	3,787 50	647 50	LT		430 15
			3,140.00	62 80			647.50	LT		217.35

Ref 00011749 00102840

MorganStanley
SmithBarney

Reserved
Client Statement
December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip. Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	CIENA CORP CV	12/17/09	$ 2,883 00	$ 57 66	75 75	$ 3,787 50	$ 904 50	LT		$ 446 65
	DD 06/11/2007	171779AE1	$ 2,883 00	$ 57 66			$ 904.50	LT		$ 457 85
5,000	INT: 00.875% MATY. 06/15/2017	03/04/10	3,247 35	64 947	75 75	3,787.50	540.15	LT		356 55
	Rating S&P B		3,247.35	64 947			540 15	LT		183 60
5,000		04/16/10	3,674 09	73 481	75 75	3,787 50	113 41	LT		113 41
			3,674 09	73 481			113 41	LT		0.00
5,000		04/22/10	3,673.61	73.472	75 75	3,787.50	113.89	LT		113.89
			3,673 61	73 472			113 89	LT		0 00
5,000		05/07/10	3,528 25	70 565	75.75	3,787.50	259 25	LT		259.25
			3,528 25	70 565			259 25	LT		0 00
5,000		05/19/10	3,423 59	68 471	75 75	3,787 50	363.91	LT		297.51
			3,423 59	68 471			363.91	LT		66 40
10,000		05/25/10	6,622 10	66 221	75.75	7,575 00	952 90	LT		624.70
			6,622 10	66 221			952 90	LT		328 20
5,000		06/07/10	3,271 65	65 433	75 75	3,787 50	515 85	LT		312 50
			3,271 65	65.433			515 85	LT		203 35
5,000		06/11/10	3,274.10	65 482	75.75	3,787.50	513 40	LT		309 40
			3,274.10	65 482			513 40	LT		204 00
5,000		06/24/10	3,199.71	63 96	75 75	3,787 50	587 79*	LT		315 89
			3,199 71	63 96			587.79*	LT		271.90
5,000		07/23/10	3,314 03	66 28	75.75	3,787 50	473.47	LT		284.87
			3,314.03	66.28			473 47	LT		188.60
5,000		08/11/10	3,361.80	67 236	75 75	3,787.50	425.70	LT		270.50
			3,361 80	67 236			425 70	LT		155.20
5,000		08/24/10	3,356 25	67 125	75 75	3,787 50	431 25	LT		266 15
			3,356.25	67.125			431 25	LT		165.10
5,000		10/12/10	3,668 75	73.375	75.75	3,787.50	118.75	LT		118.75
			3,668 75	73 375			118 75	LT		0 00
5,000		01/05/11	4,318 75	86 375	75 75	3,787 50	(531 25)	ST		0 00
			4,318 75	86.375			(531.25)	ST		(531 25)
5,000		01/07/11	4,410.00	88 20	75 75	3,787.50	(622.50)	ST		0.00
			4,410.00	88 20			(622.50)	ST		(622 50)
5,000		01/10/11	4,375 00	87 50	75 75	3,787 50	(587 50)	ST		0 00
			4,375 00	87 50			(587 50)	ST		(587 50)
10,000		01/11/11	8,988 20	89 882	75 75	7,575 00	(1,413 20)	ST		0 00
			8,988 20	89 882			(1,413.20)	ST		(1,413.20)
5,000		01/11/11	4,468.75	89 375	75 75	3,787 50	(681 25)	ST		0 00
			4,468 75	89 375			(681 25)	ST		(681.25)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	CIENA CORP CV	01/18/11	$ 4,516.87	$ 90 337	75 75	$ 3,787.50	($ 729 37)	ST		$ 0 00
	DD 06/11/2007	171779AE1	$ 4,516 87	$ 90.337			($ 729 37)	ST		($ 729 37)
5,000	INT. 00.875% MATY: 06/15/2017	05/04/11	4,874.98	97 499	75 75	3,787 50	(1,087 48)	ST		0 00
	Rating. S&P B		4,874 98	97 499			(1,087 48)	ST		(1,087 48)
5,000		05/09/11	4,845 66	96 556	75 75	3,787 50	(1,058 16)*	ST		0 00
			4,845.66	96 556			(1,058.16)*	ST		(1,058 16)
5,000		05/13/11	4,893 59	97.50	75 75	3,787.50	(1,106 09)*	ST		0 00
			4,893 59	97.50			(1,106 09)*	ST		(1,106.09)
5,000		05/16/11	4,859.85	97.197	75.75	3,787 50	(1,072.35)	ST		0 00
			4,859 85	97 197			(1,072.35)	ST		(1,072 35)
5,000		05/25/11	4,806 94	95 75	75 75	3,787.50	(1,019.44)*	ST		0.00
			4,806 94	95 75			(1,019.44)*	ST		(1,019 44)
5,000		05/25/11	4,821 94	96.05	75.75	3,787.50	(1,034.44)*	ST		0 00
			4,821 94	96 05			(1,034.44)*	ST		(1,034 44)
5,000		06/02/11	4,768 56	94 953	75 75	3,787 50	(981 06)*	ST		0 00
			4,768 56	94 953			(981.06)*	ST		(981 06)
5,000		06/03/11	4,744 34	94.466	75.75	3,787.50	(956 84)*	ST		0.00
			4,744.34	94.466			(956 84)*	ST		(956 84)
10,000		06/06/11	9,332 80	93 328	75 75	7,575 00	(1,757.80)	ST		0 00
			9,332 80	93 328			(1,757 80)	ST		(1,757 80)
5,000		06/09/11	4,260 63	85 212	75 75	3,787.50	(473 13)	ST		0.00
			4,260 63	85 212			(473 13)	ST		(473 13)
5,000		06/10/11	4,268 75	85 375	75 75	3,787 50	(481 25)*	ST		0.00
			4,268 75	85 375			(481 25)*	ST		(481 25)
5,000		06/13/11	4,236 77	84 733	75 75	3,787 50	(449 27)*	ST		0 00
			4,236.77	84.733			(449.27)*	ST		(449 27)
5,000		06/15/11	4,200.61	84 00	75 75	3,787.50	(413.11)*	ST		0 00
			4,200.61	84 00			(413 11)*	ST		(413 11)
5,000		06/22/11	4,189 03	83 751	75 75	3,787 50	(401 53)*	ST		0 00
			4,189 03	83 751			(401.53)*	ST		(401 53)
5,000		07/28/11	4,084.38	81.687	75 75	3,787 50	(296.88)	ST		0 00
			4,084.38	81 687			(296 88)	ST		(296.88)
265,000			206,317.97	77.90		**200,737.50**	(5,580.47)		**1.155**	**9,480.54**
			206,317.97	77 90	**103 06**		**(5,580 47)**		**2,318.75**	**(15,061.01)**
5,000	SANDISK CORP	09/02/11	4,942 07	98 841	117 75	**5,887.50**	945 43	ST	1 273	0 00
	CVBD DTD 08/25/2010	80004CAD3	**4,942.07**	98.841	28.33		**945.43**	ST	75.00	945.43
	INT· 01.500% MATY: 08/15/2017									
	Rating S&P BB									

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
100,000	AMERICAN GENERAL FIN	08/04/10	$ 85,750 00	$ 85 75	69.50	**$ 69,500 00**	($ 16,250.00)	LT	**9 352**	**$ 0.00**
	DTD 09/17/2007	02635PTQ6	**$ 85,750.00**	$ 85 75	**$ 1,913.89**		**($ 16,250.00)**	LT	**$ 6,500 00**	**($ 16,250.00)**
	INT: 06.500% MATY· 09/15/2017									
	Rating B3/B									
35,000	DILLARD DEPT STORES	12/02/03	33,250 00	95 00	98 50	34,475 00	1,225 00*	LT		787.15
	DTD 01/12/1998	254063AX8	33,250 00	95 00			1,225.00*	LT		437.85
25,000	INT: 06.625% MATY. 01/15/2018	02/03/04	24,375 00	97.50	98.50	24,625.00	250.00*	LT		0.00
	Rating· B2/BB-		24,375 00	97 50			250 00*	LT		250 00
25,000		03/08/04	24,281 25	97 125	98.50	24,625 00	343.75*	LT		0 00
			24,281 25	97.125			343 75*	LT		343.75
25,000		09/02/04	23,625 00	94 50	98 50	24,625.00	1,000.00*	LT		592.00
			23,625.00	94.50			1,000 00*	LT		408 00
110,000			105,531 25	95.90		**108,350.00**	2,818 75		**6.725**	**1,379.15**
			105,531.25	95 90	**3,360 35**		**2,818.75**		**7,287.50**	**1,439.60**
25,000	USG CORP	09/24/07	24,938 00	99 752	84 50	21,125.00	(3,813.00)*	LT		0.00
	DTD 09/27/2007	903293AS7	24,938.00	99.752			(3,813 00)*	LT		(3,813.00)
10,000	INT: 09.750% MATY 01/15/2018	01/26/09	6,475 00	64 75	84 50	8,450 00	1,975.00	LT		630.90
	Rating CAA2/B-		6,475 00	64 75			1,975 00	LT		1,344 10
10,000		01/27/09	6,500 00	65 00	84.50	8,450 00	1,950 00	LT		627 90
			6,500 00	65.00			1,950.00	LT		1,322.10
45,000			37,913.00	84.30		**38,025.00**	112.00		**11.538**	**1,258.80**
			37,913 00	84 30	**1,793.12**		**112 00**		**4,387.50**	**(1,146.80)**
10,000	HEXION US FINANCE CORP /	09/22/10	9,675 00	96.75	93 75	9,375.00	(300 00)	LT		0 00
	HEXION NOVA SCOTIA FINANCE	428303AJ0	9,675 00	96 75			(300 00)	LT		(300 00)
15,000	ULC	09/23/10	14,475 00	96 50	93.75	14,062.50	(412 50)	LT		0.00
	INT: 08.875% MATY 02/01/2018		14,475.00	96 50			(412.50)	LT		(412.50)
15,000	Rating B3/CCC +	09/27/10	14,493.75	96 625	93.75	14,062.50	(431.25)	LT		0.00
	Next call on 02/01/14 @ 104 438		14,493 75	96 625			(431 25)	LT		(431 25)
20,000		09/30/11	16,550 00	82 75	93 75	18,750 00	2,200 00	ST		87 80
			16,550 00	82 75			2,200 00	ST		2,112 20
15,000		11/21/11	13,725 00	91.50	93.75	14,062 50	337 50	ST		15.75
			13,725.00	91 50			337.50	ST		321.75
10,000		11/22/11	9,000 00	90.00	93 75	9,375 00	375 00	ST		11.10
			9,000 00	90 00			375.00	ST		363 90
85,000			77,918 75	91.70		**79,687 50**	1,768.75		**9 466**	**114.65**
			77,918.75	91 70	**3,143 23**		**1,768.75**		**7,543 75**	**1,654 10**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	U S STEEL CORP	04/30/09	$ 3,731.25	$ 74.625	99 00	$ 4,950 00	$ 1,218 75	LT		$ 262 75
	DTD 12/10/07	912656AG0	$ 3,731 25	$ 74 625			$ 1,218 75	LT		$ 956.00
5,000	INT: 07.000% MATY: 02/01/2018	04/30/09	3,725 00	74 50	99.00	4,950 00	1,225 00	LT		263.75
	Rating B1/BB		3,725 00	74 50			1,225 00	LT		961 25
10,000			7,456 25	74 60		**9,900.00**	2,443 75		**7.07**	**526 50**
			7,456 25	74 60	**291 67**		**2,443 75**		**700.00**	**1,917.25**
5,000	CINCINNATI BELL INC	06/09/10	4,425 00	88.50	92 875	4,643 75	218.75	LT		79.80
	DTD 03/15/2010	171871AM8	4,425 00	88 50			218 75	LT		138 95
5,000	INT. 08 750% MATY 03/15/2018	06/11/10	4,462.50	89 25	92.875	4,643 75	181 25	LT		74.75
	Rating: B3/CCC +		4,462 50	89 25			181 25	LT		106.50
15,000	Next call on 03/15/14 @ 104.375	08/04/10	14,681.25	97.875	92 875	13,931 25	(750 00)	LT		0 00
			14,681 25	97 875			(750.00)	LT		(750 00)
5,000		08/05/10	4,912.50	98 25	92.875	4,643 75	(268.75)	LT		0 00
			4,912 50	98 25			(268 75)	LT		(268 75)
5,000		08/05/10	4,912 50	98 25	92 875	4,643 75	(268 75)	LT		0 00
			4,912.50	98 25			(268.75)	LT		(268 75)
10,000		08/06/10	9,800.00	98 00	92.875	9,287 50	(512 50)	LT		0 00
			9,800.00	98 00			(512 50)	LT		(512.50)
5,000		08/10/10	4,887.50	97 75	92.875	4,643 75	(243 75)	LT		0 00
			4,887 50	97.75			(243 75)	LT		(243 75)
5,000		08/11/10	4,875.00	97.50	92.875	4,643 75	(231.25)	LT		0.00
			4,875 00	97.50			(231.25)	LT		(231.25)
5,000		08/12/10	4,837.50	96 75	92.875	4,643 75	(193 75)	LT		0.00
			4,837 50	96 75			(193 75)	LT		(193 75)
60,000			57,793 75	96 30		**55,725.00**	(2,068.75)		**9.421**	**154.55**
			57,793.75	96.30	**1,545.83**		**(2,068.75)**		**5,250.00**	**(2,223.30)**
24,191	FAIRPOINT COMMUNICATIONS INC	04/21/09	6,146.32	254	1.00	241 91	(5,904.41)	LT		0.00
	BOOK/ENTRY	305560AL8	6,146 32	254			(5,904.41)	LT p		(5,904.41)
25,000	DTD 07/29/2009	04/23/09	6,414 14	256	1.00	250 00	(6,164.14)	LT		0.00
	INT: 13.125% MATY 04/02/2018		6,414 14	256			(6,164.14)	LT p		(6,164 14)
25,000	Rating. C/D	05/05/09	7,036 88	281	1.00	250 00	(6,786.88)	LT		0.00
	Next call on 04/01/13 @ 106 563		7,036 88	.281			(6,786.88)	LT p		(6,786.88)
5,000		05/13/09	1,619 10	323	1.00	50.00	(1,569.10)	LT		0.00
			1,619 10	323			(1,569.10)	LT p		(1,569 10)
15,000		06/18/09	3,063 84	204	1 00	150 00	(2,913.84)	LT		0 00
			3,063.84	204			(2,913.84)	LT p		(2,913 84)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
1	FAIRPOINT COMMUNICATIONS INC	07/29/09	$ 01	$ 01	1.00	$ 01	$ 0 00			$ 0 00
	BOOK/ENTRY	305560AL8	$ .01	$ 01			$ 0 00			$ 0 00 p
94,192	DTD 07/29/2009		24,280.29	25 80		941.92	(23,338.37)			0 00
	INT. 13 125% MATY 04/02/2018		24,280 29	25 80			(23,338.37)			(23,338 37)
	Rating. C/D									
	Next call on 04/01/13 @ 106 563									
45,000	RR DONNELLEY & SONS CO	05/17/11	45,000.00	100.00	97 00	43,650 00	(1,350.00)	ST		0 00
	DTD 06/01/2011	257867AX9	45,000 00	100 00			(1,350.00)	ST		(1,350 00)
10,000	INT: 07.250% MATY 05/15/2018	10/28/11	9,850 00	98 50	97.00	9,700 00	(150 00)	ST		0 00
	Rating BA1/BB +		9,850 00	98 50			(150 00)	ST		(150 00)
20,000		11/02/11	19,450.00	97.25	97.00	19,400 00	(50.00)	ST		0 00
			19,450 00	97 25			(50 00)	ST		(50 00)
5,000		11/02/11	4,875 00	97.50	97 00	4,850 00	(25 00)	ST		0 00
			4,875 00	97 50			(25 00)	ST		(25.00)
80,000			79,175.00	99.00		77,600.00	(1,575.00)		7.474	0.00
			79,175.00	99 00	741.11		(1,575.00)		5,800 00	(1,575 00)
30,000	NGC CORPORATION	09/19/06	27,675 00	92 25	65.00	19,500.00	(8,175 00)*	LT		0 00
	DTD 05/20/1998	629121AF1	27,675.00	92 25			(8,175.00)*	LT		(8,175.00)
	INT· 07.125% MATY· 05/15/2018									
	Rating WR/D									
50,000	OWENS ILL INC	05/06/04	44,437 50	88 875	110 50	55,250 00	10,812 50*	LT		2,166 00
	DTD 05/20/1998	690768BF2	44,437 50	88 875			10,812 50*	LT		8,646 50
15,000	INT: 07.800% MATY 05/15/2018	08/16/04	14,625 00	97.50	110.50	16,575 00	1,950.00*	LT		0.00
	Rating. B1/BB-		14,625 00	97.50			1,950.00*	LT		1,950.00
65,000			59,062 50	90 90		71,825.00	12,762.50		7.058	2,166.00
			59,062.50	90 90	647 83		12,762.50		5,070.00	10,596.50
10,000	LENNAR CORP	10/14/10	9,425 00	94 25	97 50	9,750 00	325 00	LT		69.40
	DTD 20100504	526057BD5	9,425 00	94 25			325.00	LT		255 60
10,000	INT: 06.950% MATY 06/01/2018	10/18/10	9,375 00	93 75	97 50	9,750 00	375.00	LT		74.90
	Rating B3/B +		9,375.00	93 75			375 00	LT		300.10
5,000		10/21/10	4,650 00	93 00	97 50	4,875 00	225 00	LT		41 30
			4,650 00	93 00			225 00	LT		183 70
25,000			23,450.00	93.80		24,375.00	925 00		7.128	185.60
			23,450.00	93.80	144 79		925 00		1,737 50	739.40
120,000	KB HOME	05/24/11	114,600.00	95.50	90 00	108,000 00	(6,600 00)	ST	8 055	0 00
	DTD 04/03/2006	48666KAN9	114,600.00	95 50	386 67		(6,600 00)	ST	8,700 00	(6,600.00)
	INT· 07.250% MATY 06/15/2018									
	Rating B2/B +									

MorganStanley SmithBarney

Ref 00011749 00102845

Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	SLM CORP MEDIUM TERM NOTES	09/20/07	$ 3,912.50	$ 78 25	86 691	$ 4,334 55	$ 422 05*	LT		$ 327 60
	BOOK ENTRY	78442FAX6	$ 3,912.50	$ 78.25			$ 422 05*	LT		$ 94.45
5,000	DTD 06/16/2003	09/20/07	3,950.00	79 00	86 691	4,334.55	384 55*	LT		317.75
	INT· 05 000% MATY 06/15/2018		3,950 00	79 00			384 55*	LT		66 80
5,000	Rating. BA1/BBB-	04/14/09	2,425 00	48.50	86 691	4,334 55	1,909 55	LT		432 30
	Next call on 06/15/12 @ 100.000		2,425 00	48.50			1,909 55	LT		1,477.25
15,000			10,287 50	68 60		**13,003.65**	2,716 15		**5.767**	**1,077.65**
			10,287 50	68 60	**33 33**		**2,716.15**		**750 00**	**1,638.50**
55,000	SLM CORP	06/11/08	53,916.50	98 03	103 00	56,650 00	2,733.50	LT		0.00
	DTD 06/18/2008	78442FEH7	53,916 50	98 03			2,733 50	LT		2,733 50
5,000	INT. 08.450% MATY. 06/15/2018	04/14/09	3,050.00	61 00	103 00	5,150.00	2,100 00	LT		313.65
	Rating BA1/BBB-		3,050 00	61 00			2,100 00	LT		1,786 35
60,000			56,966 50	94.90		**61,800.00**	4,833 50		**8 203**	**313.65**
			56,966 50	94 90	**225 33**		**4,833 50**		**5,070.00**	**4,519 85**
20,000	DILLARDS INC	06/15/04	18,900 00	94 50	100 625	**20,125.00**	1,225 00*	LT	**7 085**	**441.00**
	BK/ENTRY	254067AH4	**18,900.00**	94.50	**594.17**		**1,225.00***	LT	**1,426.00**	**784.00**
	DTD 08/07/98									
	INT: 07.130% MATY. 08/01/2018									
	Rating. B2/BB-									
15,000	HUMAN GENOME SCIENCES CONV	11/23/11	13,111.65	87 411	89.25	13,387 50	275 85	ST		19 05
	SENIOR UNSEC NOTES	444903AN8	13,111.65	87 411			275 85	ST		256.80
15,000	DTD 11/07/2011	11/28/11	13,351.35	89 009	89.25	13,387.50	36 15	ST		15 75
	INT· 03.000% MATY: 11/15/2018		13,351 35	89 009			36 15	ST		20 40
15,000		12/01/11	13,290 41	88 602	89.25	13,387.50	97 09	ST		13.54
			13,290 41	88.602			97 09	ST		83.55
20,000		12/02/11	17,782 24	88 661	89 25	17,850.00	67 76*	ST		20 96
			17,782 24	88 661			67 76*	ST		46 80
15,000		12/05/11	13,446 11	89 382	89 25	13,387 50	(58.61)*	ST		0 00
			13,446 11	89 382			(58.61)*	ST		(58 61)
80,000			70,981.76	88.70		**71,400.00**	418.24		**3.361**	**69.30**
			70,981.76	88 70	**360.00**		**418.24**		**2,400 00**	**348 94**
10,000	HARRAHS OPERATING CO INC	06/14/10	8,150 00	81.50	68 50	6,850.00	(1,300 00)	LT		0.00
	BOOK/ENTRY	413627BM1	8,150 00	81 50			(1,300.00)	LT		(1,300 00)
10,000	DTD 01/22/2010	06/16/10	8,375 00	83 75	68 50	6,850.00	(1,525.00)	LT		0.00
	INT: 10 000% MATY: 12/15/2018		8,375 00	83 75			(1,525.00)	LT		(1,525 00)
5,000	Rating CAA1/CCC	07/07/10	4,100.00	82.00	68.50	3,425 00	(675.00)	LT		0 00
	Next call on 12/15/13 @ 105 000		4,100 00	82.00			(675 00)	LT		(675 00)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	HARRAHS OPERATING CO INC	07/14/10	$ 4,225.00	$ 84 50	68 50	$ 3,425.00	($ 800 00)	LT		$ 0 00
	BOOK/ENTRY	413627BM1	$ 4,225 00	$ 84 50			($ 800.00)	LT		($ 800 00)
5,000	DTD 01/22/2010	07/16/10	4,150 00	83.00	68 50	3,425 00	(725 00)	LT		0 00
	INT 10 000% MATY 12/15/2018		4,150 00	83 00			(725 00)	LT		(725 00)
10,000	Rating CAA1/CCC	08/17/10	8,050 00	80 50	68 50	6,850 00	(1,200 00)	LT		0.00
	Next call on 12/15/13 @ 105 000		8,050.00	80 50			(1,200.00)	LT		(1,200.00)
20,000		10/21/10	17,175.00	85.875	68.50	13,700 00	(3,475.00)	LT		0.00
			17,175 00	85 875			(3,475 00)	LT		(3,475.00)
15,000		10/21/10	12,862 50	85.75	68 50	10,275.00	(2,587 50)	LT		0 00
			12,862 50	85 75			(2,587.50)	LT		(2,587 50)
5,000		10/25/10	4,375 00	87.50	68 50	3,425 00	(950 00)	LT		0 00
			4,375 00	87.50			(950 00)	LT		(950 00)
5,000		10/29/10	4,350 00	87 00	68 50	3,425 00	(925.00)	LT		0.00
			4,350 00	87.00			(925 00)	LT		(925 00)
10,000		11/16/10	8,700 00	87 00	68 50	6,850 00	(1,850.00)	LT		0 00
			8,700 00	87.00			(1,850.00)	LT		(1,850.00)
10,000		11/19/10	8,675 00	86.75	68 50	6,850.00	(1,825 00)	LT		0 00
			8,675 00	86 75			(1,825.00)	LT		(1,825 00)
10,000		11/23/10	8,462 50	84 625	68 50	6,850 00	(1,612.50)	LT		0.00
			8,462 50	84 625			(1,612.50)	LT		(1,612 50)
10,000		11/29/10	8,450.00	84.50	68 50	6,850 00	(1,600.00)	LT		0 00
			8,450 00	84 50			(1,600 00)	LT		(1,600 00)
10,000		11/30/10	8,425 00	84.25	68 50	6,850.00	(1,575.00)	LT		0.00
			8,425.00	84 25			(1,575 00)	LT		(1,575.00)
10,000		04/29/11	9,387.50	93 875	68 50	6,850.00	(2,537 50)	ST		0 00
			9,387 50	93 875			(2,537.50)	ST		(2,537 50)
5,000		05/03/11	4,662 50	93 25	68 50	3,425.00	(1,237.50)	ST		0 00
			4,662 50	93 25			(1,237.50)	ST		(1,237.50)
5,000		05/10/11	4,812 50	96 25	68 50	3,425 00	(1,387.50)	ST		0 00
			4,812 50	96 25			(1,387.50)	ST		(1,387.50)
5,000		05/11/11	4,800 00	96.00	68 50	3,425 00	(1,375.00)	ST		0 00
			4,800 00	96 00			(1,375.00)	ST		(1,375.00)
5,000		05/12/11	4,793 75	95.875	68.50	3,425.00	(1,368.75)	ST		0 00
			4,793 75	95 875			(1,368.75)	ST		(1,368 75)
5,000		05/16/11	4,725 00	94 50	68 50	3,425 00	(1,300 00)	ST		0 00
			4,725 00	94 50			(1,300.00)	ST		(1,300.00)
5,000		05/24/11	4,662 50	93 25	68 50	3,425 00	(1,237.50)	ST		0 00
			4,662 50	93 25			(1,237 50)	ST		(1,237 50)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	HARRAHS OPERATING CO INC	06/02/11	$ 4,600 00	$ 92 00	68 50	$ 3,425 00	($ 1,175 00)	ST		$ 0 00
	BOOK/ENTRY	413627BM1	$ 4,600 00	$ 92 00			($ 1,175 00)	ST		($ 1,175 00)
30,000	DTD 01/22/2010	06/03/11	27,300.00	91.00	68.50	20,550.00	(6,750 00)	ST		0 00
	INT· 10 000% MATY 12/15/2018		27,300 00	91 00			(6,750.00)	ST		(6,750 00)
215,000	Rating: CAA1/CCC		188,268 75	87 60		**147,275 00**	(40,993 75)		**14.598**	**0 00**
	Next call on 12/15/13 @ 105.000		**188,268.75**	87 60	**955.56**		**(40,993.75)**		**21,500.00**	**(40,993.75)**
5,000	CONTINENTAL AIRLS PA	12/19/05	1,250 04	91 928	98 62	**1,555.24**	305 20*	LT	**7.671**	**36.35**
	DTD 06/17/99	210805CV7	**1,250.04**	91 928	**35.13**		**305 20***	LT	**119.31**	**268.85**
	LGL 09/15/2021 EXP 03/15/2020									
	INT: 07.566% MATY· 03/15/2020									
	Factor: 31540									
	Curr face $ 1,577 00									
	Rating BA2/BBB-									
10,000	ADVANCED MICRO DEVICES INC	11/02/11	10,150 00	101.50	102 75	10,275 00	125 00	ST		0 00
	DTD 08/04/2010	007903AU1	10,150 00	101 50			125.00	ST		125.00
5,000	INT· 07 750% MATY 08/01/2020	11/03/11	5,125.00	102.50	102 75	5,137.50	12.50	ST		0 00
	Rating BA3/B +		5,125 00	102 50			12 50	ST		12 50
15,000	Next call on 08/01/15 @ 103 875		15,275 00	101 80		**15,412.50**	137 50		**7.542**	**0 00**
			15,275.00	101 80	**484.37**		**137.50**		**1,162.50**	**137.50**
25,000	METROPCS WIRELESS INC	06/30/11	24,812 50	99 25	93.25	23,312 50	(1,500.00)	ST		0.00
	DTD 11/17/2010	591709AL4	24,812 50	99 25			(1,500 00)	ST		(1,500 00)
10,000	INT: 06 625% MATY: 11/15/2020	07/01/11	9,950 00	99 50	93 25	9,325 00	(625 00)	ST		0 00
	Rating: B2/B		9,950 00	99 50			(625 00)	ST		(625 00)
5,000	Next call on 11/15/15 @ 103.313	07/12/11	4,956 25	99 125	93.25	4,662.50	(293 75)	ST		0 00
			4,956 25	99 125			(293 75)	ST		(293 75)
25,000		07/13/11	24,937.50	99.75	93 25	23,312 50	(1,625.00)	ST		0.00
			24,937.50	99.75			(1,625.00)	ST		(1,625 00)
10,000		07/14/11	9,950 00	99 50	93 25	9,325 00	(625 00)	ST		0 00
			9,950 00	99 50			(625 00)	ST		(625 00)
5,000		08/05/11	4,625 00	92.50	93.25	4,662.50	37.50	ST		11.15
			4,625 00	92 50			37 50	ST		26 35
5,000		11/18/11	4,418 75	88 375	93 25	4,662 50	243 75	ST		3 95
			4,418.75	88 375			243 75	ST		239 80
85,000			83,650 00	98.40		**79,262.50**	(4,387.50)		**7.104**	**15.10**
			83,650.00	98.40	**719.55**		**(4,387.50)**		**5,631.25**	**(4,402.60)**
160,000	VULCAN MATERIALS CO	06/03/11	160,000 00	100.00	108 00	**172,800 00**	12,800 00	ST	**6 944**	**0 00**
	DTD 06/14/2011	929160AR0	**160,000.00**	100 00	**533.33**		**12,800.00**	ST	12,000.00	**12,800 00**
	INT: 07.500% MATY 06/15/2021									
	Rating· BA2/BB									

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary income/ Capital gain/(loss)
120,000	INTL LEASE FINANCE CORP DTD 12/22/2011 INT: 08.625% MATY: 01/15/2022 Rating B1/BBB-	12/19/11 459745GK5	$ 120,000 00 **$ 120,000.00**	$ 100 00 $ 100.00	101 161 **$ 258.75**	**$ 121,393.20**	$ 1,393.20 **$ 1,393.20**	ST ST	**8 626** **$ 10,350.00**	**$ 0 00** **$ 1,393.20**
40,000	HCA INC DTD 08/01/2011 INT. 07 500% MATY. 02/15/2022 Rating B3/B-	07/26/11 404121AD7	40,000 00 **40,000.00**	100 00 100 00	102 25 **1,250.00**	**40,900 00**	900 00 **900.00**	ST ST	**7.334** **3,000.00**	**0.00** **900.00**
5,000	COLUMBIA HEALTHCARE CORP DEB BOOK ENTRY INT: 07.500% MATY. 12/15/2023 Rating B3/B-	01/19/07 197679AB9	4,162 50 **4,162.50**	83 25 83.25	89.50 **16 67**	**4,475.00**	312 50* **312.50***	LT LT	**8 379** **375.00**	**128 50** **184.00**
25,000	AMERICAN PRESIDENT CO LTD DEBS REG-DTD 1/12/94 INT: 08.000% MATY· 01/15/2024	01/15/04 029103AD0	23,812 50 **23,812.50**	95 25 95.25	66 00 **922.22**	**16,500.00**	(7,312 50)* **(7,312.50)***	LT LT	**12.121** **2,000.00**	**0.00** **(7,312.50)**
10,000	COLUMBIA HCA HEALTHCARE DEBS REG-DTD 4/15/1994 INT. 08 360% MATY. 04/15/2024 Rating B3/B-	11/16/06 197677AC1	8,775 00 **8,775.00**	87.75 87 75	94 50 **176 49**	**9,450 00**	675 00* **675.00***	LT LT	**8.846** **836.00**	**178.70** **496.30**
10,000	COLUMBIA /HCA HEALTHCARE CORP NOTES-REG-DTD 6/30/1995 INT· 07.690% MATY: 06/15/2025 Rating· B3/B-	01/19/07 197677AG2	8,425 00 **8,425.00**	84 25 84 25	88 50 **34.18**	**8,850.00**	425 00* **425.00***	LT LT	**8 689** **769 00**	**203 20** **221 80**
10,000	COLUMBIA HCA HEALTHCARE MED NOTES TR# 00015 BOOK ENTRY	11/15/05 19767QAQ8	10,016 70 10,013 40	100.167 100 134	88 50	8,850 00	(1,166.70)* (1,163 40)*	LT LT		0 00 (1,163 40)
5,000	DTD 9/14/95 INT. 07 580% MATY. 09/15/2025	03/05/07	4,262.50 4,262 50	85 25 85.25	88 50	4,425 00	162 50* 162 50*	LT LT		91 85 70 65
15,000	Rating· B3/B-		14,279 20 **14,275.90**	95.20 95 20	**334 78**	**13,275.00**	(1,004.20) **(1,000.90)**		**8.564** **1,137.00**	**91.85** **(1,092.75)**
5,000	CITIZENS UTILITIES CO DEL DEBS-BK/ENTRY-DTD 10/20/1995	11/08/04 177342AM4	4,500 00 4,500 00	90 00 90 00	77 50	3,875 00	(625 00)* (625 00)*	LT LT		0 00 (625 00)
5,000	INT: 07.000% MATY· 11/01/2025 Rating BA2/BB	11/12/04	4,525 00 4,525 00	90.50 90 50	77.50	3,875 00	(650 00)* (650.00)*	LT LT		0 00 (650 00)
5,000		11/16/04	4,550 00 4,550 00	91 00 91.00	77 50	3,875 00	(675 00)* (675 00)*	LT LT		0 00 (675 00)
10,000		11/17/04	9,200.00 9,200 00	92 00 92 00	77.50	7,750.00	(1,450 00)* (1,450 00)*	LT LT		0 00 (1,450.00)
25,000			22,775.00 **22,775.00**	91.10 91 10	**291.67**	**19,375 00**	(3,400 00) **(3,400.00)**		**9.032** **1,750.00**	**0 00** **(3,400.00)**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	ALBERTSONS INC	01/25/06	$ 4,583.20	$ 91 664	82.25	$ 4,112 50	($ 470 70)*	LT		$ 0 00
	DTD 06/17/1996	013104AC8	$ 4,583.20	$ 91 664			($ 470 70)*	LT		($ 470 70)
20,000	INT. 07.750% MATY. 06/15/2026	02/01/06	18,221 40	91 107	82 25	16,450.00	(1,771.40)*	LT		0 00
	Rating B2/B		18,221 40	91 107			(1,771 40)*	LT		(1,771 40)
5,000		02/01/06	4,575.25	91 505	82 25	4,112 50	(462 75)*	LT		0 00
			4,575 25	91 505			(462.75)*	LT		(462.75)
5,000		03/01/06	4,661.20	93 224	82 25	4,112 50	(548 70)*	LT		0.00
			4,661.20	93 224			(548 70)*	LT		(548 70)
5,000		04/26/06	4,561 30	91.226	82.25	4,112.50	(448.80)*	LT		0.00
			4,561 30	91 226			(448 80)*	LT		(448 80)
40,000			36,602 35	91 50		**32,900.00**	(3,702.35)		**9.422**	**0.00**
			36,602.35	91.50	**137 78**		**(3,702 35)**		**3,100.00**	**(3,702.35)**
5,000	DILLARD DEPT STORES INC	11/05/10	4,850 00	97 00	94.00	**4,700.00**	(150.00)	LT	**8.244**	**0 00**
	DEBENTURES BK/ENTRY	254063AU4	**4,850 00**	97 00	**178 68**		**(150.00)**	LT	**387.50**	**(150.00)**
	DTD 7/17/96									
	INT. 07.750% MATY: 07/15/2026									
	Rating. B2/BB-									
5,000	NCG CORP SR DEBS-BK/ENTRY	05/10/05	4,187.50	83.75	64 00	3,200 00	(987 50)*	LT		0 00
	DTD 10/16/1996	629121AC8	4,187.50	83 75			(987.50)*	LT		(987.50)
5,000	INT: 07.625% MATY 10/15/2026	05/10/05	4,198.40	83.968	64.00	3,200 00	(998 40)*	LT		0 00
	Rating WR/D		4,198 40	83 968			(998.40)*	LT		(998 40)
5,000		05/26/05	4,400 00	88 00	64.00	3,200.00	(1,200.00)*	LT		0.00
			4,400 00	88 00			(1,200 00)*	LT		(1,200.00)
20,000		09/21/06	18,450 00	92 25	64.00	12,800 00	(5,650 00)*	LT		0 00
			18,450 00	92.25			(5,650 00)*	LT		(5,650 00)
35,000			31,235 90	89.20		**22,400.00**	(8,835 90)			**0 00**
			31,235.90	89 20			**(8,835.90)**			**(8,835.90)**
30,000	CITIZENS COMMUNICATI	01/18/11	29,550 00	98 50	85 00	25,500 00	(4,050.00)	ST		0 00
	DTD 12/22/2006	17453BAS0	29,550.00	98 50			(4,050.00)	ST		(4,050 00)
10,000	WHEN ISSUE	01/24/11	9,825 00	98.25	85.00	8,500 00	(1,325.00)	ST		0 00
	INT· 07.875% MATY· 01/15/2027		9,825.00	98.25			(1,325.00)	ST		(1,325 00)
5,000	Rating BA2/BB	01/27/11	4,925.00	98.50	85.00	4,250.00	(675.00)	ST		0.00
			4,925 00	98 50			(675 00)	ST		(675 00)
45,000			44,300 00	98 40		**38,250 00**	(6,050.00)		**9.264**	**0.00**
			44,300.00	98.40	**1,634.06**		**(6,050 00)**		**3,543.75**	**(6,050 00)**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	ARVINMERITOR INC SR CV	01/27/10	$ 3,625 00	$ 72 50	64 50	$ 3,225 00	($ 400 00)	LT		$ 0 00
	NOTES BOOK/ENTRY	043353AH4	$ 3,625 00	$ 72 50			($ 400 00)	LT		($ 400.00)
15,000	DD 06/08/2007	01/28/10	10,987 50	73.25	64 50	9,675 00	(1,312.50)	LT		0 00
	INT 04.000% MATY 02/15/2027		10,987 50	73 25			(1,312 50)	LT		(1,312.50)
5,000	Rating. S&P CCC +	01/29/10	3,646 88	72 937	64 50	3,225 00	(421 88)	LT		0 00
	Next call on 02/15/19 @ 100.000		3,646 88	72 937			(421 88)	LT		(421.88)
5,000		02/05/10	3,512.50	70.25	64.50	3,225.00	(287.50)	LT		0.00
			3,512.50	70 25			(287 50)	LT		(287 50)
5,000		04/21/10	4,400.00	88.00	64.50	3,225.00	(1,175.00)	LT		0.00
			4,400 00	88 00			(1,175 00)	LT		(1,175 00)
5,000		04/27/10	4,440 50	88.81	64.50	3,225 00	(1,215.50)	LT		0 00
			4,440 50	88 81			(1,215.50)	LT		(1,215.50)
5,000		05/20/10	3,800.00	76 00	64.50	3,225.00	(575.00)	LT		0.00
			3,800 00	76 00			(575 00)	LT		(575 00)
5,000		05/25/10	3,781 60	75 632	64 50	3,225 00	(556 60)	LT		0 00
			3,781 60	75 632			(556 60)	LT		(556 60)
5,000		04/08/11	4,900.00	98.00	64 50	3,225 00	(1,675 00)	ST		0.00
			4,900.00	98 00			(1,675.00)	ST		(1,675.00)
5,000		06/13/11	4,602 50	90 705	64 50	3,225 00	(1,377.50)*	ST		0 00
			4,602 50	90 705			(1,377.50)*	ST		(1,377 50)
5,000		06/14/11	4,575 36	91.507	64 50	3,225.00	(1,350.36)	ST		0 00
			4,575.36	91.507			(1,350 36)	ST		(1,350.36)
5,000		06/14/11	4,642.08	91.486	64.50	3,225.00	(1,417 08)*	ST		0.00
			4,642 08	91 486			(1,417.08)*	ST		(1,417 08)
5,000		06/15/11	4,633 14	91 273	64 50	3,225 00	(1,408.14)*	ST		0 00
			4,633.14	91.273			(1,408.14)*	ST		(1,408.14)
5,000		06/16/11	4,614 16	90 883	64 50	3,225 00	(1,389.16)*	ST		0.00
			4,614.16	90 883			(1,389 16)*	ST		(1,389 16)
5,000		08/05/11	4,256 94	94 44	64 50	3,225 00	(1,031.94)*	ST		0 00
			4,256.94	94.44			(1,031.94)*	ST		(1,031.94)
5,000		09/21/11	3,468 75	69.375	64.50	3,225.00	(243 75)	ST		0 00
			3,468.75	69 375			(243 75)	ST		(243 75)
5,000		09/23/11	3,423 89	68 00	64 50	3,225.00	(198.89)*	ST		0.00
			3,423 89	68 00			(198 89)*	ST		(198 89)
95,000			77,310 80	81.40		**81,275 00**	(16,035.80)		**6 201**	**0 00**
			77,310.80	81.40	**1,435.56**		**(16,035.80)**		**3,800.00**	**(16,035.80)**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	DILLARD DEPARTMENT STORE- DEBS BK/ENTRY DTD 05/15/1997 INT: 07.750% MATY. 05/15/2027 Rating B2/BB-	11/05/10 254063AW0	$ 4,850 00 **$ 4,850.00**	$ 97.00 $ 97 00	93 00 **$ 49.51**	**$ 4,650.00**	($ 200.00) LT **($ 200.00)** LT	8 333 **$ 387.50**	**$ 0.00** **($ 200.00)**
15,000	EDISON MISSION ENERG DTD 11/15/2007	05/15/09 281023BA8	9,600 00 9,600 00	64 00 64 00	59 00	8,850 00	(750 00) LT (750 00) LT		0 00 (750.00)
25,000	GLOBAL INT: 07.625% MATY. 05/15/2027 Rating. CAA1/B-	05/18/09	15,250 00 15,250 00	61.00 61 00	59 00	14,750 00	(500 00) LT (500 00) LT		0.00 (500 00)
25,000		05/21/09	15,375 00 15,375.00	61 50 61.50	59.00	14,750 00	(625 00) LT (625.00) LT		0 00 (625 00)
35,000		05/27/09	21,350.00 21,350.00	61.00 61 00	59.00	20,650.00	(700 00) LT (700.00) LT		0 00 (700.00)
100,000			61,575 00 **61,575.00**	61 60 61 60	**974 31**	**59,000.00**	(2,575.00) **(2,575.00)**	**12 923** **7,625.00**	**0 00** **(2,575.00)**
5,000	NGC CORP CAPITAL TRUST I CAP SECS BK/ENTRY DTD 5/28/1997 INT: 08 316% MATY: 06/01/2027 Rating WR/D	06/06/05 62912PAC5	4,343 75 4,343.75	86 875 86 875	23 00	1,150 00	(3,193.75)* LT (3,193.75)* LT		0 00 (3,193.75)
5,000		06/21/05	4,412 50 4,412 50	88 25 88 25	23 00	1,150 00	(3,262.50)* LT (3,262 50)* LT		0 00 (3,262 50)
25,000		08/03/05	23,250 00 23,250 00	93 00 93.00	23 00	5,750 00	(17,500.00)* LT (17,500.00)* LT		0.00 (17,500.00)
25,000		12/04/06	23,875.00 23,875 00	95 50 95 50	23.00	5,750 00	(18,125.00)* LT (18,125.00)* LT		0.00 (18,125.00)
60,000			55,881 25 **55,881.25**	93 10 93 10		**13,800.00**	(42,081 25) **(42,081.25)**		**0.00** **(42,081.25)**
5,000	JEFFERIES GROUP INC DTD 06/08/2007 INT: 06.450% MATY 06/08/2027 Rating BAA2/BBB	11/04/11 472319AE2	4,025 00 4,025 00	80.50 80.50	83 25	4,162.50	137 50 ST 137.50 ST		4 30 133.20
5,000		11/04/11	4,075 00 4,075 00	81 50 81 50	83 25	4,162.50	87.50 ST 87 50 ST		4.15 83 35
10,000			8,100 00 **8,100 00**	81 00 81 00	**41.21**	**8,325.00**	225.00 **225.00**	**7 747** **645.00**	**8 45** **216 55**
10,000	MACYS RETAIL HLDGS INC DTD 07/14/97 INT. 06.790% MATY 07/15/2027 Rating. BA1/BBB-	07/23/07 55616XAB3	8,611 60 **8,611 60**	86.116 86.116	106 611 **313 09**	**10,661.10**	2,049.50* LT **2,049.50*** LT	**6 368** **679.00**	**148.90** **1,900.60**
40,000	SERVICEMASTER DTD 8/19/1997 INT. 07.450% MATY 08/15/2027 Rating: CAA1/B-	11/09/10 817609AB6	30,800 00 **30,800 00**	77.00 77 00	76 00 **1,125 78**	**30,400.00**	(400.00) LT **(400.00)** LT	**9 802** **2,980.00**	**0 00** **(400.00)**

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 2011
Attachment A

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	ROYAL CARIBBEAN CRUISES	01/11/07	$ 4,908 50	$ 98 17	98 00	$ 4,900 00	($ 8 50)* LT		$ 0 00
	DEBS DTD 10/14/1997	780153AG7	$ 4,908.50	$ 98 17			($ 8.50)* LT		($ 8.50)
5,000	INT: 07.500% MATY. 10/15/2027	01/19/07	4,915 15	98 303	98 00	4,900 00	(15.15)* LT		0.00
	Rating BA2/BB		4,915 15	98 303			(15 15)* LT		(15 15)
5,000		10/10/07	5,000 00	99 101	98 00	4,900 00	(100 00)* LT		0 00
			5,000.00	99 101			(100 00)* LT		(100 00)
15,000			14,823.65	98 80		**14,700.00**	(123 65)	**7.653**	**0.00**
			14,823 65	98 80	**237.50**		**(123 65)**	**1,125.00**	**(123.65)**
5,000	COLUMBIA/HCA HEALTHCARE	09/13/06	3,600.00	72.00	83 875	4,193 75	593.75* LT		132.50
	DEBS DTD 12/8/95 BOOK-ENTRY	197677AJ6	3,600 00	72 00			593 75* LT		461.25
5,000	INT: 07.050% MATY: 12/01/2027	01/19/07	3,937.50	78.75	83 875	4,193.75	256 25* LT		105.70
	Rating· B3/B-		3,937.50	78 75			256.25* LT		150.55
10,000			7,537.50	75.40		**8,387 50**	850 00	**8 405**	**238.20**
			7,537 50	75 40	**58.75**		**850.00**	**705.00**	**611.80**
5,000	LUCENT TECH INC DEBS	01/26/07	4,612.50	92 25	71 75	**3,587.50**	(1,025 00)* LT	**9.059**	**0.00**
	BK/ENTRY DTD 1/9/1998	549463AC1	**4,612.50**	92 25	**149.86**		**(1,025.00)*** LT	**325.00**	**(1,025.00)**
	INT: 06.500% MATY. 01/15/2028								
	Rating. B2/B								
30,000	GOODYEAR TIRE & RUBBER CO	06/05/06	25,050 00	83 50	97 00	**29,100 00**	4,050 00* LT	**7.216**	**556.80**
	NOTES-BK/ENTRY	382550AD3	**25,050.00**	83 50	**618.33**		**4,050.00*** LT	**2,100.00**	**3,493.20**
	DTD 3/16/1998								
	INT: 07.000% MATY. 03/15/2028								
	Rating: B2/B +								
10,000	ALBERTSONS INC MEDIUM TERM	09/06/05	8,659.00	86.59	71.25	7,125 00	(1,534.00)* LT		0.00
	NOTES-TRANCHE#TR 00074	01310QDB8	8,659 00	86 59			(1,534.00)* LT		(1,534 00)
5,000	BK/ENTRY-DTD 6/3/1998	09/07/05	4,443.65	88 873	71 25	3,562.50	(881.15)* LT		0 00
	INT: 06.625% MATY: 06/01/2028		4,443 65	88 873			(881.15)* LT		(881.15)
5,000	Rating: B2/B	11/17/05	4,036 00	80 72	71.25	3,562 50	(473 50)* LT		0 00
			4,036.00	80 72			(473 50)* LT		(473 50)
10,000		01/24/06	8,170.00	81 70	71 25	7,125.00	(1,045.00)* LT		0 00
			8,170 00	81 70			(1,045 00)* LT		(1,045 00)
5,000		10/28/08	3,100 00	62 00	71 25	3,562.50	462 50 LT		100 90
			3,100.00	62 00			462.50 LT		361.60
35,000			28,408 65	81 20		**24,937.50**	(3,471.15)	**9.298**	**100.90**
			28,408.65	81 20	**193 23**		**(3,471.15)**	**2,318.75**	**(3,572.05)**
10,000	SPRINT CAP CORP COMPANY GUARNT	06/07/07	9,413 66	94 136	71 375	7,137.50	(2,276 16)* LT		0 00
	-REG- DTD 11/16/1998	852060AD4	9,413 66	94.136			(2,276.16)* LT		(2,276 16)
16,000	INT: 06.875% MATY. 11/15/2028	06/08/07	15,061 85	94 136	71 375	11,420.00	(3,641.85)* LT		0 00
	Rating· B3/B +		15,061 85	94 136			(3,641.85)* LT		(3,641.85)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
4,000	SPRINT CAP CORP COMPANY GUARNT	06/21/07	$ 3,765 46	$ 94 136	71 375	$ 2,855.00	($ 910 46)*	LT		$ 0 00
	-REG- DTD 11/16/1998	852060AD4	$ 3,765 46	$ 94 136			($ 910 46)*	LT		($ 910 46)
10,000	INT: 06.875% MATY: 11/15/2028	02/28/08	7,237 50	72 375	71 375	7,137 50	(100.00)*	LT		0.00
	Rating B3/B +		7,237 50	72 375			(100 00)*	LT		(100 00)
5,000		02/28/08	3,625 00	72 50	71 375	3,568 75	(56 25)*	LT		0 00
			3,625 00	72 50			(56.25)*	LT		(56 25)
5,000		02/28/08	3,637 50	72 75	71.375	3,568.75	(68 75)*	LT		0.00
			3,637.50	72.75			(68.75)*	LT		(68 75)
5,000		02/28/08	3,625.00	72 50	71.375	3,568.75	(56.25)*	LT		0 00
			3,625 00	72 50			(56 25)*	LT		(56 25)
5,000		02/28/08	3,750 00	75 00	71 375	3,568 75	(181 25)*	LT		0 00
			3,750 00	75 00			(181.25)*	LT		(181 25)
5,000		02/28/08	3,637.50	72 75	71 375	3,568.75	(68 75)*	LT		0 00
			3,637 50	72 75			(68 75)*	LT		(68 75)
5,000		02/29/08	3,525 00	70 50	71 375	3,568.75	43 75*	LT		43 75
			3,525.00	70 50			43 75*	LT		0 00
5,000		02/29/08	3,500 00	70 00	71 375	3,568 75	68 75*	LT		68 75
			3,500.00	70.00			68 75*	LT		0 00
5,000		02/29/08	3,500 00	70 00	71 375	3,568 75	68 75*	LT		68 75
			3,500 00	70 00			68 75*	LT		0 00
5,000		03/04/08	3,575 00	71.50	71.375	3,568.75	(6 25)*	LT		0 00
			3,575.00	71 50			(6.25)*	LT		(6 25)
10,000		07/13/09	6,975.00	69 75	71.375	7,137.50	162.50	LT		137.80
			6,975 00	69 75			162 50	LT		24 70
5,000		03/23/11	4,650.00	93 00	71 375	3,568 75	(1,081.25)	ST		0 00
			4,650.00	93 00			(1,081.25)	ST		(1,081 25)
5,000		03/24/11	4,637.50	92 75	71 375	3,568 75	(1,068.75)	ST		0 00
			4,637.50	92 75			(1,068.75)	ST		(1,068 75)
15,000		03/28/11	13,837 50	92 25	71 375	10,706 25	(3,131 25)	ST		0 00
			13,837.50	92 25			(3,131.25)	ST		(3,131 25)
5,000		03/29/11	4,612 50	92.25	71.375	3,568.75	(1,043.75)	ST		0.00
			4,612.50	92 25			(1,043.75)	ST		(1,043 75)
5,000		04/05/11	4,687.50	93 75	71 375	3,568 75	(1,118.75)	ST		0 00
			4,687 50	93 75			(1,118.75)	ST		(1,118 75)
10,000		04/07/11	9,500 00	95 00	71 375	7,137 50	(2,362 50)	ST		0 00
			9,500 00	95 00			(2,362 50)	ST		(2,362 50)
5,000		04/19/11	4,800 00	96.00	71.375	3,568.75	(1,231.25)	ST		0 00
			4,800 00	96 00			(1,231.25)	ST		(1,231 25)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	SPRINT CAP CORP COMPANY GUARNT	04/25/11	$ 4,775 00	$ 95 50	71 375	$ 3,568.75	($ 1,206 25)	ST		$ 0 00
	-REG- DTD 11/16/1998	852060AD4	$ 4,775.00	$ 95 50			($ 1,206 25)	ST		($ 1,206.25)
5,000	INT: 06 875% MATY: 11/15/2028	04/26/11	4,768 75	95 375	71 375	3,568.75	(1,200 00)	ST		0.00
	Rating B3/B +		4,768.75	95 375			(1,200 00)	ST		(1,200 00)
5,000		04/26/11	4,762 50	95 25	71 375	3,568 75	(1,193.75)	ST		0 00
			4,762 50	95 25			(1,193.75)	ST		(1,193.75)
5,000		04/27/11	4,750 00	95 00	71.375	3,568 75	(1,181 25)	ST		0.00
			4,750 00	95 00			(1,181.25)	ST		(1,181.25)
10,000		04/29/11	9,587.50	95 875	71.375	7,137.50	(2,450 00)	ST		0.00
			9,587 50	95 875			(2,450 00)	ST		(2,450 00)
5,000		04/29/11	4,800 00	96 00	71 375	3,568 75	(1,231.25)	ST		0 00
			4,800 00	96.00			(1,231.25)	ST		(1,231.25)
5,000		05/04/11	4,775.00	95 50	71.375	3,568.75	(1,206 25)	ST		0.00
			4,775 00	95 50			(1,206 25)	ST		(1,206 25)
5,000		05/06/11	4,787 50	95 75	71 375	3,568 75	(1,218 75)	ST		0 00
			4,787.50	95 75			(1,218.75)	ST		(1,218 75)
5,000		05/09/11	4,781.25	95.625	71.375	3,568.75	(1,212.50)	ST		0.00
			4,781 25	95.625			(1,212.50)	ST		(1,212 50)
5,000		05/12/11	4,787 50	95 75	71 375	3,568 75	(1,218.75)	ST		0 00
			4,787 50	95 75			(1,218 75)	ST		(1,218 75)
10,000		05/19/11	9,575.00	95 75	71 375	7,137.50	(2,437 50)	ST		0.00
			9,575 00	95.75			(2,437.50)	ST		(2,437.50)
5,000		06/13/11	4,812.50	96 25	71 375	3,568.75	(1,243 75)	ST		0.00
			4,812 50	96 25			(1,243.75)	ST		(1,243 75)
5,000		06/15/11	4,800 00	96 00	71 375	3,568 75	(1,231.25)	ST		0 00
			4,800.00	96 00			(1,231.25)	ST		(1,231.25)
5,000		08/02/11	4,662.50	93 25	71.375	3,568 75	(1,093.75)	ST		0 00
			4,662.50	93.25			(1,093.75)	ST		(1,093.75)
5,000		08/05/11	4,437.50	88 75	71 375	3,568 75	(868.75)	ST		0 00
			4,437.50	88 75			(868.75)	ST		(868.75)
5,000		10/26/11	3,725 00	74.50	71.375	3,568.75	(156 25)	ST		0 00
			3,725 00	74.50			(156.25)	ST		(156.25)
25,000		11/02/11	18,343 75	73.375	71.375	17,843.75	(500 00)	ST		0 00
			18,343 75	73.375			(500.00)	ST		(500 00)
15,000		11/02/11	10,912 50	72 75	71 375	10,706 25	(206 25)	ST		0 00
			10,912 50	72.75			(206.25)	ST		(206 25)
15,000		11/03/11	11,100.00	74 00	71 375	10,706.25	(393.75)	ST		0 00
			11,100 00	74 00			(393 75)	ST		(393.75)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
10,000	SPRINT CAP CORP COMPANY GUARNT	11/03/11	$ 7,350 00	$ 73 50	71 375	$ 7,137.50	($ 212.50) ST		$ 0 00
	-REG- DTD 11/16/1998	852060AD4	$ 7,350 00	$ 73 50			($ 212.50) ST		($ 212.50)
5,000	INT: 06.875% MATY 11/15/2028	11/03/11	3,700 00	74 00	71 375	3,568 75	(131 25) ST		0.00
	Rating B3/B +		3,700 00	74 00			(131 25) ST		(131 25)
5,000		12/20/11	3,506 25	70 125	71 375	3,568 75	62.50 ST		50
			3,506.25	70.125			62.50 ST		62 00
310,000			261,053.47	84.20		**221,262.50**	(39,790.97)	**9.632**	**319.55**
			261,053.47	84.20	**2,723.26**		**(39,790.97)**	**21,312 50**	**(40,110.52)**
15,000	CINCINNATI BELL TEL CO DEBS	03/27/06	13,856.25	92.375	76.00	11,400 00	(2,456.25)* LT		0.00
	BK/ENTRY-DTD 11/30/1998	171875AD9	13,856 25	92 375			(2,456.25)* LT		(2,456 25)
5,000	INT: 06 300% MATY 12/01/2028	08/23/10	3,725 00	74 50	76 00	3,800.00	75.00 LT		39.65
	Rating. BA1/BB-		3,725 00	74.50			75.00 LT		35 35
5,000		09/24/10	3,837 50	76 75	76 00	3,800.00	(37.50) LT		0.00
			3,837 50	76 75			(37 50) LT		(37 50)
25,000			21,418 75	85 70		**19,000.00**	(2,418.75)	**8.289**	**39.65**
			21,418 75	85 70	**131 25**		**(2,418.75)**	**1,575.00**	**(2,458.40)**
20,000	LUCENT TECHNOLOGIES	03/07/03	12,200.00	61 05	71 75	14,350 00	2,150.00* LT		797.20
	DTD 03/15/1999	549463AE7	12,200 00	61.05			2,150.00* LT		1,352.80
10,000	INT 06.450% MATY 03/15/2029	03/12/03	5,975 00	59 75	71 75	7,175 00	1,200 00* LT		399 20
	Rating. B2/B		5,975 00	59 75			1,200 00* LT		800 80
20,000		04/10/03	13,200 00	66 00	71 75	14,350 00	1,150.00* LT		768.00
			13,200 00	66.00			1,150.00* LT		382.00
20,000		05/16/03	14,350 00	71.75	71 75	14,350 00	0.00*		0 00
			14,350 00	71 75			0 00*		0 00
25,000		07/18/03	16,812 50	67 25	71 75	17,937.50	1,125 00* LT		930.50
			16,812 50	67 25			1,125.00* LT		194.50
20,000		09/30/03	13,975.00	69.875	71.75	14,350 00	375 00* LT		375 00
			13,975 00	69 875			375.00* LT		0 00
50,000		05/06/04	38,500.00	77.00	71 75	35,875 00	(2,625 00)* LT		0 00
			38,500 00	77.00			(2,625.00)* LT		(2,625.00)
50,000		05/07/04	37,500 00	75.00	71 75	35,875.00	(1,625.00)* LT		0.00
			37,500 00	75 00			(1,625.00)* LT		(1,625 00)
5,000		01/08/07	4,637.50	92.75	71.75	3,587.50	(1,050.00)* LT		0 00
			4,637 50	92 75			(1,050 00)* LT		(1,050 00)
5,000		01/09/07	4,662 50	93 25	71 75	3,587.50	(1,075.00)* LT		0 00
			4,662 50	93.25			(1,075.00)* LT		(1,075 00)
5,000		01/10/07	4,600 00	92 00	71.75	3,587.50	(1,012.50)* LT		0 00
			4,600 00	92 00			(1,012.50)* LT		(1,012.50)

The Peter and Elizabeth C. Tower Foun[illegible]on
EIN: 16-6350753, December 31, 20[illegible]
Attachment A

MorganStanley SmithBarney

Ref 00011749 00102856

Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-73568-15 640**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	LUCENT TECHNOLOGIES	01/29/07	$ 4,600 00	$ 92 00	71 75	$ 3,587.50	($ 1,012 50)* LT		$ 0 00
	DTD 03/15/1999	549463AE7	$ 4,600.00	$ 92 00			($ 1,012 50)* LT		($ 1,012 50)
5,000	INT: 06.450% MATY. 03/15/2029	01/31/07	4,600 00	92 00	71.75	3,587 50	(1,012 50)* LT		0.00
	Rating B2/B		4,600 00	92 00			(1,012 50)* LT		(1,012 50)
10,000		02/09/07	9,187 50	91 875	71 75	7,175 00	(2,012.50)* LT		0 00
			9,187.50	91 875			(2,012.50)* LT		(2,012 50)
10,000		02/12/07	9,150.00	91.50	71 75	7,175 00	(1,975.00)* LT		0.00
			9,150 00	91 50			(1,975 00)* LT		(1,975 00)
20,000		02/13/07	18,350 00	91 75	71.75	14,350 00	(4,000.00)* LT		0 00
			18,350.00	91 75			(4,000.00)* LT		(4,000 00)
80,000		04/07/08	58,000 00	72 50	71.75	57,400.00	(600 00) LT		0 00
			58,000.00	72 50			(600 00) LT		(600 00)
360,000			270,300.00	75 10		**258,300 00**	(12,000 00)	**8.989**	**3,269 90**
			270,300.00	75 10	**6,837 00**		**(12,000.00)**	**23,220.00**	**(15,269.90)**
20,000	HERCULES INC	03/11/05	18,042 10	90 21	76 50	15,300 00	(2,742.10)* LT		0 00
	BOOK/ENTRY	427056AU0	18,042 10	90.21			(2,742.10)* LT		(2,742 10)
20,000	DTD 09/30/2004	03/14/05	18,042 10	90 21	76 50	15,300 00	(2,742 10)* LT		0 00
	INT: 06 500% MATY. 06/30/2029		18,042.10	90 21			(2,742 10)* LT		(2,742.10)
5,000	Int paid quarterly	03/18/05	4,510 53	90 21	76 50	3,825 00	(685 53)* LT		0 00
	Rating· BA2/B +		4,510 53	90 21			(685 53)* LT		(685 53)
5,000		04/14/05	4,510.52	90 21	76 50	3,825.00	(685.52)* LT		0.00
			4,510.52	90 21			(685.52)* LT		(685 52)
10,000		04/22/05	9,021 05	90 21	76 50	7,650 00	(1,371.05)* LT		0.00
			9,021 05	90 21			(1,371 05)* LT		(1,371 05)
5,000		04/26/05	4,510 53	90 21	76 50	3,825 00	(685 53)* LT		0.00
			4,510.53	90 21			(685 53)* LT		(685 53)
15,000		03/01/06	13,531 58	90.21	76.50	11,475 00	(2,056 58)* LT		0 00
			13,531 58	90 21			(2,056.58)* LT		(2,056 58)
10,000		03/03/06	9,021 05	90 21	76 50	7,650.00	(1,371.05)* LT		0 00
			9,021 05	90.21			(1,371 05)* LT		(1,371 05)
5,000		03/09/06	4,510 53	90 21	76 50	3,825.00	(685 53)* LT		0 00
			4,510 53	90 21			(685.53)* LT		(685.53)
15,000		06/01/09	8,287 50	55 25	76 50	11,475.00	3,187.50 LT		247.05
			8,287 50	55 25			3,187 50 LT		2,940 45
5,000		06/04/09	2,768 75	55 375	76 50	3,825 00	1,056 25 LT		82 00
			2,768 75	55.375			1,056.25 LT		974.25

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	HERCULES INC	06/10/09	$ 2,750 00	$ 55 00	76 50	$ 3,825 00	$ 1,075.00 LT		$ 81.40
	BOOK/ENTRY	427056AU0	$ 2,750.00	$ 55.00			$ 1,075 00 LT		$ 993.60
120,000	DTD 09/30/2004		99,506 24	82 90		**91,800.00**	(7,706.24)	**8 496**	**410.45**
	INT. 06.500% MATY. 06/30/2029		**99,506.24**	82 90	**21.67**		**(7,706 24)**	**7,800.00**	**(8,116.69)**
	Int paid quarterly								
	Rating: BA2/B +								
5,000	MASCO CORP	06/24/09	3,675 00	73.50	97 067	**4,853 35**	1,178 35 LT	**7.984**	**53.20**
	DTD 08/03/1999	574599AT3	**3,675.00**	73 50	**161 46**		**1,178 35** LT	**387.50**	**1,125.15**
	INT: 07.750% MATY. 08/01/2029								
	Rating BA2/BBB-								
25,000	QWEST CAPITAL FDG	08/16/02	11,625.00	46.50	99.337	24,834 25	13,209.25* LT		469.75
	DTD 02/14/2001	74913EAJ9	11,625 00	46 50			13,209 25* LT		12,739 50
10,000	INT: 07.750% MATY. 02/15/2031	08/16/02	4,525 00	45 25	99.337	9,933 70	5,408 70* LT		179.10
	Rating: BAA3/BB		4,525.00	45 25			5,408 70* LT		5,229 60
50,000		08/20/02	25,500.00	51 00	99 337	49,668 50	24,168 50* LT		1,079 00
			25,500 00	51 00			24,168 50* LT		23,089 50
50,000		08/12/03	37,000 00	74 00	99.337	49,668 50	12,668 50* LT		1,085 00
			37,000 00	74.00			12,668 50* LT		11,583 50
135,000			78,650 00	58 30		**134,104.95**	55,454 95	**7.801**	**2,812.85**
			78,650 00	58 30	**3,952 50**		**55,454.95**	**10,462.50**	**52,642.10**
5,000	ALBERTSON'S INC	11/07/05	4,575.25	91 505	79.75	3,987 50	(587 75)* LT		0.00
	DTD 5/1/01	013104AL8	4,575 25	91 505			(587 75)* LT		(587 75)
5,000	INT: 08.000% MATY. 05/01/2031	11/07/05	4,582 25	91 645	79 75	3,987 50	(594.75)* LT		0 00
	Rating: B2/B		4,582 25	91 645			(594 75)* LT		(594 75)
5,000		11/09/05	4,555.15	91.103	79.75	3,987.50	(567 65)* LT		0 00
			4,555 15	91 103			(567 65)* LT		(567 65)
5,000		11/18/05	4,541 65	90 833	79 75	3,987 50	(554.15)* LT		0 00
			4,541 65	90 833			(554 15)* LT		(554 15)
5,000		11/22/05	4,543 05	90 861	79.75	3,987 50	(555 55)* LT		0 00
			4,543 05	90 861			(555 55)* LT		(555 55)
5,000		11/30/05	4,509 05	90 181	79 75	3,987 50	(521 55)* LT		0 00
			4,509 05	90 181			(521 55)* LT		(521 55)
5,000		12/09/05	4,428.50	88 57	79.75	3,987.50	(441.00)* LT		0.00
			4,428.50	88 57			(441.00)* LT		(441 00)
40,000		12/11/08	24,200 00	60.50	79 75	31,900.00	7,700.00 LT		423.60
			24,200 00	60 50			7,700 00 LT		7,276.40
75,000			55,934.90	74 60		**59,812.50**	3,877 60	**10.031**	**423.60**
			55,934.90	74.60	**1,000.00**		**3,877.60**	**6,000.00**	**3,454.00**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
10,000	CITIZENS COMMUNICATIONS	06/15/09	$ 8,500.00	$ 85 00	91 25	$ 9,125 00	$ 625 00	LT		$ 49 60
	DTD 3/11/02	17453BAJ0	$ 8,500.00	$ 85.00			$ 625.00	LT		$ 575.40
15,000	INT. 09.000% MATY 08/15/2031	06/17/09	12,600 00	84 00	91 25	13,687 50	1,087 50	LT		77 55
	Rating BA2/BB		12,600 00	84 00			1,087 50	LT		1,009.95
5,000		06/15/10	4,650 00	93.00	91 25	4,562 50	(87.50)	LT		0 00
			4,650 00	93 00			(87.50)	LT		(87 50)
5,000		07/07/10	4,625.00	92 50	91 25	4,562 50	(62.50)	LT		0.00
			4,625 00	92 50			(62.50)	LT		(62 50)
35,000			30,375.00	86 80		**31,937.50**	1,562.50		**9.863**	**127.15**
			30,375 00	86 80	**1,190 00**		**1,562.50**		**3,150 00**	**1,435.35**
45,000	GMAC LLC	07/16/10	43,312.50	96.25	96.50	43,425 00	112.50	LT		0.00
	INT: 08.000% MATY 11/01/2031	36186CBY8	43,312 50	96 25			112 50	LT		112 50
160,000	Rating. B1/B +	07/27/10	156,800 00	98 00	96.50	154,400 00	(2,400 00)	LT		0 00
			156,800 00	98 00			(2,400.00)	LT		(2,400 00)
205,000			200,112 50	97 60		**197,825 00**	(2,287.50)		**8 29**	**0.00**
			200,112.50	97 60	**2,733.33**		**(2,287.50)**		**16,400.00**	**(2,287.50)**
10,000	GENERAL MOTORS ACCEP CORP	07/27/07	8,850 00	88.50	94 50	9,450 00	600 00*	LT		71.70
	DTD 11/2/01	370425RZ5	8,850 00	88 50			600.00*	LT		528.30
5,000	INT: 08.000% MATY 11/01/2031	06/25/08	3,387 50	67 75	94 50	4,725 00	1,337 50	LT		55 70
	Rating. B1/B +		3,387.50	67 75			1,337 50	LT		1,281 80
55,000		06/26/08	36,712.50	66.75	94.50	51,975 00	15,262.50	LT		616.00
			36,712 50	66.75			15,262 50	LT		14,646 50
70,000			48,950.00	69 90		**66,150.00**	17,200 00		**8 465**	**743 40**
			48,950.00	69 90	**933 33**		**17,200.00**		**5,600.00**	**16,456.60**
10,000	TENET HEALTHCARE COR	09/01/09	6,625 00	66 25	82 00	8,200 00	1,575 00	LT		98 50
	DTD 11/06/2001	88033GAV2	6,625.00	66 25			1,575.00	LT		1,476 50
10,000	INT: 06.875% MATY. 11/15/2031	09/21/09	7,400 00	74.00	82 00	8,200 00	800.00	LT		86.50
	Rating: CAA1/CCC +		7,400.00	74 00			800.00	LT		713.50
10,000		10/26/09	7,775 00	77 75	82 00	8,200 00	425 00	LT		75 10
			7,775.00	77 75			425 00	LT		349.90
5,000		10/28/09	3,812 50	76.25	82 00	4,100 00	287.50	LT		38 90
			3,812 50	76.25			287.50	LT		248.60
5,000		11/03/09	3,812 50	76 25	82 00	4,100 00	287 50	LT		38 65
			3,812 50	76 25			287 50	LT		248 85
20,000		11/05/09	15,275 00	76 375	82 00	16,400 00	1,125 00	LT		153 00
			15,275.00	76.375			1,125 00	LT		972.00
5,000		01/06/10	4,112 50	82 25	82 00	4,100 00	(12 50)	LT		0 00
			4,112 50	82 25			(12 50)	LT		(12 50)

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 2011
Attachment A

MorganStanley SmithBarney

Ref 00011749 00102859

Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. Account number 356-73568-15 640

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	TENET HEALTHCARE COR	01/20/10	$ 4,075.00	$ 81 50	82 00	$ 4,100 00	$ 25.00	LT		$ 25.00
	DTD 11/06/2001	88033GAV2	$ 4,075 00	$ 81.50			$ 25 00	LT		$ 0 00
20,000	INT: 06.875% MATY 11/15/2031	01/26/10	16,200.00	81 00	82 00	16,400 00	200 00	LT		123 20
	Rating CAA1/CCC +		16,200 00	81 00			200 00	LT		76 80
5,000		02/09/10	3,950 00	79 00	82 00	4,100 00	150.00	LT		32 45
			3,950 00	79 00			150 00	LT		117 55
95,000			73,037 50	76 90		**77,900.00**	4,862.50		**8.384**	**671.30**
			73,037.50	76 90	**834 55**		**4,862.50**		**6,531.25**	**4,191.20**
10,000	SPRINT CAPITAL CORP	02/06/09	6,350 00	63.50	80.875	8,087.50	1,737 50	LT		77.20
	DTD 06/21/2002	852060AT9	6,350 00	63 50			1,737 50	LT		1,660 30
5,000	INT: 08.750% MATY. 03/15/2032	11/03/11	4,125 00	82 50	80.875	4,043 75	(81.25)	ST		0 00
	Rating· B3/B +		4,125 00	82 50			(81 25)	ST		(81 25)
5,000		11/04/11	4,100.00	82 00	80.875	4,043 75	(56.25)	ST		0 00
			4,100 00	82 00			(56 25)	ST		(56 25)
20,000			14,575 00	72 90		**16,175.00**	1,600 00		**10 819**	**77.20**
			14,575.00	72.90	**515.28**		**1,600.00**		**1,750.00**	**1,522.80**
5,000	PULTE CORP	08/05/11	4,443 75	88.875	80.50	**4,025.00**	(418.75)	ST	**9.782**	**0.00**
	DTD 06/12/2002	745867AM3	**4,443 75**	88 875	**17.50**		**(418.75)**	ST	**393.75**	**(418.75)**
	INT: 07 875% MATY. 06/15/2032									
	Rating. B1/BB-									
5,000	MASCO CORP	03/31/09	2,525 00	50 50	89 445	4,472.25	1,947 25	LT		52.70
	DTD 08/20/2002	574599AY2	2,525 00	50 50			1,947 25	LT		1,894.55
5,000	INT. 06.500% MATY 08/15/2032	05/12/09	3,125 00	62.50	89 445	4,472.25	1,347 25	LT		55.30
	Rating: BA2/BBB-		3,125 00	62 50			1,347 25	LT		1,291.95
5,000		08/13/09	3,750 00	75 00	89 445	4,472.25	722.25	LT		42.75
			3,750 00	75 00			722.25	LT		679 50
5,000		08/26/09	3,806 25	76 125	89.445	4,472 25	666.00	LT		41.30
			3,806 25	76 125			666 00	LT		624 70
20,000			13,206 25	66 00		**17,889.00**	4,682.75		**7 267**	**192.05**
			13,206.25	66 00	**491 11**		**4,682.75**		**1,300.00**	**4,490.70**
45,000	PULTE HOMES INC	04/26/07	41,134.95	91.411	69.25	31,162 50	(9,972.45)*	LT		0.00
	DTD 5/22/03	745867AP6	41,134.95	91.411			(9,972.45)*	LT		(9,972 45)
15,000	INT· 06.375% MATY 05/15/2033	03/02/11	12,225 00	81 50	69 25	10,387 50	(1,837 50)	ST		0 00
	Rating B1/BB-		12,225 00	81 50			(1,837.50)	ST		(1,837 50)
10,000		03/08/11	8,225 00	82.25	69 25	6,925.00	(1,300.00)	ST		0.00
			8,225 00	82.25			(1,300 00)	ST		(1,300 00)
5,000		07/14/11	4,137.50	82.75	69 25	3,462 50	(675.00)	ST		0 00
			4,137 50	82 75			(675 00)	ST		(675.00)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
15,000	PULTE HOMES INC	07/18/11	$ 12,337 50	$ 82 25	69 25	$ 10,387 50	($ 1,950 00) ST		$ 0 00
	DTD 5/22/03	745867AP6	$ 12,337 50	$ 82 25			($ 1,950 00) ST		($ 1,950 00)
90,000	INT· 06.375% MATY. 05/15/2033		78,059.95	86 70		**62,325.00**	(15,734 95)	**9 205**	**0 00**
	Rating B1/BB-		**78,059.95**	86 70	**733.12**		**(15,734.95)**	**5,737.50**	**(15,734.95)**
1,000	SLM CORP	05/30/07	813 03	81 303	74 592	745 92	(67.11)* LT		0 00
	DTD 7/21/03	78442FAZ1	813.03	81 303			(67.11)* LT		(67.11)
1,000	INT: 05.625% MATY: 08/01/2033	05/30/07	814.72	81 472	74.592	745.92	(68.80)* LT		0.00
	Rating BA1/BBB-		814 72	81 472			(68 80)* LT		(68 80)
11,000		05/31/07	8,929 14	81.174	74.592	8,205 12	(724.02)* LT		0.00
			8,929 14	81 174			(724 02)* LT		(724 02)
3,000		06/04/07	2,433 18	81 106	74 592	2,237.76	(195 42)* LT		0.00
			2,433 18	81 106			(195 42)* LT		(195 42)
3,000		06/06/07	2,419 35	80.645	74 592	2,237.76	(181.59)* LT		0.00
			2,419 35	80 645			(181 59)* LT		(181 59)
2,000		06/13/07	1,566 08	78 304	74 592	1,491 84	(74 24)* LT		0 00
			1,566 08	78 304			(74 24)* LT		(74 24)
4,000		06/14/07	3,160 00	77 65	74 592	2,983.68	(176 32)* LT		0.00
			3,160 00	77.65			(176.32)* LT		(176.32)
5,000		06/18/07	3,940 00	78 808	74 592	3,729 60	(210 40)* LT		0.00
			3,940 00	78 808			(210 40)* LT		(210 40)
5,000		06/26/07	3,900.00	78.00	74.592	3,729.60	(170 40)* LT		0.00
			3,900.00	78 00			(170 40)* LT		(170 40)
5,000		08/24/07	3,900.00	78 00	74 592	3,729.60	(170 40)* LT		0.00
			3,900 00	78 00			(170 40)* LT		(170 40)
5,000		09/26/07	3,900 00	78 00	74 592	3,729 60	(170 40)* LT		0.00
			3,900 00	78.00			(170 40)* LT		(170 40)
45,000			35,775 50	79.50		**33,566 40**	(2,209.10)	**7.541**	**0 00**
			35,775.50	79 50	**1,054.69**		**(2,209 10)**	**2,531 25**	**(2,209.10)**
25,000	U S WEST COMMUNICATIONS DEB	10/31/07	23,812 50	95 25	99 329	**24,832.25**	1,019 75* LT	**6 921**	**0.00**
	BOOK ENTRY SDFS	912920AC9	**23,812.50**	95 25	**506.08**		**1,019.75* LT**	**1,718.75**	**1,019.75**
	INT: 06 875% MATY. 09/15/2033								
	Rating· BAA3/BBB-								
	Next call on 01/29/12 @ 101 170								
15,000	HCA-THE HEALTHCARE C	10/13/04	14,976 15	99 841	86 50	12,975 00	(2,001 15)* LT		0.00
	DTD 11/06/2003	404119AJ8	14,976.15	99.841			(2,001.15)* LT		(2,001.15)
5,000	INT: 07.500% MATY: 11/06/2033	10/13/04	5,025 00	100 513	86 50	4,325.00	(700 00)* LT		0.00
	Rating B3/B-		5,022 85	100 457			(697 85)* LT		(697 85)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	HCA-THE HEALTHCARE C	07/24/06	$ 3,965 00	$ 79.30	86 50	$ 4,325 00	$ 360 00*	LT		$ 57 25
	DTD 11/06/2003	404119AJ8	$ 3,965.00	$ 79 30			$ 360 00*	LT		$ 302 75
5,000	INT: 07 500% MATY. 11/06/2033	07/25/06	3,800 00	76 00	86 50	4,325.00	525 00*	LT		62 10
	Rating B3/B-		3,800 00	76 00			525 00*	LT		462 90
5,000		01/10/07	3,887 50	77 75	86 50	4,325.00	437 50*	LT		55 80
			3,887 50	77.75			437 50*	LT		381.70
5,000		01/10/07	4,062 50	81.25	86.50	4,325.00	262.50*	LT		50 30
			4,062 50	81 25			262 50*	LT		212.20
5,000		01/16/07	4,056.25	81.125	86 50	4,325.00	268.75*	LT		50.40
			4,056 25	81 125			268 75*	LT		218 35
5,000		01/29/07	4,162.50	83 25	86.50	4,325.00	162.50*	LT		46 25
			4,162 50	83 25			162 50*	LT		116.25
5,000		03/07/07	4,275 00	85 50	86 50	4,325.00	50.00*	LT		40.85
			4,275 00	85 50			50 00*	LT		9 15
15,000		06/11/07	13,040 63	86 937	86 50	12,975 00	(65 63)*	LT		0 00
			13,040 63	86 937			(65 63)*	LT		(65 63)
10,000		11/29/10	9,150 00	91 50	86 50	8,650.00	(500 00)	LT		0.00
			9,150 00	91 50			(500.00)	LT		(500.00)
5,000		11/04/11	4,450 00	89 00	86 50	4,325 00	(125 00)	ST		0 00
			4,450 00	89 00			(125 00)	ST		(125 00)
85,000			74,850.53	88.10		**73,525.00**	(1,325.53)		**8.67**	**362.95**
			74,848 38	88 10	**973.96**		**(1,323.38)**		**6,375 00**	**(1,686.33)**
15,000	JONES APPAREL GROUP INC/HLDGS	10/24/07	11,986.50	79.91	68.50	10,275 00	(1,711.50)*	LT		0.00
	SR NOTES-BK/ENTRY	480081AK4	11,986 50	79 91			(1,711.50)*	LT		(1,711.50)
15,000	DTD 11/22/2004	10/24/07	11,994 50	79 966	68 50	10,275.00	(1,719 50)*	LT		0 00
	INT: 06.125% MATY 11/15/2034		11,994.50	79.966			(1,719.50)*	LT		(1,719 50)
5,000	Rating. BA3/B +	10/31/07	4,062.50	81.25	68 50	3,425.00	(637.50)*	LT		0 00
			4,062 50	81.25			(637.50)*	LT		(637.50)
20,000		11/07/07	15,400 00	77 00	68 50	13,700.00	(1,700.00)*	LT		0 00
			15,400.00	77 00			(1,700.00)*	LT		(1,700 00)
25,000		04/09/08	17,375 00	69 50	68 50	17,125.00	(250 00)	LT		0 00
			17,375 00	69.50			(250.00)	LT		(250 00)
70,000		05/26/11	54,775.00	78 25	68.50	47,950.00	(6,825.00)	ST		0.00
			54,775 00	78 25			(6,825 00)	ST		(6,825.00)
150,000			115,593 50	77.10		**102,750 00**	(12,843 50)		**8.941**	**0.00**
			115,593.50	77 10	**1,173.96**		**(12,843.50)**		**9,187.50**	**(12,843.50)**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	TXU CORP SR NOTES-BK/ENTRY DTD 11/26/2004	02/26/07 873168AQ1	$ 4,471 10 $ 4,471.10	$ 89 422 $ 89 422	42 50	$ 2,125 00	($ 2,346 10)* ($ 2,346 10)*	LT LT		$ 0 00 ($ 2,346 10)
35,000	INT· 06 550% MATY: 11/15/2034 Rating CA/CC	05/25/07	29,662 50 29,662 50	84 635 84 635	42 50	14,875 00	(14,787.50)* (14,787 50)*	LT LT		0 00 (14,787.50)
30,000		05/30/07	25,312 50 25,312 50	84 375 84 375	42 50	12,750 00	(12,562 50)* (12,562 50)*	LT LT		0 00 (12,562.50)
20,000		06/07/07	16,700 00 16,700.00	83 50 83 50	42 50	8,500.00	(8,200 00)* (8,200 00)*	LT LT		0 00 (8,200 00)
5,000		06/08/07	4,145 00 4,145 00	82.90 82 90	42 50	2,125.00	(2,020.00)* (2,020.00)*	LT LT		0 00 (2,020 00)
10,000		06/15/07	8,062.50 8,062 50	80 625 80.625	42 50	4,250 00	(3,812.50)* (3,812 50)*	LT LT		0 00 (3,812 50)
105,000			88,353 60 **88,353.60**	84 10 84 10	**878 79**	**44,625.00**	(43,728 60) **(43,728.60)**		**15 411** **6,877 50**	**0.00** **(43,728 60)**
10,000	PULTE HOMES INC DTD 02/10/2005	09/07/06 745867AT8	8,909 50 8,909 50	89 095 89 095	66 375	6,637 50	(2,272.00)* (2,272.00)*	LT LT		0 00 (2,272 00)
5,000	INT: 06 000% MATY· 02/15/2035 Rating· B1/BB-	09/27/06	4,544 20 4,544.20	90 884 90 884	66 375	3,318.75	(1,225.45)* (1,225.45)*	LT LT		0.00 (1,225.45)
30,000		09/28/06	27,146 10 27,146 10	90 487 90 487	66 375	19,912 50	(7,233.60)* (7,233.60)*	LT LT		0 00 (7,233 60)
5,000		09/28/06	4,523 80 4,523 80	90 476 90.476	66 375	3,318.75	(1,205.05)* (1,205.05)*	LT LT		0.00 (1,205 05)
5,000		01/07/11	3,787 50 3,787 50	75.75 75 75	66.375	3,318 75	(468.75) (468 75)	ST ST		0.00 (468 75)
55,000			48,911 10 **48,911.10**	88 90 88 90	**1,246.67**	**36,506.25**	(12,404 85) **(12,404.85)**		**9 039** **3,300.00**	**0.00** **(12,404.85)**
5,000	INTEL CORP CONV DTD 03/30/2006	05/13/10 458140AD2	5,086.31 5,082.50	101.726 101.65	104.125	5,206.25	119.94 123 75	LT LT		0.00 123.75
5,000	INT: 02.950% MATY 12/15/2035 Rating: S&P A-	05/18/10	4,968 26 4,968 26	99 365 99 365	104 125	5,206 25	237.99 237.99	LT LT		0 00 237.99
5,000		05/20/10	4,893 75 4,893 75	97.875 97 875	104 125	5,206.25	312.50 312 50	LT LT		0.00 312 50
5,000		05/21/10	4,848 62 4,848 62	96 972 96 972	104 125	5,206.25	357 63 357 63	LT LT		0 00 357 63
10,000		05/25/10	9,487 50 9,487 50	94 875 94 875	104 125	10,412 50	925 00 925.00	LT LT		0 00 925 00
10,000		06/11/10	9,578 42 9,578 42	95.784 95.784	104 125	10,412.50	834.08 834 08	LT LT		0.00 834.08

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
35,000	INTEL CORP CONV	06/15/10	$ 34,212 50	$ 97 75	104 125	$ 36,443 75	$ 2,231 25	LT		$ 0 00
	DTD 03/30/2006	458140AD2	$ 34,212 50	$ 97.75			$ 2,231.25	LT		$ 2,231 25
5,000	INT. 02.950% MATY· 12/15/2035	07/12/10	4,848 40	96 968	104 125	5,206.25	357 85	LT		0.00
	Rating S&P A-		4,848 40	96 968			357 85	LT		357 85
5,000		08/19/10	4,948 50	98 97	104 125	5,206 25	257 75	LT		0 00
			4,948.50	98 97			257.75	LT		257.75
5,000		08/19/10	4,984 76	99 695	104 125	5,206.25	221.49	LT		0.00
			4,984 76	99.695			221.49	LT		221.49
5,000		08/24/10	4,903 13	98.062	104.125	5,206.25	303.12	LT		0 00
			4,903 13	98 062			303 12	LT		303.12
10,000		02/04/11	10,298 60	102 986	104 125	10,412.50	113 90	ST		0 00
			10,291 10	102 911			121 40	ST		121 40
10,000		02/08/11	10,317 19	103.171	104.125	10,412 50	95.31	ST		0 00
			10,309 30	103 093			103 20	ST		103 20
5,000		02/09/11	5,149 25	102 985	104.125	5,206 25	57 00	ST		0 00
			5,145.60	102 912			60 65	ST		60 65
5,000		02/10/11	5,181.24	103.624	104.125	5,206 25	25.01	ST		0.00
			5,176 75	103.535			29 50	ST		29 50
5,000		02/11/11	5,180 30	103 606	104.125	5,206 25	25 95	ST		0 00
			5,175 85	103 517			30 40	ST		30 40
5,000		02/15/11	5,159 38	103.187	104.125	5,206 25	46.87	ST		0 00
			5,155 50	103.11			50 75	ST		50 75
5,000		02/23/11	5,206 25	104 125	104.125	5,206.25	0 00	ST		0 00
			5,201 35	104 027			4 90	ST		4 90
5,000		03/15/11	5,162 50	103 25	104.125	5,206 25	43 75	ST		0 00
			5,158 95	103.179			47 30	ST		47 30
5,000		09/13/11	3,787 33	73 125	104 125	5,206 25	1,418 92*	ST		8 90
			3,787.33	73 125			1,418.92*	ST		1,410 02
150,000	$156,678 33 = OID 8,476.14 +		148,202 19	98 80		**156,187.50**	7,985.31		**2.833**	**8.90**
			148,158.07	98 80	**198 67**		**8,029.43**		**4,425.00**	**8,020.53**
10,000	JEFFERIES GROUP INC	11/04/11	7,850 00	78 50	81.77	**8,177.00**	327.00	ST	**7.643**	**5.00**
	DTD 01/26/2006	472319AC6	**7,850 00**	78 50	**288.19**		**327.00**	ST	**625.00**	**322.00**
	INT: 06.250% MATY 01/15/2036									
	Rating BAA2/BBB									

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 201
Attachment A

MorganStanley SmithBarney

Reserved Client Statement
December 1 - December 31, 2011

Ref 00011749 00102864

THE PETER AND ELIZABETH C. Account number 356-73568-15 640

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	TRINITY IND INC SUB NOTES CV	09/17/09	$ 3,706 25	$ 74 125	97 75	$ 4,887 50	$ 1,181 25	LT		$ 50 05
	BOOK/ENTRY	896522AF6	$ 3,706 25	$ 74.125			$ 1,181 25	LT		$ 1,131 20
10,000	DD 6/7/2006	10/02/09	7,300 00	73 00	97.75	9,775 00	2,475 00	LT		101 00
	INT: 03.875% MATY 06/01/2036		7,300 00	73 00			2,475 00	LT		2,374 00
5,000	Rating: BA2/BB- Next call on 06/01/18 @ 100 000	10/06/09	3,681 25	73 625	97 75	4,887 50	1,206 25	LT		49 65
			3,681.25	73 625			1,206 25	LT		1,156.60
5,000		10/07/09	3,690 63	73.812	97.75	4,887 50	1,196.87	LT		49.17
			3,690 63	73 812			1,196 87	LT		1,147.70
5,000		10/08/09	3,684 38	73 687	97.75	4,887 50	1,203 12	LT		49 27
			3,684 38	73 687			1,203 12	LT		1,153 85
5,000		10/09/09	3,750 00	75 00	97.75	4,887.50	1,137.50	LT		47.60
			3,750 00	75 00			1,137 50	LT		1,089.90
10,000		01/05/10	7,550.00	75 50	97.75	9,775 00	2,225.00	LT		84 80
			7,550 00	75 50			2,225 00	LT		2,140 20
5,000		01/14/10	3,802 79	76 055	97 75	4,887 50	1,084 71	LT		41 16
			3,802 79	76 055			1,084.71	LT		1,043 55
5,000		01/21/10	3,775 00	75 50	97 75	4,887 50	1,112.50	LT		41 45
			3,775.00	75.50			1,112.50	LT		1,071.05
5,000		02/05/10	3,671 20	73 424	97.75	4,887 50	1,216 30	LT		42.95
			3,671 20	73 424			1,216 30	LT		1,173 35
5,000		02/25/10	3,684 40	73.687	97.75	4,887 50	1,203 10	LT		41.40
			3,684 40	73 687			1,203.10	LT		1,161.70
5,000		03/12/10	3,831 94	76.638	97.75	4,887 50	1,055.56	LT		37.46
			3,831 94	76 638			1,055 56	LT		1,018.10
5,000		03/15/10	3,850 00	77.00	97 75	4,887 50	1,037 50	LT		37 00
			3,850.00	77 00			1,037.50	LT		1,000 50
5,000		03/30/10	3,956.25	79 125	97.75	4,887 50	931 25	LT		33 60
			3,956 25	79 125			931 25	LT		897.65
5,000		03/31/10	4,017 78	79 01	97.75	4,887 50	869 72*	LT		33 94
			4,017 78	79 01			869.72*	LT		835.78
5,000		05/17/10	4,103 50	82 07	97.75	4,887.50	784 00	LT		27.70
			4,103 50	82 07			784 00	LT		756.30
90,000			68,055 37	75.60		**87,975.00**	19,919 63		**3 964**	**768.20**
	$87,138.12 = OID 19,082 75 +		**68,055 37**	75.60	**290 62**		**19,919.63**		**3,487.50**	**19,151.43**

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
25,000	COLUMBIA HCA HEALTHCARE MEDIUM	10/20/04	$ 24,707 50	$ 98 83	87 125	$ 21,781 25	($ 2,926 25)* LT		$ 0 00
	TERM NOTES BK/ENTRY	19767QAS4	$ 24,707 50	$ 98 83			($ 2,926.25)* LT		($ 2,926 25)
50,000	DTD 07/08/1996	11/03/04	49,921.00	99 842	87 125	43,562 50	(6,358.50)* LT		0 00
	INT· 07 750% MATY 07/15/2036		49,921 00	99 842			(6,358 50)* LT		(6,358 50)
5,000	Rating B3/B-	07/25/06	3,875 00	77 50	87.125	4,356 25	481.25* LT		43 20
			3,875 00	77.50			481 25* LT		438.05
10,000		01/19/07	8,225 00	82 25	87 125	8,712 50	487 50* LT		70.30
			8,225 00	82 25			487 50* LT		417 20
10,000		11/29/10	9,375 00	93 75	87.125	8,712 50	(662.50) LT		0.00
			9,375.00	93 75			(662 50) LT		(662 50)
100,000			96,103 50	96.10		**87,125.00**	(8,978 50)	**8.895**	**113.50**
			96,103 50	96 10	**3,573 61**		**(8,978.50)**	**7,750.00**	**(9,092 00)**
3,000	JC PENNEY CORPORATIO	04/08/09	1,867 50	62.25	83.625	**2,508.75**	641.25 LT	**7.623**	**21.96**
	DTD 4/27/2007	708130AC3	**1,867.50**	62 25	**40 37**		**641.25** LT	**191 25**	**619.29**
	INT. 06.375% MATY. 10/15/2036								
	Rating BA1/BB +								
5,000	CHESAPEAKE ENERGY CORP CV	12/23/10	4,410.25	88 205	89 125	4,456.25	46 00 LT		14.60
	SR NOTES-BK/ENTRY	165167BZ9	4,410 25	88 205			46 00 LT		31 40
5,000	DTD 05/15/2007	12/30/10	4,481.85	89 637	89 125	4,456.25	(25 60) ST		0 00
	INT. 02.500% MATY 05/15/2037		4,481.85	89 637			(25 60) ST		(25 60)
15,000	Rating. BA3/BB +	01/05/11	13,593 00	90 62	89 125	13,368.75	(224.25) ST		0 00
	Next call on 05/15/17 @ 100 000		13,593 00	90 62			(224 25) ST		(224 25)
5,000		01/06/11	4,596 10	91 922	89 125	4,456.25	(139.85) ST		0 00
			4,596 10	91 922			(139 85) ST		(139 85)
5,000		01/07/11	4,618 75	92 375	89 125	4,456.25	(162 50) ST		0 00
			4,618.75	92 375			(162.50) ST		(162 50)
5,000		01/10/11	4,610.95	92.219	89 125	4,456.25	(154 70) ST		0 00
			4,610 95	92 219			(154 70) ST		(154 70)
30,000		01/13/11	28,104 00	93.68	89 125	26,737.50	(1,366 50) ST		0 00
			28,104 00	93.68			(1,366.50) ST		(1,366.50)
5,000		01/13/11	4,682 02	93 64	89.125	4,456 25	(225 77) ST		0 00
			4,682 02	93 64			(225 77) ST		(225 77)
5,000		01/21/11	4,712.95	94 259	89 125	4,456.25	(256 70) ST		0 00
			4,712 95	94 259			(256 70) ST		(256 70)
5,000		02/01/11	4,872 50	97.45	89 125	4,456 25	(416 25) ST		0 00
			4,872 50	97 45			(416 25) ST		(416 25)
5,000		02/02/11	4,967.50	99.35	89 125	4,456.25	(511 25) ST		0.00
			4,967 50	99 35			(511 25) ST		(511 25)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
5,000	CHESAPEAKE ENERGY CORP CV	02/03/11	$ 4,911 61	$ 98 232	89 125	$ 4,456 25	($ 455 36)	ST		$ 0 00
	SR NOTES-BK/ENTRY	165167BZ9	$ 4,911 61	$ 98 232			($ 455 36)	ST		($ 455.36)
95,000	DTD 05/15/2007		88,561.48	93.20		**84,668 75**	(3,892.73)		**2 805**	**14.60**
	INT: 02.500% MATY ($95,814.24= OID 7,252 76 +		**88,561 48**	93 20	**303 47**		**(3,892.73)**		**2,375.00**	**(3,907.33)**
	Rating BA3/BB +									
	Next call on 05/15/17 @ 100 000									
5,000	UNITED STATES STEEL CORP	03/02/11	4,450.00	89 00	78.00	3,900.00	(550 00)	ST		0 00
	BK/ENTRY-DTD 05/21/2007	912909AD0	4,450 00	89.00			(550 00)	ST		(550 00)
5,000	INT: 06 650% MATY 06/01/2037	03/22/11	4,418 75	88 375	78 00	3,900 00	(518 75)	ST		0.00
	Rating. B1/BB		4,418 75	88 375			(518 75)	ST		(518 75)
120,000		05/26/11	109,200.00	91.00	78.00	93,600.00	(15,600.00)	ST		0 00
			109,200 00	91 00			(15,600 00)	ST		(15,600 00)
130,000			118,068 75	90 80		**101,400 00**	(16,668 75)		**8 525**	**0.00**
			118,068.75	90.80	**720.42**		**(16,668.75)**		**8,645.00**	**(16,668.75)**
5,000	CHESAPEAKE ENERGY CORP	10/28/08	2,197 61	43.952	82 50	4,125.00	1,927.39	LT		106.74
	CONTINGENT CONV SR NTS	165167CB1	2,197 61	43 952			1,927 39	LT		1,820 65
5,000	DTD 05/27/2008	12/01/08	2,390 63	47.812	82 50	4,125 00	1,734 37	LT		104.37
	INT. 02 250% MATY 12/15/2038		2,390 63	47.812			1,734 37	LT		1,630 00
15,000	Rating· BA3/BB +	12/05/08	5,957.19	39 714	82.50	12,375.00	6,417.81	LT		298.41
	Next call on 12/15/18 @ 100 000		5,957 19	39 714			6,417 81	LT		6,119 40
5,000		12/23/10	3,839 50	76.79	82.50	4,125.00	285 50	LT		24 80
			3,839 50	76.79			285 50	LT		260 70
5,000		12/30/10	3,897 50	77 95	82 50	4,125.00	227 50	ST		23.50
			3,897 50	77 95			227.50	ST		204 00
5,000		01/04/11	3,922 38	78 447	82.50	4,125.00	202.62	ST		22.92
			3,922 38	78.447			202.62	ST		179.70
5,000		01/05/11	3,945 45	78 909	82 50	4,125 00	179.55	ST		22 35
			3,945 45	78 909			179 55	ST		157 20
5,000		01/13/11	4,083.50	81.67	82 50	4,125 00	41.50	ST		19.50
			4,083.50	81 67			41.50	ST		22.00
10,000		02/04/11	8,562.70	85 627	82.50	8,250.00	(312 70)	ST		0 00
			8,562 70	85 627			(312.70)	ST		(312 70)
5,000		02/07/11	4,375 00	87 50	82 50	4,125 00	(250 00)	ST		0 00
			4,375.00	87.50			(250.00)	ST		(250.00)
15,000		02/08/11	12,993.48	86 623	82.50	12,375.00	(618.48)	ST		0.00
			12,993 48	86.623			(618 48)	ST		(618 48)
5,000		02/10/11	4,373 80	87 476	82 50	4,125 00	(248 80)	ST		0 00
			4,373.80	87.476			(248 80)	ST		(248 80)

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
10,000	CHESAPEAKE ENERGY CORP	02/11/11	$ 8,725 00	$ 87 25	82 50	$ 8,250 00	($ 475 00)	ST		$ 0 00
	CONTINGENT CONV SR NTS	165167CB1	$ 8,725 00	$ 87 25			($ 475 00)	ST		($ 475 00)
20,000	DTD 05/27/2008	02/14/11	17,575 00	87.875	82 50	16,500 00	(1,075.00)	ST		0.00
	INT: 02.250% MATY 12/15/2038		17,575 00	87 875			(1,075 00)	ST		(1,075 00)
5,000	Rating. BA3/BB +	02/15/11	4,368 75	87 375	82 50	4,125 00	(243.75)	ST		0 00
	Next call on 12/15/18 @ 100.000		4,368.75	87.375			(243.75)	ST		(243 75)
5,000		03/02/11	4,492 85	89 857	82.50	4,125 00	(367.85)	ST		0 00
			4,492 85	89 857			(367.85)	ST		(367.85)
15,000		03/22/11	13,800 00	92 00	82.50	12,375 00	(1,425.00)	ST		0 00
			13,800 00	92 00			(1,425 00)	ST		(1,425 00)
5,000		03/29/11	4,593 75	91.875	82 50	4,125.00	(468 75)	ST		0.00
			4,593.75	91.875			(468 75)	ST		(468 75)
5,000		04/18/11	4,693.75	93 875	82.50	4,125 00	(568 75)	ST		0 00
			4,693 75	93 875			(568 75)	ST		(568 75)
5,000		04/21/11	4,711 98	94 239	82.50	4,125 00	(586.98)	ST		0.00
			4,711 98	94 239			(586.98)	ST		(586.98)
20,000		04/26/11	18,775.00	93.875	82.50	16,500 00	(2,275.00)	ST		0.00
			18,775 00	93.875			(2,275.00)	ST		(2,275.00)
5,000		05/12/11	4,668 75	93 375	82.50	4,125 00	(543.75)	ST		0 00
			4,668 75	93 375			(543 75)	ST		(543 75)
180,000			146,943.57	81 60		**148,500.00**	1,556.43		**2.727**	**622.59**
	$166,000 17 = OID 19,056.60 +		**146,943.57**	81.60	**180 00**		**1,556.43**		**4,050 00**	**933.84**
5,000	PEABODY ENERGY CORP CV JR SUB	10/01/09	4,398 50	87 97	102.00	5,100.00	701 50	LT		16 40
	DEB BOOK/ENTRY	704549AG9	4,398 50	87 97			701 50	LT		685.10
5,000	DD 12/20/2006	10/02/09	4,306 25	86 125	102 00	5,100 00	793 75	LT		18.40
	INT. 04.750% MATY 12/15/2041		4,306 25	86 125			793.75	LT		775.35
5,000	Rating BA3/B +	10/05/09	4,350 05	87 001	102 00	5,100 00	749 95	LT		17.45
	Next call on 12/20/36 @ 100 000		4,350.05	87.001			749 95	LT		732 50
10,000		02/03/10	9,937 80	99 378	102 00	10,200 00	262 20	LT		0 00
			9,937.80	99 378			262.20	LT		262.20
15,000		02/04/10	14,563 95	97 093	102.00	15,300 00	736.05	LT		0 00
			14,563 95	97.093			736 05	LT		736.05
10,000		02/05/10	9,471.40	94 714	102 00	10,200 00	728 60	LT		0.00
			9,471 40	94 714			728 60	LT		728 60
5,000		02/08/10	4,787 35	95 747	102 00	5,100.00	312 65	LT		0 00
			4,787.35	95 747			312.65	LT		312 65
10,000		02/09/10	9,695 00	96 95	102 00	10,200.00	505.00	LT		0.00
			9,695 00	96 95			505 00	LT		505.00

The Peter and Elizabeth C. Tower Found[illegible]on
EIN: 16-6350753, December 31, 20[illegible]
Attachment A

MorganStanley SmithBarney

Ref 00011749 00102868

Reserved Client Statement

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. Account number 356-73568-15 640

Corporate bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
10,000	PEABODY ENERGY CORP CV JR SUB	05/05/10	$ 10,383 19	$ 103 831	102 00	$ 10,200 00	($ 183 19)	LT		$ 0 00
	DEB BOOK/ENTRY	704549AG9	$ 10,374.00	$ 103.74			($ 174 00)	LT		($ 174 00)
10,000	DD 12/20/2006	05/06/10	10,357 24	103 572	102 00	10,200 00	(157 24)	LT		0 00
	INT: 04 750% MATY 12/15/2041		10,348 70	103 487			(148 70)	LT		(148 70)
10,000	Rating BA3/B +	05/07/10	10,116 54	101 165	102 00	10,200 00	83.46	LT		0 00
	Next call on 12/20/36 @ 100.000		10,113.90	101 139			86 10	LT		86 10
10,000		05/11/10	10,293 96	102.939	102 00	10,200 00	(93.96)	LT		0 00
			10,287 00	102.87			(87.00)	LT		(87.00)
10,000		05/14/10	10,184 75	101 847	102 00	10,200.00	15 25	LT		0 00
			10,180 50	101 805			19 50	LT		19 50
115,000	.		112,845.98	98.10		**117,300.00**	4,454 02		**4.656**	**52.25**
			112,814.40	98 10	**242 78**		**4,485 60**		**5,462.50**	**4,433.35**
5,000	AMERICAN INTL GROUP	12/07/10	5,175.00	103 50	89.00	4,450 00	(725.00)	LT		0 00
	FIX TO FLT 8 175% TIL 5/38	026874BS5	5,174 30	103 486			(724 30)	LT		(724 30)
5,000	THEN 3MO LIBOR + 419.5 BP	12/08/10	5,150 00	103 00	89 00	4,450 00	(700.00)	LT		0 00
	INT: 08.175% MATY: 05/15/2058		5,149 45	102.989			(699.45)	LT		(699 45)
15,000	Rating· BAA2/BBB	12/10/10	15,525 00	103 50	89 00	13,350.00	(2,175.00)	LT		0.00
	Next call on 05/15/38 @ 100 000		15,523.20	103 488			(2,173.20)	LT		(2,173 20)
5,000		12/13/10	5,187 50	103 75	89 00	4,450.00	(737 50)	LT		0 00
			5,186 90	103 738			(736 90)	LT		(736 90)
55,000		12/20/10	57,543 75	104.625	89.00	48,950 00	(8,593.75)	LT		0.00
			57,537 15	104 613			(8,587 15)	LT		(8,587 15)
85,000			88,581.25	104 20		**75,650.00**	(12,931.25)		**9 185**	**0 00**
			88,571.00	104 20	**887.90**		**(12,921.00)**		**6,948.75**	**(12,921.00)**
Total corporate bonds			$6,366,155.43		**$ 87,009.88**	**$ 6,134,786.88**	**($ 122,016.21)**	**ST**	**7.38**	**$ 51,801.86**
7,352,192							**($ 51,763.93)**	**LT**	**$ 453,168.90**	**($ 225,582.10)**

PART II, LINE 10C, STATEMENT 11

Ref 00012803 00114413

MorganStanley SmithBarney

Financial Management Account

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-75458-13 640**

Money fund

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency Although money market funds seek to preserve the value of your investment at $1 00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below $1.00 per share In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account

Number of shares	Description	Current value	Accrued dividends	Annualized % dividend yield	Anticipated Income (annualized)
284,324 10	MORGAN STANLEY AA INSTIT MONEY TRUST	$ 284,324.10		.03 %	$ 85 29
Total money fund		$ 284,324.10	$ 0.00	.02 %	$ 85.29

Mortgage and asset backed securities

Current Value is calculated as follows Original Principal Amount x Factor x Price = Current Value

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
165,000	FNMA PL#735224 DTD 01/01/2005 INT: 05.500% MATY 02/01/2035 FACTOR 23950417 Curr face $ 39,518.19 Int paid monthly	01/13/11 31402QYV7	$ 43,418.55	$ 107 64	$ 109.316 $ 181 12	$ 43,199.70	($ 218.85) ST	5.031 %	$ 2,173 50
45,000	FNMA PL#735288 DTD 02/01/2005 INT 05 000% MATY 03/01/2035	05/10/11 31402Q2V2	15,271 00	106 507	108 144	15,340.50	69 50 ST		
11,000	FACTOR 31522778 Curr.face $ 17,652 76 Int paid monthly	09/09/11	3,779 53	108 281	108 144	3,749 90	(29 63) ST		
56,000			19,050.53	34.00	73 55	19,090.40	39.87	4.623	882.63
97,000	FNMA PL#824421 DTD 05/01/2005 INT: 05.000% MATY. 05/01/2035 FACTOR· .36900842 Curr face $ 35,793.82 Int paid monthly	01/26/11 31406Y4E7	38,255.93	105 421	108 112 149.14	38,697 41	441.48 ST	4.624	1,789 69
167,000	FNMA PL#735579 DTD 05/01/2005 INT· 05.000% MATY. 06/01/2035 FACTOR 31927807 Curr face $ 53,319 44 Int paid monthly	01/13/11 31402RFU8	57,253 08	105 671	108 144 222.16	57,661 77	408.69 ST	4.623	2,665 97

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
121,000	FNMA PL#AE0115 DTD 06/01/2010 INT: 05.500% MATY 12/01/2035 FACTOR. .65454584 Curr face $ 79,200 05 Int paid monthly	04/19/11 31419ADV6	$ 86,571.56	$ 107 839	$ 109 694 $ 363 00	$ 86,877.70	$ 306 14 ST	5 013%	$ 4,356 00
22,000	FNMA PL#745343 DTD 02/01/2006 INT: 05.500% MATY. 03/01/2036 FACTOR 29843369 Curr face $ 6,565 54 Int paid monthly	10/07/11 31403DBL2	7,167 36	108 687	109 191 30.09	7,168 98	1.62 ST	5.037	361 10
58,000	FNMA PL#745418 DTD 03/01/2006 INT· 05.500% MATY. 04/01/2036 FACTOR 31280099 Curr.face $ 18,142.46 Int paid monthly	09/09/11 31403DDX4	20,037.82	109.718	109 191 83.15	19,809.93	(227.89) ST	5.037	997.83
31,000	FNMA PL#903812 DTD 12/01/2006 INT· 05 500% MATY 12/01/2036 FACTOR. .27091405 Curr face $ 8,398.34 Int paid monthly	05/10/11 31411CDR9	9,273.77	108 203	109.097 38.49	9,162.33	(111.44) ST	5.041	461.90
113,000	FNMA PL#888893 DTD 11/01/2007 INT. 05 500% MATY 08/01/2037 FACTOR. 35639745 Curr face $ 40,272.91 Int paid monthly	01/26/11 31410GRN5	44,113 57	107 32	109 191 184.58	43,974 40	(139 17) ST	5 037	2,215 01
340,000	FNMA PL#953582 DTD 12/01/2007 INT· 06 000% MATY· 12/01/2037 FACTOR. .46481389 Curr face $ 158,036.72 Int paid monthly	01/13/11 31413R2P0	175,658.27	109 531	110 941 790.18	175,327.52	(330.75) ST	5.408	9,482.20
32,000	FNMA PL#972295 DTD 02/01/2008 INT 05 500% MATY 02/01/2038 FACTOR. .22355535 Curr.face $ 7,153 77 Int paid monthly	06/09/11 31414PUU1	7,916.66	108.734	108.972 32.79	7,795.61	(121 05) ST	5 047	393.45
27,000	FHLMC PL#G04913 DTD 11/01/2008 INT. 05 000% MATY. 03/01/2038 FACTOR. 41835800 Curr face $ 11,295.67 Int paid monthly	11/10/11 3128M6YJ1	12,112.78	107 031	107 628 47.07	12,157.30	44.52 ST	4.645	564.78

The Peter and Elizabeth C. Tower Foundation
EIN: 16-6350753, December 31, 2011
Attachment C

Ref 00012803 00114415

MorganStanley SmithBarney

Financial Management Account

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. *Account number 356-75458-13 640*

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
5,000	FNMA PL#995722 DTD 04/01/2009 INT 05 000% MATY 05/01/2038 FACTOR 50320056 Curr.face $ 2,516 00 Int paid monthly	07/11/11 31416CD37	$ 2,714.57	$ 107 046	$ 108 144 $ 10.48	$ 2,720.91	$ 6 34 ST	4 623%	$ 125 80
52,000	FHLMC PL#G04688 DTD 09/01/2008 INT: 05.500% MATY. 09/01/2038 FACTOR· .33244896 Curr.face $ 17,287 35 Int paid monthly	11/10/11 3128M6RH3	18,705 68	107 929	108 644 79.23	18,781.66	75 98 ST	5.062	950 80
388,000	FNMA PL#934231 DTD 12/01/2008 INT: 05.000% MATY: 01/01/2039 FACTOR 34701979 Curr face $ 134,643.68 Int paid monthly	10/11/11 31412TLL5	145,455.35	107.39	108.097 561.02	145,545.78	90.43 ST	4.625	6,732.18
12,000	FNMA PL#995676 DTD 04/01/2009 INT: 04.500% MATY 05/01/2039 FACTOR· 73527788 Curr face $ 8,823.33 Int paid monthly	07/11/11 31416CCM6	9,270.75	104.406	107 341 33.09	9,471.06	200 31 ST	4 192	397.04
23,000	FNMA PL#AD0227 DTD 09/01/2009 INT: 05 500% MATY. 09/01/2039 FACTOR. .43512164 Curr face $ 10,007.80 Int paid monthly	07/11/11 31418MHD7	11,078 35	108 984	109 316 45.87	10,940.12	(138.23) ST	5.031	550 42
286,000	FHLMC PL#G06031 DTD 09/01/2010 INT. 05.500% MATY: 03/01/2040 FACTOR· 59725373 Curr face $ 170,814 57 Int paid monthly	02/07/11 3128M8A87	184,261.42	105 89	108 644 782.90	185,579.78	1,318.36 ST	5.062	9,394.80
2,000	FNMA PL#AB1248 DTD 06/01/2010 INT: 04 500% MATY. 07/01/2040 FACTOR .77613684 Curr face $ 1,552 27 Int paid monthly	09/09/11 31416WL67	1,660.74	106 265	106 498 5.82	1,653 14	(7 60) ST	4.225	69 85
221,000	FNMA PL#AB1389 DTD 07/01/2010 INT 04.500% MATY 08/01/2040 FACTOR .74607949 Curr face $ 164,883 57 Int paid monthly	02/02/11 31416WRKO	168,053 81	101 632	106 498 618 31	175,597.70	7,543 89 ST	4 225	7,419.76

MorganStanley SmithBarney

Financial Management Account

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. Account number 356-75458-13 640

Mortgage and asset backed securities *continued*

Original principal amount	Description	Date acquired/ CUSIP #	Cost	Share cost	Current share price/accrued interest	Current value	Unrealized gain/(loss)	Current % yield	Anticipated Income (annualized)
2,000	FNMA PL#AE1557 DTD 08/01/2010 INT 05 000% MATY 08/01/2040 FACTOR 87275297 Curr face $ 1,745 51 Int paid monthly	06/09/11 31419BWT8	$ 1,877 84	$ 106 953	$ 108 144 $ 7.27	$ 1,887 66	$ 9.82 ST	4.623%	$ 87.27
148,000	FHLMC PL#A97047 DTD 02/01/2011 INT: 04.500% MATY. 02/01/2041 FACTOR· 89797716 Curr face $ 132,900 62 Int paid monthly	02/11/11 312945ZL5	133,877.60	100 66	106 001 498.38	140,875.99	6,998.39 ST	4.245	5,980 52
152,000	FNMA PL#AH5583 DTD 02/01/2011 INT: 04.500% MATY. 02/01/2041 FACTOR. 91465620 Curr.face $ 139,027.74 Int paid monthly	02/09/11 3138A7FZ6	140,215.19	100.781	106.498 521.35	148,061.77	7,846.58 ST	4.225	6,256.24
89,000	FNMA PL#AE0984 DTD 02/01/2011 INT· 04 500% MATY 02/01/2041 FACTOR· 90685665 Curr face $ 89,778 81 Int paid monthly	03/02/11 31419BCW3	91,645.33	101 89	106 498 336.67	95,612.64	3,967.31 ST	4.225	4,040 04
6,000	FNMA PL#AI1888 DTD 05/01/2011 INT: 04.500% MATY· 05/01/2041 FACTOR. 87910273 Curr.face $ 5,274 62 Int paid monthly	10/07/11 3138AFC24	5,585 81	105.50	106.498 19.78	5,617.36	31.55 ST	4.225	237.35
11,000	FNMA PL#AI1969 DTD 04/01/2011 INT: 04.500% MATY. 05/01/2041 FACTOR· 96619013 Curr.face $ 10,628.09 Int paid monthly	05/10/11 3138AFFK1	11,038.82	103.742	107 341 39.86	11,408.30	369.48 ST	4.192	478.26
Total mortgage and asset backed securities 2,636,000	Part II, Line 10b		$ 1,446,271.14 (b)		$ 5,755.35	$ 1,474,676.92 (c)	$ 28,405.78 ST 0.00 LT	4.68	$ 69,064.39

Statement 10

The Peter and Elizabeth C. Towe[illegible]undation
EIN: 16-6350753, December 31, 2011
Attachment C

Ref: 00012803 00114417

MorganStanley
SmithBarney

Financial Management Account

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. **Account number 356-75458-13 640**

Mutual funds

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency Although money market funds seek to preserve the value of your investment at $1 00 per share, there can be no assurance that will occur and it is possible to lose money should the fund value per share fall Moreover, in some circumstances money market funds may be forced to cease operations when the value of a fund drops below $1 00 per share In that event, the fund's holdings would be liquidated and distributed to the fund's shareholders This liquidation process could take up to one month or more During that time, these funds would not be available to you to support purchases, withdrawals, and if applicable, check writing or ATM debits from your account.

Certain mutual funds may not be transferable to other broker-dealers For further information, please refer to the fund's Prospectus or call your Financial Advisor

Yield is the current distribution annualized, divided by the fund's net asset value at the end of the statement period. Distributions may consist of income, capital gains or the return of capital. Distributions and current dividend for funds are based upon information provided by an outside vendor and are not verified by us **"Tax-Based Cost vs. Current Value"** *is being provided for information purposes only.* **"Cash Distributions (since Inception)"** *when shown, may reflect distributions on positions no longer held in the account, and may not reflect all distributions received in cash due to but not limited to the following investments made prior to 1/1/89, asset transfers, recent activity and certain adjustments made in your account.* **"Total Purchases vs. Current Value"** *is provided to assist you in comparing your* **"Total purchases"** *excluding reinvested distributions, with the current value of the fund's shares in your account* **"Fund Value Increase/Decrease"** *reflects the difference between your total purchases and the current value of the fund's shares, plus cash distributions since inception*

Number of shares	Description	Symbol	Date acquired	Cost	Share cost	Current price	Current value	Unrealized gain/(loss)	Net Value Increase/ Decrease	Yield	Anticipated income (annualized)
72,800	FIXED INCOME SHARES FD SERIES C	FXICX	12/13/10	$ 979,160 00	$ 13 45	$ 12 47	$ 907,816 00	($ 71,344 00) LT			
3,933			01/04/11	50,185.08	12.76	12 47	49,044 51	(1,140 57) ST			
9,261			02/23/11	118,726 02	12 82	12 47	115,484 67	(3,241 35) ST			
2,410			08/16/11	31,402.30	13 03	12.47	30,052.70	(1,349 60) ST			
4,195			10/04/11	51,011 20	12 16	12 47	52,311 65	1,300 45 ST			
92,599				1,230,484.60	13 288		1,154,709.53	(75,775.07)		10 024	115,748 74
	Cash distributions (since Inception)								130,316.75		
	Total Purchases vs. Current Value			1,230,484.60			1,154,709.53		(75,775.07)		
	Fund Value Increase/Decrease								54,541.68		
94,500	FIXED INCOME SHARES FD SERIES M	FXIMX	12/13/10	980,910.00	10 38	10.40	982,800 00	1,890 00 LT			
388			01/05/11	3,961.48	10 21	10.40	4,035 20	73 72 ST			
12,164			02/23/11	125,289 20	10 30	10 40	126,505 60	1,216 40 ST			
107,052				1,110,160 68	10 37		1,113,340.80	3,180 12		4.721	52,562.53
	Cash distributions (since inception)								73,741.80		
	Total Purchases vs. Current Value			1,110,160.68			1,113,340.80		3,180 12		
	Fund Value Increase/Decrease								76,921.92		
Total mutual funds (Tax based)				$ 2,340,645.28			$ 2,268,050.33	($ 3,140.95) ST		7.42	
								$ 69,454.00 LT			$ 168,311.27
Total Fund Value Increase/Decrease									$ 131,463.60		

Part II, Line 13 (b) (c)

Statement 12

The Peter and Elizabeth C. Tow undation
EIN: 16-6350753, December , 2011
Attachment C

Ref 00012803 00114418

MorganStanley SmithBarney

Financial Management Account

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. *Account number 356-75458-13 640*

Bonds

Unrealized gains & losses have been adjusted to account for the accretion of OID (original issue discount), the amortization of premium, and/or the accretion of market discount

Call features shown indicate the next regularly scheduled call date and price Your holdings may be subject to other redemption features including sinking funds or extraordinary calls

The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities All credit ratings represent the "opinions" of the provider and are not representations or guarantees of performance Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings

Government & government sponsored entity (GSE) bonds

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued Interest	Current value	Unrealized Gain/(loss) Original/ Adjusted	Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
240,000	U S TREASURY NOTES SER G-2015 DTD 02/28/2010 INT· 00 875% MATY 02/29/2012	12/14/10 912828MQ0	$ 241,471 68 $ 240,204.00	$ 100 613 $ 100.085	100 133 $ 709 62	$ 240,319.20	($ 1,152.48) LT $ 115.20 LT	.873 $ 2,100.00	$ 0 00 $ 115.20
135,000	US TSY INFLATION INDEX NTS CPI U NON-SEASONALLY ADJ DTD 07/15/2002 S179,631 49 = OID 5,835 92 + INT: 03 000% MATY 07/15/2012 Factor 1 25946 Curr face $ 170,027 10	12/14/10 912828AF7	173,795 57 173,795 57	105 906 105 906	102 148 2,356 20	173,679.28	(116 29) LT (116 29) LT	2 936 5,100.81	0 00 (116 29)
50,000	U S TREASURY NOTES SER W-2013 DTD 03/15/2010 INT· 01.375% MATY. 03/15/2013	12/14/10 912828MT4	50,707.00 50,381 00	101.414 100.762	101.426 203 98	50,713.00	6.00 LT 332.00 LT	1.355 687.50	0.00 332.00
127,000	FEDERAL NATL MTG ASSOCIATION BK/ ENTRY DTD 20101101 INT: 00.750% MATY 12/18/2013	01/11/11 31398A5W8	125,535.69 125,535.69	98 847 98 847	100 382 34.40	127,485.14	1,949.45 ST 1,949.45 ST	.747 952.50	476 25 1,473.20
104,000	U S TREASURY NOTES SER AA-2016 DTD 07/31/2011 INT· 01 500% MATY 07/31/2016	08/08/11 912828QX1	106,153.11 105,988.48	102 07 101 912	103 383 652.83	107,518 32	1,365 21 ST 1,529.84 ST	1.45 1,560.00	0.00 1,529.84
154,000	US TREASURY NOTES SER E-2021 DTD 08/15/2011 INT. 02.125% MATY 08/15/2021	09/13/11 912828RC6	155,925 00 155,872.64	101.25 101 216	102.563 1,236 08	157,947 02	2,022.02 ST 2,074 38 ST	2.071 3,272.50	0.00 2,074.38
50,000	US TSY INFLATION INDEX BDS CPI U NON-SEASONALLY ADJ DTD 4/15/1998 S88,272 50 = OID 2,421 45 + INT: 03 625% MATY: 04/15/2028 Factor: 1 40009 Curr face $ 70,004 50	12/14/10 912810FD5	85,851 05 87,976 74	127.062 125.664	148.688 540.78	104,088.29	18,237.24 LT 16,111.55 LT	2 437 2,537 66	0 00 16,111.55

The Peter and Elizabeth C. Towe[illegible]undation
EIN: 16-6350753, December [illegible], 2011
Attachment C

Ref 00012803 00114419

MorganStanley SmithBarney

Financial Management Account

December 1 - December 31, 2011

THE PETER AND ELIZABETH C. Account number 356-75458-13 640

Government & government sponsored entity (GSE) bonds *continued*

Amount	Description	Date acquired/ CUSIP #	Cost/ Adjusted cost	Share cost/ Adjusted share cost	Current share price/Accrued interest	Current value	Unrealized Gain/(loss) Original/ Adjusted		Current % Yield/ Anticip Income (annualized)	Ordinary Income/ Capital gain/(loss)
55,000	US TSY INFLATION INDEX BDS CPI	12/14/10	$ 62,410.71	$ 111 468	133.414	$ 77,393.66	$ 14,982 95	LT		$ 0 00
	U NON-SEASONALLY ADJ	912810PZ5	$ 64,338.69	$ 110.902			$ 13,054 97	LT		$ 13,054.97
38,000	DTD 01/30/2009	07/12/11	47,708.96	119.634	133 414	53,471 98	5,763.02	ST		0.00
	INT 02.500% MATY 01/15/2029		47,765 39	119 168			5,706 59	ST		5,706.59
85,000	Factor: 1.05473	08/03/11	112,651 85	125 937	133.414	119,608 39	6,956 54	ST		0.00
	Curr.face $ 187,741.94		112,415 89	125 383			7,192.50	ST		7,192.50
178,000	$225,321 50 = OID 2,549 98 +		222,771 52	125.20		250,474.03	27,702 51		1.873	0 00
			224,519.97	126 10	2,168 07		25,954.06		4,693 54	25,954.06
Total government & government sponsored entity (GSE) bonds			$1,173,017.97		$ 7,901.96	$ 1,212,224.28	$ 18,452.76	ST	1.72	$ 476.25
1,038,000							$ 29,497.43	LT	$ 20,904.51	$ 47,473.94
Total portfolio value		Part II, Line 10a	(b)			(c)	$ 43,717.59	ST	4.93	$ 476.25
							($ 39,956.57)	LT	$ 258,365.46	$ 47,473.94

Statement 9

The Peter and Elizabeth C Tower Foundation
EIN 16-6350753
December 31, 2011
Attachment B, Statement 12

SHARES	DESCRIPTION	COST	FAIR MARKET VALUE
39,327 07	ALLIANCEBERNSTEIN INCOME FUND INC	306,919.98	317,369.43
10,950.00	ISHARES BARCLAYS 1-3 YR TREASURY FD	918,092 90	925,275.00
14,950.00	ISHARES BARCLAYS INTERMEDIATE CR	1,457,225.84	1,602,341.00
3,920.00	ISHARES BARCLAYS MBS BOND FD	425,174.96	423,634.40
14,950 00	ISHARES BARCLAYS TIPS BOND FUND	1,574,871.76	1,744,515.50
19,450.00	ISHARES BARCLAYS US AGGREGATE FD	1,989,416 02	2,144,362.50
27,820.00	ISHARES DOW JONES US TECH INDEX FUND	1,747,323.95	1,777,698.00
9,900 00	ISHARES JP MORGAN EM BOND FD	933,432.39	1,086,525.00
34,280.00	ISHARES R3000 GROWTH INDEX FUND	1,579,580.58	1,617,673.20
64,895.00	ISHARES RUSSELL 1000 INDEX FD	4,333,831.01	4,501,766.15
17,650.00	ISHARES RUSSELL 2000 INDEX FUND	1,128,609.82	1,301,687.50
22,255 00	ISHARES S&P LATIN AMERICA 40 INDEX	998,767.70	947,395.35
9,950.00	ISHARES S&P US PREFERRED STK FD	428,599 23	354,419.00
26,535.00	ISHARES TR S&P MIDCAP 400 INDEX FUND	1,334,735.99	2,324,731.35
19,950.00	ISHARES TR S&P SM CAP 600 INDEX FUND	1,335,558.23	1,362,585.00
16,085.00	MARKET VECTORS EMERGING MKTS	421,427 00	394,243 35
55,490.00	MARKET VECTORS JUNIOR GOLD MINERS ETF	1,473,298.34	1,370,603.00
33,320 00	MFS CHARTER INCOME TRUST SBI	308,100 71	304,878.00
49,095.00	MFS INTERMEDIATE INCM TR SBI	295,956.07	309,298.50
57,610.00	SEL SECT SPDR CONSUMER STAPLES	1,751,914.34	1,871,748.90
41,295.00	SELECT SECTOR SPDR CONSUMER DISCRET	1,633,851.25	1,611,330.90
15,575.00	SELECT SECTOR SPDR-ENERGY	1,001,903.93	1,076,699.75
38,355.00	SPDR INDEX SHS FDS S&P INTL SMALL CAP	1,017,891.84	965,395.35
17,225.00	SPDR SER TR S&P BIOTECH ETF	1,045,040.75	1,143,740.00
38,540.00	SPDR SER TR S&P HOMEBUILDERS	661,550 66	659,034.00
57,155.00	SPDR SER TR S&P OIL & GAS EQUIP	1,736,177.31	1,980,992.30
23,270.00	SPDR SER TR S&P PHARMACEUTICALS	1,044,124.90	1,194,449.10
26,435.00	SPDR SERIES TR BARCLAYS HIGH YIELD BD	1,034,985 21	1,016,425.75
65,285.00	VANGUARD EMERGING MKTS	1,862,939.73	2,494,539.85
38,850.00	VANGUARD REIT ETF	1,585,546 46	2,253,300.00
9,940.00	WISDOMTREE MANAGED FUTURES STRETEGY FUNI	462,542 99	449,586.20
35,095.00	WISDOMTREE TR DIVID EX FINANCIALS FUND	1,632,577.29	1,824,940.00
955,402.07		39,461,969.14	43,353,183.33

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
2011 Mental Health Mini-Grant (see attachment)	69,786
Action, Inc. 180 Main Street Gloucester, MA 01930	3,000
Alcohol and Drug Dependency Services, Inc. 291 Elm Street Buffalo, NY 14203	125,000
American National Red Cross (Buffalo Chapter) 786 Delaware Avenue Buffalo, NY 14209	5,000
Amos House 415 Friendship Street Providence, RI 02907	5,000
Bayfront Health Foundation 701 Sixth Street South St. Petersburg, FL 33701	5,000
Beverly Children's Learning Center 600 Cummings Center, Suite 171X Beverly, MA 01915	8,650
Bishop Timon St. Jude High School 601 McKinley Parkway Buffalo, NY	500
Boston Childrens Chorus, Inc. 112 Shawmut Avenue Boston, MA 02118	2,500
Boston University School of Management 595 Commonwelath Ave, Suite 404B Boston, MA 02215	39,000
Boys and Girls Club of East Aurora, Inc. 24 Paine Street, PO Box 36 East Aurora, NY 14052	1,500
Boys and Girls Club of Elma, Marilla and Wales 2080 Girdle Road Elma, NY 14059	1,500
Brigham and Women's Hospital 116 Huntington Avenue Boston, MA 02116	75,000
Buffalo and Erie County Historical Society 25 Nottingham Court Buffalo, NY 14216	600

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Buffalo Audubon Society 1610 Welch Road North Java, NY 14113	1,000
Buffalo Fine Arts Academy 1285 Elmwood Avenue Buffalo, NY 14222	5,000
Buffalo Museum of Science 1020 Humboldt Parkway Buffalo, NY 14211	1,500
Buffalo Olmsted Parks Conservancy 84 Parkside Avenue Buffalo, NY 14214	8,000
Buffalo Philharmonic Orchestra Society, Inc. 499 Franklin Street Buffalo, NY 14202	25,000
Buffalo Prep, Inc. 18 Acheson Annex Buffalo, NY 14214	500
Buffalo State College Foundation 1200 Elmwood Avenue, CLE312 Buffalo, NY 14222	5,000
Burchfield-Penney Art Center 1300 Elmwood Avenue Buffalo, NY 14222	7,500
CAB Health & Recovery Services Zero Centennial Drive Peabody, MA 01960	125,000
Cape Ann Historical Association 27 Pleasant Street Gloucester, MA 01930	1,000
Cape Ann Symphony PO Box 1343 Gloucester, MA 01930	1,000
Cape Cod & Islands Child Development Program, Inc. 83 Pearl Street Hyannis, MA 02601	23,962
Cape Cod Foundation 259 Willow Street Yarmouthport, MA 02675	5,000
Catholic Charities of Buffalo 741 Delaware Avenue Buffalo, NY 14209	59,825
Charter School for Applied Technologies 2303 Kenmore Avenue Buffalo, NY 14207	73,873

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Cheektowaga Central Schools 3600 Union Road Cheektowaga, NY 14225	69,496
Child & Family Services (MA) 1061 Pleasant Street New Bedford, MA 02740	112,461
Child & Family Services of Erie County 844 Delaware Avenue Buffalo, NY 14209	83,596
Children's Friend and Family Services, Inc. 110 Boston Street Salem, MA 01970	147,966
Choate Rosemary Hall 333 Christian Street Wallingford, CT 06492	5,000
Citizen School 308 Congress Street Boston, MA 02210	10,000
City Mission Society, Inc. 110 East Tupper Street Buffalo, NY 14203	1,500
Community Foundation for Greater Buffalo 712 Main Street Buffalo, NY 14202	130,953
Community Health Center of Cape Cod 70 Commercial Street Mashpee, MA 02649	106,360
Community Services for the Developmentally Disabled 180 Oak Street Buffalo, NY 14203	63,914
Danvers Public Schools 60 Cabot Street Danvers, MA 01923	80,082
Developmental Disabilities WNY Awareness Day Conference Sponsored by Developmental Disabilities Alliance of WNY 7 Community Drive Cheektowaga, NY 14225	300
Dukes County (Vineyard Healthcare Access Program) PO Box 1298 West Tisbury, MA 02575	5,000
Enterprise Charter School 275 Oak Street Buffalo, NY 14203	58,915
Every Person Influences Children Inc. 1000 Main Street Buffalo, NY 14202	500

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Essex County Community Foundation 15 Cherry Street Danvers, MA 01923	7,500
Family & Children's Services of Niagara 826 Chilton Avenue Niagara Falls, NY 14301	8,881
Fellowship House Foundation, Inc. 625 Buffalo Avenue Niagara Falls, NY 14302	26,130
First Congregational Church of West Tisbury PO Box 3000, PMB 3111 West Tisbury, MA 02575	500
Fish of East Aurora, Inc. 960 East Main Street, PO Box 120 East Aurora, NY 14052	2,500
Frontier Central Schools 5120 Orchard Avenue Hamburg, NY 14075	1,388
Gateway Longview, Inc. 605 Niagara Street Buffalo, NY 14201	125,087
Getzville Fire Company PO Box 3432 Buffalo, NY 14240-3432	100
Gloucester Adventure PO Box 1306 Gloucester, MA 01931-1306	10,000
Gloucester Education Foundation, Inc. 33 Commercial Street Gloucester, MA 01930	25,000
Gloucester Maritme Heritage Center 23 Harbor Loop Gloucester, MA 01930	5,000
Gloucester Public Schools 6 School House Road Gloucester, MA 01930	33,472
Gloucester Stage Company 267 East Main Street Gloucester, MA 01930	15,000
Goodwill Industries, Inc. 1119 William Street Buffalo, NY 14206	1,000
Gosnold, Inc. 200 Ter Heun Drive Falmouth, MA 02540	46,400

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Grantmakers Forum of New York 75 College Avenue Rochester, NY 14607-1009	1,500
Greater Buffalo Youth Orchestra 2637 Pleasant Avenue Lakeview, NY 14085	5,000
Hamburg Central Schools 5305 Abbott Road Hamburg, NY 14075	33,724
Hawk Creek Wildlife Rehabilitation Center, Inc. PO Box 662 East Aurora, NY 14052	600
Healing Abuse Working for Change 27 Congrestt Street, Suite 201 Salem, Ma 01970	75,197
Northeast Behavioral Health Zero Centennial Drive Peabody, MA 01960	45,842
Health Law Advocates 30 Winter Street, Suite 1004 Boston, MA 02108	94,613
Healthy Community Alliance 1 School Street, Suite 100 Gowanda, NY 14070	30,015
Heritage Centers 101 Oak Street Buffalo, NY 14203	80,202
Hospice Foundation of Western New York, Inc. 225 Como Park Boulevard Cheektowaga, NY 14227	2,000
International Institute of Buffalo, Inc. 864 Delaware Avenue Buffalo, NY 14209	250
Island Affordable Housing Fund PO Box 4769 Vineyard Haven, MA 02568	3,000
Jericho Road 184 Barton Street Buffalo, NY 14213	24,247
Kaleida Health/Women and Children's Hospital 219 Bryant Street Buffalo, NY 14222	3,593
Kipp Academy 25 Bessom Street Lynn, MA 01902	25,000

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
League for the Handicapped 393 North Street Springville, NY 14141	67,780
Library Foundation of Buffalo and Erie County 1 Lafayette Square Buffalo, NY 14203	500
Locust Street Neighborhood Art Classes, Inc. 138 Locust Street Buffalo, NY 14204	600
Lynn Public Schools 90 Commercial Street Lynn, MA 01905	184,545
Massachusetts Society for the Prevention of Cruelty to Children 206 Breeds Hill Road Hyannis, MA 02601	13,129
Martha's Vineyard Community Services, Inc. 111 Edgartown Road Vineyard Haven, MA 02568	27,858
Martha's Vineyard Donors Collaborative PO Box 1018 West Tisbury, MA 02575	10,085
Martha's Vineyard Hospital PO Box 1477 Oak Bluffs, MA 02557	5,000
Martha's Vineyard Public Schools 4 Pine Street Vineyard Haven, MA 02568	5,000
Meals on Wheels of Buffalo & Erie County Foundation, Inc. 100 James E. Casey Drive Buffalo, NY 14206	1,250
Melmark New England 461 River Road Andover, MA 01810	49,699
Mid Erie Counseling and Treatment 1526 Walden Avenue, Suite 400 Cheektowaga, NY 14225	81,227
Mount Holyoke College Art Museum 50 College Street South Hadley, MA 01075-1499	5,000
NAMI 2107 Wilson Boulevard, Suite 300 Arlington, VA 22201	56,859
National Council for Community Behavioral Health 1701 K Street NW, Suite 400 Washington, DC 20006-1526	5,000

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Nauset Regional School District & Union 54 78 Eldredge Park Way Orleans, MA 02653	15,540
New Urban Arts 743 Westminster Street Providence, RI 02903	5,000
NFI Massachusetts 10 Harbor Street Danvers, MA 01923	72,620
Niagara Aquarium Foundation 701 Whirlpool Street Niagara Falls, NY 14301	5,000
Niagara Lutheran Health System, Inc. 64 Hager Street Buffalo, NY 14208	5,000
Niagara-Wheatfield Central School District 6700 Schultz Road Niagara Falls, NY 14304	19,460
Northeast Arc 64 Holten Street Danvers, MA 01923	53,712
Northshore Education Consortium 112 Sohier Street Beverly, MA 01915	50,877
Olmsted Center for the Visually Impaired 1170 Main Street Buffalo, NY 14209	15,696
Open Door Cape Ann Pantry, Inc. 28 Emerson Avenue Gloucester, MA 01930	10,000
P2 Collaborative of WNY 6225 Sheridan Drive, Suite 206 Williamsville, NY 14221	1,500
Professional Center for Child Development 32 Osgood Street Andover, MA 01810	13,211
Providence Center for Counseling & Psychiatric Services 528 North Main Street Providence, RI 02904	5,000
Providence Summerbridge c/o The Wheeler School 216 Hope Street Providence, RI 02906	5,000
Real Reason 55 Santa Clara Avenue, Suite 200 Oakland, CA 94610	10,000

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Rivershore, Inc. 765 Cayuga Street Lewiston, NY 14092	30,895
Rochester Area Community Foundation 500 East Avenue Rochester, NY 14607	5,000
Rockport Educational Foundation 24 Jerdens Lane Rockport, MA 01966	5,000
Rockport Public Schools 24 Jerdens Lane Rockport, MA 01966	65,498
Ron Clark Academy (The) 228 Margaret Street Atlanta, GA 30315	7,500
Room to Grow National, Inc. 142 Berkeley Street Boston, MA 02116	2,500
Roswell Park Alliance Foundation Elm & Carlton Streets Buffalo, NY 14263	5,000
Sail Martha's Vineyard 110 Main Street PO Box 1998 Vienyard Haven, MA 02568	2,500
SABAH, Inc. 2607 Niagara Street Buffalo, NY 14207	4,800
Salvation Army - Buffalo Area Services 960 Main Street Buffalo, NY 14202	3,000
Salvation Army - Niagara Falls Citadel Corps 7018 Buffalo Avenue, PO Box 863 Niagara Falls, NY 14304	2,000
Sandra Feinstein-Gamm Theater 172 Exchange Street Pawtucket, RI 02860	5,000
Sandwich Public School District 365 Quaker Meetinghouse Road, Suite A East Sandwich, MA 02357	85,100
Sea the World PO Box 592 Chilmark, MA 02535	15,000
Shea's-O'Connell Preservation Guild, Inc. PO Box 1130 Buffalo, NY 14205	3,700

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Small Friends on Nantucket PO Box 2826 Nantucket, MA 02584	12,860
Society of St. Vincent de Paul 1298 Main Street Buffalo, NY 14209	500
St. Amelia's School Catholic Center 795 Main Street Buffalo, NY 14203	2,980
St. Josephs School 3275 Main Street Buffalo, NY	4,500
Summit Educational Resources 150 Stahl Road Getzville, NY 14068	140,411
Suneel's Light Foundation 5140 Main Street, Unit 313-152 Williamsville, NY 14221	5,000
Tisbury Waterways, Inc. PO Box 4375 Vineyard Haven, MA 02568	1,000
Trustees of the Reservation (The) 572 Essex Street Beverly, MA 01915	10,000
United Cerebral Palsy of Niagara 9812 Lockport Road Niagara Falls, NY 14301	29,614
United Way of Buffalo & Erie County 742 Delaware Avenue Buffalo, NY 14209	25,000
University at Buffalo Foundation 201 Center for the Arts Buffalo, NY 14260	2,500
University Psychiatric Practice 462 Grider Street Buffalo, NY 14215	61,671
Valley Community Association 93 Leddy Street Buffalo, NY 14210	4,146
Vineyard Conservation Society, Inc. PO Box 2189 Vineyard Haven, MA 02568	2,500

The Peter and Elizabeth C. Tower Foundation

2011 Distribution

ORGANIZATION	AMOUNT
Vineyard House, Inc. (The) PO Box 4599 15 Church Street Vineyard Haven, MA 02568	5,000
Vineyard Open Land Foundation PO Box 4608 Vineyard Haven, MA 02568	1,000
Vineyard Playhouse (The) 24 Church Street Box 2452 Vineyard Haven, MA 02568	1,000
Vista Vocational & Life Skills Center, Inc. 1356 Old Clinton Road Westbrook, CT 06498	8,600
Western New York Grantmakers PO Box 1333 Buffalo, NY 14205	500
Yard (The) PO Box 405 Chilmark, MA 02535	2,500
YMCA of Martha's Vineyard PO Box 881 Vineyard Haven, MA 02568	25,000
YMCA of the North Shore 245 Cabot Street Beverly, MA 01915	23,894
Zoological Society of Buffalo 300 Parkside Avenue Buffalo, NY 14214	500
TOTAL	3,708,297

The Peter and Elizabeth C. Tower Foundation

2011 Mental Health Mini-Grant

ORGANIZATION	AMOUNT
Alcohol & Drug Dependency Services 291 Elm Street Buffalo, NY 14203	3,738
Amesbury Public Schools 5 Highland Street Amesbury, MA 01913	5,136
Charter School for Applied Technologies 2303 Kenmore Avenue Buffalo, NY 14207	842
Child & Family Services 1061 Pleasant Street New Bedford, MA 02740	4,427
Children's Friend & Family Services 110 Boston Street Salem, MA 01970	7,212
Family Continuity 9 Centennial Drive, Suite 202 Peabody, MA 01960	6,124
Family Service, Inc. 430 North Canal Street Lawrence, MA 01840	980
Gateway-Longview 605 Niagara Street Buffalo, NY 14201	7,500
Hillside Children's Center 1183 Monroe Avenue Rochester, NY 14620	4,443
Horizon Health Services 3020 Bailey Avenue Buffalo, NY 14215	2,022
Mid-Erie Counseling & Treatment Services 1526 Walden Avenue, Suite 400 Cheektowaga, NY 14225	2,990
MA Society for the Prevention of Cruelty to Children 99 Summer Street Boston, MA 02110	3,267
Martha's Vineyard Community Services 111 Edgartown Road Vineyard Haven, MA 02568	359
Martha's Vineyard Public Schools 4 Pine Street Vineyard Haven, MA 02568	560

EIN: 16-6350753 December 31, 2011
Attachment D

The Peter and Elizabeth C. Tower Foundation

2011 Mental Health Mini-Grant

ORGANIZATION	AMOUNT
New Directions Youth and Family Services 6395 Old Niagara Road Lockport, NY 14094	3,519
NFI Massachusetts 26 Howley Street Peabody, MA 01960	1,670
Niagara Falls City School District 630 66th Street Niagara Falls, NY 14304	7,497
Northeast Behavioral Health Zero Centennial Drive Peabody, MA 01960	7,500
TOTAL DISTRIBUTION	**$69,786**

The Peter and Elizabeth C. Tower Foundation

Grants and Contributions Approved for Future Payments as of December 31, 2011

ORGANIZATION	AMOUNT
Aspire of Western New York, Inc. 2356 North Forest Road Getzville, NY 14068	267,894
Brigham and Women's Hospital 75 Francis Street Boston, MA 02115	75,000
Canisius College 2001 Main Street, Bagen Hall 205 Buffalo, NY 14208	104,000
Cape Cod Child Development 83 Pearl Street Hyannis, MA 02601	12,072
Catholic Charities of Buffalo 741 Delaware Avenue Buffalo, NY 14209	21,000
Charter School for Applied Technologies 2303 Kenmore Avenue Buffalo, NY 14207	11,250
Cheektowaga Central Schools 3600 Union Road Cheektowaga, NY 14225	113,240
Child and Family Services 1061 Pleasant Street New Bedford, MA 02740	37,487
Community Foundation for Greater Buffalo 712 Main Street Buffalo, NY 14202	107,035
Community Health Center of Cape Cod 70 Commercial Street Mashpee, MA 02649	125,000
Community Services for the Developmentally Disabled 180 Oak Street Buffalo, NY 14203	63,644
Enterprise Charter School 275 Oak Street Buffalo, NY 14203	32,387
Gateway Longview, Inc. 605 Niagara Street Buffalo, NY 14201	16,264
Gloucester Public Schools 6 School House Road Gloucester, MA 01930	15,864

EIN: 16-6350753 December 31, 2011

Attachment E

The Peter and Elizabeth C. Tower Foundation

Grants and Contributions Approved for Future Payments as of December 31, 2011

ORGANIZATION	AMOUNT
Help for Abused Women and their Children dba Healing Abuse Working for Change 27 Congress Street, Suite 201 Salem, MA 01970	71,128
Northeast Behavioral Health Zero Centennial Drive Peabody, MA 01960	32,745
Health Law Advocates, Inc. 30 Winter Street, Suite 1004 Boston, MA 02108	195,794
Healthy Community Alliance 1 School Street, Suite 100 Gowanda, NY 14070	61,753
Heritage Centers 101 Oak Street Buffalo, NY 14203	15,288
Judge Baker Children's Center 53 Parket Hill Avenue Boston, MA 02120	407,860
Kaleida Health/Women and Children's Hospital 219 Bryant Street Buffalo, NY 14222	7,129
Latham Centers 14 Lots Hollow Road Orleans, MA 02653	60,750
League for the Handicapped 393 North Street Springville, NY 14141	45,531
Lynn Public Schools 90 Commercial Street Lynn, MA 01905	247,937
Massachusetts General Hospital 165 Cambridge Street, Suite 600 Boston, MA 02114	52,638
Mid-Erie Counseling & Treatment Services 1526 Walden Avenue, Suite 400 Cheektowaga, NY 14225	63,089
NAMI 3803 N. Fairfax Drive, Suite 100 Arlington, VA 22203	52,885

The Peter and Elizabeth C. Tower Foundation

Grants and Contributions Approved for Future Payments as of December 31, 2011

ORGANIZATION	AMOUNT
NFI Massachusetts 26 Howley Street Peabody, MA 01960	42,355
Niagara-Wheatfield Central School District 6700 Schultz Road Niagara Falls, NY 14204	5,054
North Shore Community College Foundation, Inc. 1 Ferncroft Road Danvers, MA 01923	187,083
Northeast Arc 64 Holten Street Danvers, MA 01923	149,937
Northshore Education Consortium 112 Sohier Road Beverly, MA 01915	74,123
Northwest Buffalo Community Healthcare Center 155 Lawn Avenue Buffalo, NY 14207	7,960
People Inc. 1219 North Forest Road Williamsville, NY 14221	24,840
Rivershore, Inc. 765 Cayuga Street Lewiston, NY 14092	1,450
Rockport Public Schools 24 Jerdens Lane Rockport, MA 01966	41,049
SABAH, Inc. 2608 Niagara Street Buffalo, NY 14207	13,370
Sandwich Public Schools 365 Quaker Meetinghouse Road, Suite A East Sandwich, MA 02357	57,960
Small Friends on Nantucket PO Box 2826 Nantucket, MA 02584	6,694
Spaulding Rehabilitation Hospital 311 Service Road East Sandwich, MA 02357	139,919
Summit Educational Resources 150 Stahl Road Getzville, NY 14068	120,633
Vista Vocational & Life Skills Center, Inc. 1356 Old Clinton Road Westbrook, CT 06498	210,000

The Peter and Elizabeth C. Tower Foundation

Grants and Contributions Approved for Future Payments as of December 31, 2011

ORGANIZATION	AMOUNT
Western New York Independent Living 3108 Main Street Buffalo, NY 14214	72,960
YMCA of Cape Cod 2245 Iyannough Road, Route 132 West Barnstable, NA 02668	62,126
YMCA of the Northshore 245 Cabot Street Beverly, MA 01915	1,935
TOTAL	**3,536,112**

THE PETER & ELIZABETH C. TOWER FOUNDATION
EIN 16-6350753
TAX YEAR 2011

ATTACHMENT F TO PART XV, LINE 2C:

2011 Technology Initiative – Phase I & Phase II RFP – applications due 3/4/11 and 9/9/11
2011 Mental Health – applications due 6/22/11
2011 Intellectual Disabilities – applications dues 9/14/11
2011 Mental Health Reference and Resource Materials – applications due 10/31/11
2011 Social and Emotional Preschool Curriculum RFP – pre-applications due 12/1/10