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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.

2011

For calendar year 2011 or tax year beginning

, and ending

Name of foundation GRACE ELIZABETH GRONER SCHOLARSHIP FOUNDATION		A Employer identification number 26-6687616
Number and street (or P O box number if mail is not delivered to street address) 585 BANK LANE	Room/suite 3000	B Telephone number 847-234-5000
City or town, state, and ZIP code LAKE FOREST, IL 60045		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 6,753,042.	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/>

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)
1 Contributions, gifts, grants, etc., received		421,376.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		663.	663.		STATEMENT 1
4 Dividends and interest from securities		221,832.	221,832.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		<37,065.>			
b Gross sales price for all assets on line 6a	1,758,031.				
7 Capital gain net income (from Part IV, line 2)			0.		
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					
12 Total. Add lines 1 through 11		606,806.	222,495.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages		18,846.	0.		0.
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees	STMT 3	50,510.	43,576.		0.
17 Interest					
18 Taxes	STMT 4	10,566.	1,418.		0.
19 Depreciation and depletion		5,346.	0.		
20 Occupancy					
21 Travel, conferences, and meetings		13,202.	0.		0.
22 Printing and publications					
23 Other expenses	STMT 5	22,019.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		120,489.	44,994.		0.
25 Contributions, gifts, grants paid		255,230.			255,230.
26 Total expenses and disbursements. Add lines 24 and 25		375,719.	44,994.		255,230.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		231,087.			
b Net investment income (if negative, enter -0-)			177,501.		
c Adjusted net income (if negative, enter -0-)				N/A	

**GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION**

Form 990-PF (2011)

26-6687616 Page 2

Part II Balance Sheets <small>Attached schedules and amounts in the description column should be for end-of-year amounts only</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	1,500.	500.	500.
	2 Savings and temporary cash investments	19,168.	906,760.	906,760.
	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			
	b Investments - corporate stock			
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 6	6,494,053.	5,484,847.	5,490,527.
	14 Land, buildings, and equipment: basis ▶ 360,601.			
	Less: accumulated depreciation ▶ 5,346.	0.	355,255.	355,255.
	15 Other assets (describe ▶)	1,554.	0.	0.
	16 Total assets (to be completed by all filers)	6,516,275.	6,747,362.	6,753,042.
	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 <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	6,516,275.	6,747,362.		
30 Total net assets or fund balances	6,516,275.	6,747,362.		
31 Total liabilities and net assets/fund balances	6,516,275.	6,747,362.		

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	6,516,275.
2 Enter amount from Part I, line 27a	2	231,087.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	6,747,362.
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	6,747,362.

Form 990-PF (2011)

**GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION**

Form 990-PF (2011)

26-6687616 Page 3

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b SEE ATTACHED STATEMENT			
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			
b			
c			
d			
e 1,758,031.		1,795,096.	<37,065.>

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			<37,065.>

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	<37,065.>
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	323,776.	5,273,707.	.061394
2009	1,000.	18,007.	.055534
2008	0.	0.	.000000
2007			
2006			

2 Total of line 1, column (d)	2	.116928
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	.038976
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	6,417,763.
5 Multiply line 4 by line 3	5	250,139.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,775.
7 Add lines 5 and 6	7	251,914.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	255,230.

GRACE ELIZABETH GRONER SCHOLARSHIP

Form 990-PF (2011)

FOUNDATION

26-6687616 Page 4

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	1,775.
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	1,775.
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	1,775.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	1,794.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	4,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	5,794.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	4,019.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input checked="" type="checkbox"/> 4,019. Refunded <input type="checkbox"/>	11	0.	

Part VII-A Statements Regarding Activities

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?		Yes	No
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			X
1c Did the foundation file Form 1120-POL for this year?			X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	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?	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) <input checked="" type="checkbox"/> IL			
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	10	X	

N/A

STMT 7

Form 990-PF (2011)

GRACE ELIZABETH GRONER SCHOLARSHIP

Form 990-PF (2011)

FOUNDATION

26-6687616

Page 5

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>L. ROBERT PASQUESI</u> Telephone no. ► <u>847-234-5000</u> Located at ► <u>585 BANK LANE, LAKE FOREST, IL</u> ZIP+4 ► <u>60045</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)	3b	N/A
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

Form 990-PF (2011)

**GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION**

Form 990-PF (2011)

26-6687616

Page 6

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

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?

If "Yes" to 6b, file Form 8870.

6b

X

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
L. ROBERT PASQUESI	TRUSTEE			
585 BANK LANE				
LAKE FOREST, IL 60045	1.00	0.	0.	0.
WILLIAM C. MARLATT	TRUSTEE			
207 E. WESTMINSTER STE. 1				
LAKE FOREST, IL 60045	30.00	0.	0.	0.

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

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

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

▶ **0**

Form 990-PF (2011)

GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION

Form 990-PF (2011)

26-6687616 Page 7

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

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

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

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

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

Total. Add lines 1 through 3

0.

Form 990-PF (2011)

**GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION**

Form 990-PF (2011)

26-6687616 Page 8

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	5,840,518.
b	Average of monthly cash balances	1b	674,977.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	6,515,495.
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	6,515,495.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	97,732.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	6,417,763.
6	Minimum investment return. Enter 5% of line 5	6	320,888.

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	320,888.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,775.
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,775.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	319,113.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	319,113.
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	319,113.

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	255,230.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	255,230.
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	1,775.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	253,455.

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.

Form 990-PF (2011)

**GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION**

Form 990-PF (2011)

26-6687616 Page 9

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				319,113.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				100.
e From 2010				62,539.
f Total of lines 3a through e	62,639.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$				255,230.
a Applied to 2010, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2011 distributable amount				255,230.
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))	62,639.			62,639.
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				1,244.
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				

FOUNDATION

26-6687616 Page 10

N/A

- [illegible]

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

GRACE ELIZABETH GRONER SCHOLARSHIP

Form 990-PF (2011)

FOUNDATION

26-6687616 Page 11

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				
LAKE FOREST COLLEGE 555 NORTH SHERIDAN ROAD LAKE FOREST, IL 60045	NONE	501(C)(3)	SCHOLARSHIPS, RESEARCH, EDUCATIONAL INTERNSHIPS	235,000.
GORTON COMMUNITY CENTER 400 EAST ILLINOIS ROAD LAKE FOREST, IL 60045	NONE	501(C)(3)	STRUCTURED SERVICE PROGRAM	10,000.
AMERICAN ASSOCIATION OF MUSEUMS 1575 I STREET NORTHWEST WASHINGTON, DC 20005	NONE	501(C)(3)	DONATION	50.
ALLY BAIN (STUDENT) 555 NORTH SHERIDAN ROAD LAKE FOREST, IL 60045	NONE		DEPARTMENT OF JUSTICE INTERNSHIP	6,430.
AMBER GREEN (STUDENT) 555 NORTH SHERIDAN ROAD LAKE FOREST, IL 60045	NONE		STIPEND	1,000.
Total	SEE CONTINUATION SHEET(S)			255,230.
b Approved for future payment				
NONE				
Total				0.

Form 990-PF (2011)

Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
		14	663.	
		14	221,832.	
		18	<37,065.>	
	0.		185,430.	0.
			13	185,430.

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

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

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

Part XVII

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

		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.		

[illegible]

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

☐ Yes ☒ No

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.

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

☒ Yes ☐ No

Signature of officer or trustee

Date _____

Title

TRUSTEE

Print/Type preparer's name

Preparer's signature

Date	
------	--

Check ☐ self-employed

PTIN

TIMOTHY B. KLEIN

Preparer's signature
Timothy B. Allen
PARAD LLC

Date 8/28/12

P00008827

Firm's name ▶ PASQUEST SHEPPARD LLC

Firm's EIN ► 36-4049282

Firm's address ► 585 BANK LANE

LAKE FOREST, IL 60045

Phone no. 847 234-5000

Form **990-PF** (2011)

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

GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION

Employer identification number

26-6687616

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

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

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

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

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

Name of organization
**GRACE ELIZABETH GRONER SCHOLARSHIP
 FOUNDATION**

Employer identification number

26-6687616**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
<u>1</u>	GRACE GRONER TRUST C/O WILLIAM C. MARLATT 207 E. WESTMINSTER STE. 1 LAKE FOREST, IL 60045	\$ <u>80,147.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>2</u>	GRACE GRONER TRUST C/O WILLIAM C. MARLATT 207 E. WESTMINSTER STE. 1 LAKE FOREST, IL 60045	\$ <u>334,483.</u>	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>3</u>	FREDERICK LILLY 1040 N. WESTFIELD ST., APT. 314 OSH KOSH, WI 54902	\$ <u>3,015.</u>	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>4</u>	JOHN LILLY 12400 RAVENWOOD ROAD NORTH PLYMOUTH, MI 55441	\$ <u>3,731.</u>	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION

Employer identification number

26-6687616

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
2	SINGLE FAMILY HOME - 144 WASHINGTON CIRCLE, LAKE FOREST, IL PERMANENT INDEX NUMBER: 12-33-408-032	\$ 334,483.	11/30/11
3	50 SHARES PRUDENTIAL FINANCIAL CORP	\$ 3,015.	06/06/11
4	50 SHARES BOEING CORP	\$ 3,731.	12/23/11
		\$	
		\$	
		\$	

Name of organization

Employer identification number

GRACE ELIZABETH GRONER SCHOLARSHIP
FOUNDATION

26-6687616

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
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	3122.21 SHS MFB NORTHERN FUNDS	P	VARIOUS	03/08/11
b	1602.56 SHS MFB NORTHERN FUNDS	P	05/04/10	12/01/11
c	1724.14 SHS MFB NORTHERN MULTI-MGR	P	05/04/10	12/01/11
d	1905 SHS ABBOTT LABS	D	VARIOUS	02/09/11
e	MORGAN STANLEY - SEE SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
f	MORGAN STANLEY - SEE SCHEDULE ATTACHED	P	VARIOUS	VARIOUS
g	CAPITAL GAINS DIVIDENDS			
h				
i				
j				
k				
l				
m				
n				
o				

(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 70,000.		65,951.	4,049.
b 15,000.		15,240.	<240.>
c 15,000.		15,259.	<259.>
d 86,655.		106,728.	<20,073.>
e 491,041.		501,165.	<10,124.>
f 1,048,576.		1,090,753.	<42,177.>
g 31,759.			31,759.
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(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	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			4,049.
b			<240.>
c			<259.>
d			<20,073.>
e			<10,124.>
f			<42,177.>
g			31,759.
h			
i			
j			
k			
l			
m			
n			
o			

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	<37,065.>
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

2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
ATTENTION: L ROBERT PASQUESI
585 BANK LANE
LAKE FOREST IL 60045-5307

Prepared by THE KIRBY DUBOIS GROUP

Ph. 847-604-7300

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
Short Term							
ABBOTT LABORATORIES 50.000 JAN C		50.000	01/24/11	-	11/16/10	\$3,049.94	\$3,049.94
ARCELORMITTAL NY REG 38.000 MAR C		10.000	03/15/11	150.00	01/11/11	1,209.97	1,059.97
GLADSTONE CAP CORP 12.500 MAR C		30.000	03/21/11	-	12/21/10	649.58	649.58
MASCO CORP 14.000 APR C		30.000	04/04/11	1,050.00	03/10/11	1,799.96	749.96
CAPITAL ONE FINANCIAL 50.000 JUN C		5.000	06/16/11	90.00	03/14/11	1,449.97	1,359.97
EXELON CORP 43.000 JUL C		10.000	07/11/11	350.00	05/19/11	599.98	249.98
SOUTHERN COPPER CORP 39.000 SEP C		15.000	09/19/11	-	07/27/11	824.98	824.98
DOW CHEMICAL CO 30.000 OCT C		25.000	10/03/11	50.00	09/07/11	1,124.97	1,074.97
ABBOTT LABORATORIES 52.500 OCT C		25.000	10/13/11	1,375.00	09/26/11	1,549.98	174.98
		5.000	10/19/11	1,200.00	09/26/11	310.00	(890.00)
		20.000	10/19/11	5,160.00	09/26/11	1,239.98	(3,920.02)
Totals				\$9,425.00		\$13,809.31	\$4,384.31
NEW YORK COMMUNITY BA 17.000 JUL C	0000A0L1A	40.000	07/18/11	-	04/29/11	999.98	999.98
NEW YORK COMMUNITY BA 18.000 JUL C	0000A0L1B	20.000	04/21/11	200.00	04/18/11	399.99	199.99
HOME DEPOT INC 33.000 FEB C	0000A14U6	20.000	02/14/11	9,200.00	11/17/10	1,399.97	(7,800.03)
GENERAL ELECTRIC CO 23.000 MAY C	0000A15WU	25.000	03/31/11	125.00	02/07/11	649.98	524.98
INTEL CORP 23.000 APR C	0000A1A0Q	20.000	03/17/11	60.00	01/18/11	500.39	440.39
NYSE EURONEXT 34.000 MAR C	0000A1GC1	20.000	02/09/11	9,200.00	01/14/11	1,399.97	(7,800.03)
VERIZON COMMUNICATION 34.000 JAN C	0000A24Z7	20.000	01/04/11	5,451.40	10/04/10	1,359.97	(4,091.43)
CAPITAL ONE FINANCIAL 48.000 MAR C	0000A26QM	5.000	03/14/11	775.00	01/12/11	1,044.98	269.98
INTEL CORP 25.000 DEC C	0000A293F	20.000	12/12/11	120.00	10/18/11	819.98	699.98
ABBOTT LABORATORIES 50.000 AUG C	0000A2N91	25.000	06/06/11	5,125.00	03/24/11	2,149.95	(2,975.05)
	0000A2N91	50.000	07/12/11	14,750.00	03/24/11	4,299.90	(10,450.10)
	0000A2N91	2.000	08/18/11	16.00	03/24/11	172.00	156.00
Totals				\$19,891.00		\$6,621.85	\$(13,269.15)
ABBOTT LABORATORIES 52.500 AUG C	0000A2N93	40.000	07/12/11	4,680.00	04/12/11	4,023.52	(656.48)
	0000A2N93	10.000	08/22/11	-	04/12/11	1,005.88	1,005.88
Totals				\$4,680.00		\$5,029.40	\$349.40
ABBOTT LABORATORIES 55.000 AUG C	0000A2N94	25.000	07/25/11	250.00	05/18/11	2,624.94	2,374.94
	0000A2N94	25.000	07/25/11	250.00	04/21/11	1,874.96	1,624.96

Third-party and Morgan Stanley Smith Barney research on certain companies is available to clients of the firm at no cost. Clients can access this research at www.morganstanleysmithbarney.com or contact their Financial Advisor to request a copy of this research be sent to them.

MorganStanley SmithBarney

2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
ATTENTION: L ROBERT PASQUESI
585 BANK LANE
LAKE FOREST IL 60045-5307

Prepared by THE KIRBY DUBOIS GROUP

Ph. 847-604-7300

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
Totals				\$500.00		\$4,499.90	\$3,999.90
HOSPITALITY PTYS TR 25.000 SEP C	0000A2PZ0	25.000	09/19/11	-	06/20/11	\$624.98	\$624.98
JPMORGAN CHASE & CO 48.000 MAY C	0000A3CS5	15.000	05/10/11	60.00	03/10/11	1,716.56	1,656.56
MICRON TECH INC 11.000 APR C	0000A40DJ	8.000	04/18/11	-	01/27/11	591.98	591.98
ARCELORMITTAL NY REG 24.000 DEC C	0000A47PP	17.000	12/19/11	-	11/03/11	781.98	781.98
NEW YORK COMMUNITY BA 19.000 APR C	0000A57GT	20.000	04/18/11	-	01/11/11	899.98	899.98
EXELON CORP 42.000 MAY C	0000A5F1B	10.000	05/19/11	100.00	03/21/11	649.98	549.98
HERCULES OFFSHORE COR 4.500 DEC C	0000A5WS2	30.000	12/19/11	-	10/26/11	449.99	449.99
HATTERAS FINL CORP CO 29.000 NOV C	0000A618X	17.000	10/19/11	85.00	07/28/11	509.99	424.99
NEW YORK COMMUNITY BA 17.500 JAN C	0000A631Y	10.000	01/11/11	950.00	08/27/10	399.99	(550.01)
	0000A631Y	10.000	01/11/11	950.00	10/12/10	299.99	(650.01)
Totals				\$1,900.00		\$699.98	\$1,200.02
NYSE EURONEXT 30.000 JAN C	0000A636F	20.000	01/14/11	5,196.00	12/03/10	899.98	(4,296.02)
ZIONS BANCORP 24.000 JUL C	0000A6F1G	30.000	07/18/11	-	06/17/11	1,046.67	1,046.67
HERCULES OFFSHORE COR 8.000 MAY C	0000A6T7M	30.000	05/02/11	150.00	04/01/11	703.78	553.78
VERIZON COMMUNICATION 37.000 MAY C	0000A8K49	20.000	04/04/11	3,680.00	03/17/11	899.98	(2,780.02)
MASCO CORP 15.000 MAY C	0000A8X78	30.000	04/29/11	150.00	04/05/11	1,049.97	899.97
HOME DEPOT INC 40.000 MAY C	0000A910T	20.000	05/02/11	160.00	02/14/11	1,319.97	1,159.97
ZIONS BANCORP 22.500 JAN C	0000A94CH	30.000	01/18/11	5,886.90	12/02/10	1,529.97	(4,356.93)
CONOCOPHILLIPS 62.500 JAN C	0000A98GM	8.000	01/18/11	4,520.00	10/12/10	1,151.98	(3,368.02)
ZIONS BANCORP 25.000 APR C	0000A98VC	30.000	04/18/11	-	02/22/11	1,499.97	1,499.97
INTEL CORP 21.000 JAN C	0000A99EM	20.000	01/18/11	540.00	10/08/10	959.98	419.98
NUCOR CORPORATION 44.000 JAN C	0000A99RT	25.000	01/11/11	3,061.25	12/15/10	2,649.95	(411.30)
MICRON TECH INC 12.000 MAY C	0000A9A38	12.000	05/10/11	24.00	04/08/11	299.99	275.99
AT&T INC 31.000 DEC C	0000A9G5A	30.000	10/25/11	120.00	09/20/11	1,019.98	899.98
NUCOR CORPORATION 50.000 JUL C	0000A9GR1	25.000	05/26/11	100.00	03/23/11	2,799.94	2,699.94
ABBOTT LABORATORIES 49.000 FEB C	0000AA8T8	50.000	02/01/11	150.00	01/25/11	1,899.96	1,749.96
ABBOTT LABORATORIES 50.000 FEB C	0000AA8X3	50.000	02/01/11	100.00	01/10/11	1,449.97	1,349.97
CENTURYLINK INC 38.000 DEC C	0000AG77X	39.000	11/30/11	4,680.00	09/07/11	2,339.95	(2,340.05)
WALGREEN CO 38.000 APR C	0000AG91C	15.000	03/22/11	2,505.00	01/13/11	6,074.89	3,569.89
CENTURYLINK INC 43.000 JUL C	0000AH3K3	20.000	07/18/11	-	04/04/11	999.98	999.98
CONOCOPHILLIPS 70.000 OCT C	0000AN59U	8.000	10/21/11	1,432.32	08/22/11	1,119.97	(312.35)
MASCO CORP 16.000 APR C	0000AQ90U	30.000	02/15/11	300.00	02/01/11	899.98	599.98

MorganStanley SmithBarney

Prepared by THE KIRBY DUBOIS GROUP
Ph. 847-604-7300

2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
ATTENTION: L ROBERT PASQUESI
585 BANK LANE
LAKE FOREST IL 60045-5307

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
GENERAL ELECTRIC CO 20.000 SEP C	0000AR43X	25.000	09/08/11	\$25.00	07/22/11	\$649.98	\$624.98
SOUTHERN COPPER CORP 42.000 MAR C	0000AU70	7.000	03/21/11	-	02/24/11	1,014.98	1,014.98
EXELON CORP 44.000 APR C	0000AV07D	10.000	03/17/11	100.00	01/18/11	599.98	499.98
MASCO CORP 13.000 JUL C	0000AX52V	30.000	07/08/11	150.00	06/17/11	299.99	149.99
CHESAPEAKE ENERGY COR 32.000 DEC C	0000AY39S	20.000	12/01/11	80.00	10/24/11	1,199.97	1,119.97
ABBOTT LABORATORIES 52.500 NOV C	0000AY80R	25.000	11/17/11	2,375.00	07/12/11	4,549.91	2,174.91
ABBOTT LABORATORIES 55.000 NOV C	0000AY85C	50.000	11/21/11	-	07/27/11	2,999.94	2,999.94
	0000AY85C	50.000	11/21/11	-	07/12/11	4,549.91	4,549.91
Totals						\$7,549.85	\$7,549.85
CAPITAL ONE FINANCIAL 40.000 JAN C	0000AZ40P	5.000	01/12/11	3,550.00	11/24/10	474.99	(3,075.01)
EXELON CORP 41.000 JAN C	0000AZ60D	10.000	01/18/11	1,750.00	11/23/10	499.99	(1,250.01)
JPMORGAN CHASE & CO 46.000 SEP C	0000B1E2G	25.000	07/11/11	480.75	06/03/11	1,649.96	1,169.21
WALGREEN CO 42.000 JUL C	0000B1ZT2	15.000	07/12/11	1,455.00	05/17/11	4,672.86	3,217.86
NUCOR CORPORATION 47.000 FEB C	0000B20DD	25.000	02/16/11	4,000.00	01/11/11	1,999.96	(2,000.04)
INTEL CORP 23.000 AUG C	0000B23CL	20.000	08/11/11	60.00	06/20/11	539.98	479.98
AT&T INC 31.000 OCT C	0000B29ZP	30.000	09/20/11	150.00	08/11/11	839.98	689.98
HOME DEPOT INC 38.000 AUG C	0000B2HQ3	20.000	08/05/11	40.00	05/26/11	1,159.97	1,119.97
HATTERAS FINL CORP CO 29.000 AUG C	0000B2KS0	17.000	07/28/11	85.00	06/21/11	425.00	340.00
INTEL CORP 22.000 OCT C	0000B2MR6	20.000	10/18/11	3,060.00	08/24/11	499.99	(2,560.01)
HERCULES OFFSHORE COR 7.000 JUN C	0000B2W21	30.000	06/08/11	150.00	05/03/11	749.98	599.98
HOME DEPOT INC 39.000 JUN C	0000B2WE9	20.000	05/26/11	40.00	05/02/11	799.98	759.98
HOSPITALITY PTYS TR 25.000 DEC C	0000B2ZA1	25.000	11/21/11	125.00	09/26/11	1,124.97	999.97
CONOCOPHILLIPS 75.000 AUG C	0000B30CL	8.000	08/22/11	-	05/18/11	1,839.96	1,839.96
MASCO CORP 14.000 JUN C	0000B3D42	30.000	06/08/11	150.00	05/02/11	1,049.97	899.97
VERIZON COMMUNICATION 37.000 OCT C	0000B3H3L	20.000	10/21/11	560.00	08/22/11	1,099.97	539.97
ZIONS BANCORP 25.000 FEB C	0000B3P4H	30.000	02/22/11	-	01/18/11	2,549.95	2,549.95
EXELON CORP 44.000 OCT C	0000B75XF	10.000	10/24/11	-	08/23/11	649.98	649.98
GENERAL ELECTRIC CO 18.000 DEC C	0000B786U	6.000	11/29/11	12.00	09/19/11	197.99	185.99
	0000B786U	34.000	11/29/11	68.00	10/24/11	616.40	548.40
Totals				\$80.00		\$814.39	\$734.39
CHESAPEAKE ENERGY COR 33.000 OCT C	0000B7SOV	20.000	10/24/11	-	08/23/11	1,699.96	1,699.96
CENTURYLINK INC 37.000 OCT C	0000B7X5F	1.000	10/24/11	-	08/29/11	34.99	34.99
MICRON TECH INC 9.000 OCT C	0000B80DY	20.000	10/24/11	-	09/08/11	199.99	199.99

2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
ATTENTION: L ROBERT PASQUESI
585 BANK LANE
LAKE FOREST IL 60045-5307

Prepared by THE KIRBY DUBOIS GROUP

Ph. 847-604-7300

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
CHESAPEAKE ENERGY COR 31.000 AUG C	0000B8CU3	20.000	08/22/11	-	06/28/11	\$999.98	\$999.98
HERCULES OFFSHORE COR 4.500 OCT C	0000B8CX1	30.000	10/24/11	-	08/30/11	549.88	549.88
INTEL CORP 22.000 JUN C	0000B8JY1	20.000	06/20/11	-	03/21/11	559.98	559.98
CENTURYLINK INC 39.000 AUG C	0000B8MU6	20.000	08/22/11	-	07/27/11	499.99	499.99
JPMORGAN CHASE & CO 38.000 DEC C	0000B8N7C	25.000	12/19/11	-	10/10/11	1,249.97	1,249.97
ARCELORMITTAL NY REG 36.000 APR C	0000B8Z65	29.000	04/18/11	-	03/15/11	1,884.96	1,884.96
SOUTHERN COPPER CORP 42.000 APR C	0000B9B4E	7.000	04/18/11	-	03/21/11	489.99	489.99
HERCULES OFFSHORE COR 6.000 AUG C	0000B9GK8	30.000	08/22/11	-	06/21/11	629.98	629.98
AT&T INC 29.000 JUN C	0000B9M37	30.000	04/04/11	5,520.00	03/11/11	1,679.96	(3,840.04)
AT&T INC 31.000 JUN C	0000B9M39	30.000	06/08/11	240.00	04/04/11	2,069.96	1,829.96
NUCOR CORPORATION 50.000 APR C	0000BB45M	25.000	03/23/11	225.00	02/16/11	3,124.94	2,899.94
ARCELORMITTAL NY REG 36.000 FEB C	0000BC25H	10.000	02/16/11	4,000.00	01/11/11	1,479.97	(2,520.03)
AT&T INC 32.000 SEP C	0000BDS81	30.000	07/22/11	270.00	06/14/11	1,259.97	989.97
WALGREEN CO 32.000 JAN C	0000BE1W9	5.000	01/13/11	4,700.00	09/20/10	340.00	(4,360.00)
	0000BE1W9	15.000	01/13/11	14,100.00	09/20/10	1,019.99	(13,080.01)
Totals				\$18,800.00		\$1,359.99	\$17,440.01
ARCELORMITTAL NY REG 39.000 MAR C	0000BGD61	10.000	03/15/11	20.00	02/16/11	781.38	761.38
ARCELORMITTAL NY REG 36.000 JUN C	0000BGD81	29.000	06/08/11	116.00	04/18/11	2,700.71	2,584.71
ARCELORMITTAL NY REG 37.000 SEP C	0000BGE89	29.000	08/05/11	290.00	06/14/11	2,127.97	1,837.97
AMERICAN ELECTRIC POW 38.000 JAN C	0000BH74D	18.000	01/24/11	-	11/02/10	1,259.97	1,259.97
SOUTHERN COPPER CORP 44.000 JUN C	0000BJ20E	8.000	05/03/11	120.00	02/24/11	1,839.96	1,719.96
SOUTHERN COPPER CORP 39.000 JUN C	0000BJ2Z7	15.000	06/06/11	75.00	05/03/11	833.38	758.38
VERIZON COMMUNICATION 38.000 SEP C	0000BK3J4	20.000	08/08/11	260.00	07/13/11	1,199.97	939.97
ZIONS BANCORP 25.000 JUN C	0000CH7T7	30.000	05/31/11	270.00	04/18/11	1,317.27	1,047.27
DOW CHEMICAL CO 27.000 NOV C	0000CQ56D	5.000	11/21/11	-	10/05/11	354.99	354.99
	0000CQ56D	30.000	11/21/11	-	10/03/11	1,259.97	1,259.97
Totals				-		\$1,614.96	\$1,614.96
ZIONS BANCORP 25.000 SEP C	0000CR51B	30.000	08/05/11	150.00	07/22/11	1,019.98	869.98
ROYAL DUTCH SHELL PLC 70.000 NOV C	0000CX0J2	10.000	11/17/11	2,200.00	10/07/11	849.98	(1,350.02)
CONOCOPHILLIPS 72.500 MAY C	115065XB5	8.000	05/18/11	512.00	02/16/11	3,199.93	2,687.93
Coupon: 5.000 Maturity: 07/01/2017							
JPMORGAN CHASE & CO 45.000 OCT C	208201JV6	25.000	08/22/11	200.00	07/14/11	1,749.96	1,549.96
Coupon: 4.000 Maturity: 01/15/2017							

MorganStanley SmithBarney

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2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
ATTENTION: L ROBERT PASQUESI
585 BANK LANE
LAKE FOREST IL 60045-5307

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
EXELON CORP 44.000 AUG C Coupon: 5.000 Maturity: 11/01/2023	235036XC9	10.000	08/22/11	-	07/11/11	\$399.99	\$399.99
WALGREEN CO 40.000 OCT C Coupon: 4.250 Maturity: 02/01/2021	237200CX6	15.000	10/11/11	45.00	08/22/11	599.98	554.98
ABBOTT LABORATORIES 50.000 MAY C Coupon: 4.750 Maturity: 08/01/2023	283309HF2	50.000	04/12/11	6,867.50	02/28/11	2,799.95	(4,067.55)
	283309HF2	50.000	05/18/11	18,750.00	02/28/11	2,799.95	(15,950.05)
Totals				\$25,617.50		\$5,599.90	\$(20,017.60)
WALGREEN CO 45.000 OCT C Coupon: 3.000 Maturity: 06/15/2025	289605WF0	15.000	08/22/11	90.00	07/12/11	1,649.96	1,559.96
VERIZON COMMUNICATION 38.000 APR C Coupon: 3.000 Maturity: 08/01/2014	358232G26	20.000	03/17/11	150.60	01/04/11	1,319.97	1,169.37
ARCELORMITTAL NY REG 25.000 OCT C Coupon: 5.500 Maturity: 06/15/2038	36296CWD8	14.000	09/20/11	70.00	09/01/11	645.10	575.10
MICRON TECH INC 12.000 APR C Coupon: 2.700 Maturity: 03/01/2023	422002HP3	12.000	04/08/11	36.00	01/27/11	491.99	455.99
MICRON TECH INC 10.000 AUG C Coupon: 0.000 Maturity: 10/26/2012	42305TKS8	20.000	08/02/11	20.00	06/21/11	259.99	239.99
GENERAL ELECTRIC CO 17.000 OCT C Coupon: 4.000 Maturity: 05/01/2017	45471AHF2	12.000	10/24/11	-	09/08/11	287.99	287.99
NUCOR CORPORATION 46.000 OCT C	585992290	25.000	08/03/11	275.00	06/14/11	1,824.96	1,549.96
JPMORGAN CHASE & CO 46.000 MAR C Coupon: 4.620 Maturity: 08/01/2025	589535H63	15.000	03/10/11	840.00	01/03/11	1,784.96	944.96
GENERAL ELECTRIC CO 21.000 JUN C Coupon: 4.620 Maturity: 03/01/2025	613910SL3	25.000	05/31/11	100.00	04/13/11	949.98	849.98
HOSPITALITY PTYS TR 25.000 JUN C	6439EE991	25.000	06/08/11	125.00	02/25/11	1,249.97	1,124.97
JPMORGAN CHASE & CO 39.000 OCT C Coupon: 4.000 Maturity: 07/01/2030	649906VN1	25.000	09/20/11	125.00	08/23/11	1,499.97	1,374.97
VERIZON COMMUNICATION 40.000 JUN C Coupon: 4.900 Maturity: 08/15/2020	659607AL9	20.000	05/16/11	100.00	04/04/11	1,187.57	1,087.57

MorganStanley SmithBarney

2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
ATTENTION: L ROBERT PASQUESI
585 BANK LANE
LAKE FOREST IL 60045-5307

Prepared by THE KIRBY DUBOIS GROUP

Ph. 847-604-7300

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
NUCOR CORPORATION 38.000 OCT C Coupon: 3.000 Maturity: 12/01/2030	663617WJ3	25.000	10/20/11	\$50.00	09/08/11	\$1,124.97	\$1,074.97
ABBOTT LABORATORIES 52.500 JUN C Coupon: 4.000 Maturity: 09/01/2012	686659EW9	25.000	06/20/11	-	04/21/11	2,994.94	2,994.94
VERIZON COMMUNICATION 38.000 JUL C Coupon: 4.250 Maturity: 06/01/2024	898541HM2	20.000	07/13/11	20.00	05/24/11	659.98	639.98
CONOCOPHILLIPS 67.500 FEB C Coupon: 2.000 Maturity: 08/01/2014	916672SP4	8.000	02/16/11	5,760.00	01/18/11	1,615.97	(4,144.03)
MICRON TECH INC 12.000 JUL C Coupon: 3.000 Maturity: 08/01/2026	92817SC22	8.000	06/09/11	31.84	04/18/11	271.99	240.15
	92817SC22	12.000	06/09/11	47.76	05/10/11	419.99	372.23
Totals				\$79.60		\$691.98	\$612.38
ABBOTT LABORATORIES	ABT	2,500.000	04/19/10	140,500.00	04/04/11	125,624.08	(14,875.92)
APERAM NEW YORK REGISTRY SHS	APEMY	100.000	01/11/11	3,661.67	02/03/11	3,839.92	178.25
CAPITAL ONE FINANCIAL CORP	COF	500.000	07/27/10	20,672.95	06/16/11	24,447.28	3,774.33
WALGREEN CO 40.000 MAY C Coupon: 6.620 Maturity: 12/09/2030	G1511RAB9	15.000	05/17/11	6,525.00	03/22/11	1,649.96	(4,875.04)
JPMORGAN CHASE & CO 49.000 AUG C	GZPI15R	15.000	06/02/11	164.85	05/10/11	1,154.97	990.12
HATTERAS FINL CORP COM	HTS	300.000	05/26/11	8,662.08	06/22/11	8,774.82	112.74
NYSE EURONEXT	NYX	2,000.000	05/07/10	60,216.20	02/09/11	76,506.33	16,290.13
WALGREEN CO	WAG	500.000	09/20/10	14,644.00	01/13/11	20,676.80	6,032.80
ZIONS BANCORP	ZION	3,000.000	11/09/10	66,352.50	10/05/11	43,872.05	(22,480.45)
Short Term Totals				\$150,164.57		\$49,104.60	\$10,239.71
Long Term							
ABBOTT LABORATORIES	ABT	500.000	04/19/10	28,100.00	10/19/11	27,416.27	(683.73)
	ABT	1,000.000	04/19/10	56,200.00	05/18/11	53,849.06	(2,350.94)
	ABT	2,000.000	04/19/10	112,400.00	10/19/11	109,867.89	(2,532.11)
	ABT	2,000.000	04/19/10	112,400.00	10/12/11	104,971.98	(7,428.02)
	ABT	2,300.000	04/19/10	129,260.00	07/12/11	116,975.74	(12,284.26)
	ABT	2,500.000	04/19/10	140,500.00	10/13/11	129,997.75	(10,502.25)
	ABT	3,000.000	04/19/10	168,600.00	09/30/11	155,831.10	(12,768.90)
	ABT	4,000.000	04/19/10	224,800.00	10/07/11	206,889.22	(17,910.78)

MorganStanley SmithBarney

2011 Realized Gain/Loss - Detail

As of 08/23/2012

GRACE E GRONER SCHOL. FOUND
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Prepared by THE KIRBY DUBOIS GROUP

Ph. 847-604-7300

Acct. 440-018990-019

Description	Symbol/CUSIP	Quantity	Purchase	Cost Basis	Sold	Net Proceeds	Gain/Loss
Totals				\$972,260.00		\$905,799.01	\$66,460.99)
AMERICAN ELECTRIC POWER CO	AEP	1,800,000	04/30/10	\$61,953.30	08/19/11	\$67,678.69	\$5,725.39
HOME DEPOT INC	HD	2,000,000	07/09/10	56,540.00	11/18/11	75,098.54	18,558.54
Long Term Totals				\$1,090,753.30		\$1,048,576.24	\$42,177.06)
2011 Short & Long Term Totals				\$1,591,917.87		\$1,539,616.84	\$52,301.03)

** Gain/Loss is only calculated when an original cost basis is available.

The above summary/prices/quotes/statistics have been obtained from sources believed reliable but are not necessarily complete and cannot be guaranteed. The information contained in client monthly account statements and confirmations reflects all transactions, and as such supersedes all other reports for financial and tax purposes. This report does not supersede or replace your monthly Client Statement. If we do not hold the securities in a Morgan Stanley Smith Barney account, the report reflects securities which we believe you own, based upon your communications with our Financial Advisor. Investments and services offered through Morgan Stanley Smith Barney LLC, Member SIPC. © 2012 Morgan Stanley Smith Barney

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

SOURCE	AMOUNT
JP MORGAN	21.
LAKE FOREST BANK AND TRUST COMPANY	11.
MORGAN STANLEY SMITH BARNEY	630.
NORTHERN TRUST COMPANY	1.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	663.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
JP MORGAN	838.	0.	838.
MORGAN STANLEY SMITH BARNEY	106,484.	0.	106,484.
NORTHERN TRUST COMPANY	146,269.	31,759.	114,510.
TOTAL TO FM 990-PF, PART I, LN 4	253,591.	31,759.	221,832.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROFESSIONAL FEES	10,434.	3,500.		0.
INVESTMENT FEES	40,076.	40,076.		0.
TO FORM 990-PF, PG 1, LN 16C	50,510.	43,576.		0.

FORM 990-PF	TAXES			STATEMENT	4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN TAXES	1,418.	1,418.			0.
FEDERAL TAXES	3,940.	0.			0.
PAYROLL TAXES	1,442.	0.			0.
PROPERTY TAXES	3,766.	0.			0.
TO FORM 990-PF, PG 1, LN 18	10,566.	1,418.			0.

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
OFFICE EXPENSES	12,463.	0.			0.
COTTAGE EXPENSES	5,787.	0.			0.
PROMOTION	746.	0.			0.
MISCELLANEOUS	3,023.	0.			0.
TO FORM 990-PF, PG 1, LN 23	22,019.	0.			0.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT	6
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
NORTHERN TRUST INVESTMENT ACCOUNT	COST	3,169,854.	3,247,897.	
MORGAN STANLEY INVESTMENT ACCOUNT	COST	2,314,993.	2,242,630.	
TOTAL TO FORM 990-PF, PART II, LINE 13		5,484,847.	5,490,527.	

FORM 990-PF

LIST OF SUBSTANTIAL CONTRIBUTORS
PART VII-A, LINE 10

STATEMENT 7

NAME OF CONTRIBUTOR

ADDRESS

GRACE GRONER TRUST

C/O WILLIAM MARLATT 207 E. WESTMINSTER
STE. 1
LAKE FOREST, IL 60045

26-6687616

3 Grants and Contributions Paid During the Year (Continuation)

GRACE GRONER SCHOLARSHIP FOUNDATION [040728]
Depreciation Expense

Federal
01/01/2011 - 12/31/2011

System No.	S	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus./Inv. %	Sec. 179/ Bonus	Salvage/ Basis Adj.	Beg. Accum. Depreciation	Current Depreciation	Total Depreciation
990, Pg 10 #1 - Form 990, Page 10												
1		House - 144 Wa	11/30/2011	MSL / MM	27.5000	293,233.00	100.0000	0.00	0.00	0.00	1,332.88	1,332.88
2		Land - 144 Wasl	11/30/2011	No Calc / N/A	0.0000	41,250.00	100.0000	0.00	0.00	0.00	0.00	0.00
3		Computer	8/4/2011	M / HY	5.0000	2,097.76	100.0000	0.00	0.00	0.00	419.55	419.55
4		Printer	6/24/2011	M / HY	5.0000	649.99	100.0000	0.00	0.00	0.00	130.00	130.00
5		Tile	7/8/2011	MSL / HY	15.0000	4,900.00	100.0000	0.00	0.00	0.00	163.33	163.33
6		Carpeting	8/4/2011	MSL / HY	15.0000	2,360.00	100.0000	0.00	0.00	0.00	78.67	78.67
7		Office furniture	7/15/2011	M / HY	5.0000	16,109.98	100.0000	0.00	0.00	0.00	3,222.00	3,222.00
Subtotal: 990, Pg 10 #1 - Form 990, Page 10						360,600.73		0.00	0.00	0.00	5,346.43	5,346.43
Less dispositions and exchanges:						0.00		0.00	0.00	0.00	0.00	0.00
Net for: 990, Pg 10 #1 - Form 990, Page 10						360,600.73		0.00	0.00	0.00	5,346.43	5,346.43
Subtotal:												
Less dispositions and exchanges:						0.00		0.00	0.00	0.00	0.00	0.00
Grand Totals:						360,600.73		0.00	0.00	0.00	5,346.43	5,346.43

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► **File a separate application for each return.**

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

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

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

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

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

Part I only ☐

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

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. GRACE ELIZABETH GRONER SCHOLARSHIP FOUNDATION	Employer identification number (EIN) or <input checked="" type="checkbox"/> 26-6687616
	Number, street, and room or suite no. If a P.O. box, see instructions. 585 BANK LANE, NO. 3000	Social security number (SSN) <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. LAKE FOREST, IL 60045	

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

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

L. ROBERT PASQUESI

- The books are in the care of ► **585 BANK LANE - LAKE FOREST, IL 60045**
Telephone No. ► **847-234-5000** FAX No. ► **847-234-1110**
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

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

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	5,794.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	1,794.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	4,000.

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

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

Form **8868** (Rev. 1-2012)

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

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

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	GRACE ELIZABETH GRONER SCHOLARSHIP FOUNDATION	<input checked="" type="checkbox"/> 26-6687616
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	585 BANK LANE, NO. 3000	<input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	LAKE FOREST, IL 60045	

Enter the Return code for the return that this application is for (file a separate application for each return) **0 4**

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

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

L. ROBERT PASQUESTI

• The books are in the care of **585 BANK LANE - LAKE FOREST, IL 60045**

Telephone No. **847-234-5000**

FAX No. **847-234-1110**

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2012.**

5 For calendar year **2011**, or other tax year beginning _____, and ending _____.

6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

7 State in detail why you need the extension

ADDITIONAL TIME IS NEEDED TO PREPARE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	5,794.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	5,794.
8c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification must be completed for Part II only.

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

Signature **Timothy S. [Signature]** Title **C PA**

Date **7/24/12**

Form 8868 (Rev. 1-2012)