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 PARTNERSHIP FOUNDATION
C/O JAMES F.P. WAGLEY

A Employer identification number
75-2796975

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
6031 WOODLAND DRIVE

B Telephone number
214-346-1805

City or town, state, and ZIP code
DALLAS, TX 75225-2834

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 [X] 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) ▶$ 9,158,847.

J Accounting method [X] 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			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	3,045.	3,045.		STATEMENT 1
	4 Dividends and interest from securities	183,165.	183,165.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	22,643.			
	b Gross sales price for all assets on line 6a 1,457,405.				
	7 Capital gain net income (from Part IV, line 2)		22,643.		
	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	208,853.	208,853.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	5,000.	1,250.		3,750.
	c Other professional fees STMT 4	38,014.	38,014.		0.
	17 Interest				
	18 Taxes STMT 5	4,777.	1,777.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	1,384.	0.		1,384.
	22 Printing and publications				
	23 Other expenses STMT 6	67.	0.		67.
	24 Total operating and administrative expenses. Add lines 13 through 23	49,242.	41,041.		5,201.
	25 Contributions, gifts, grants paid	369,000.			369,000.
	26 Total expenses and disbursements. Add lines 24 and 25	418,242.	41,041.		374,201.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	-209,389.			
	b Net investment income (if negative, enter -0-)		167,812.		
	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	57,970.	39,294.	39,294.
	2 Savings and temporary cash investments	2,147,969.	2,414,908.	2,414,908.
	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 7	325,723.	325,723.	326,647.
	b Investments - corporate stock STMT 8	5,576,686.	5,317,258.	5,762,350.
	c Investments - corporate bonds STMT 9	791,897.	593,673.	615,648.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	8,900,245.	8,690,856.	9,158,847.
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** ▶ [X] **and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	8,900,245.	8,690,856.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [ ] **and complete lines 27 through 31.**			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg , and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances**	8,900,245.	8,690,856.	
	31 **Total liabilities and net assets/fund balances**	8,900,245.	8,690,856.	

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	8,900,245.
2	Enter amount from Part I, line 27a	2	-209,389.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	8,690,856.
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	8,690,856.

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	SEE ATTACHED CHESAPEAKE CAPITAL	P		
b	SEE ATTACHED GOLDMAN SACHS	P		
c	SEE ATTACHED GOLDMAN THORNBURG	P		
d	SEE ATTACHED GOLDMAN THORNBURG	P		
e	CAPITAL GAINS DIVIDENDS			

	(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	1,089,399.		1,052,411.	36,988.
b	200,000.		198,224.	1,776.
c	37,899.		46,248.	-8,349.
d	127,407.		137,879.	-10,472.
e	2,700.			2,700.

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				36,988.
b				1,776.
c				-8,349.
d				-10,472.
e				2,700.

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 22,643.

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	463,427.	9,260,599.	.050043
2009	499,078.	8,736,588.	.057125
2008	435,089.	8,579,002.	.050716
2007	551,168.	10,580,542.	.052093
2006	536,064.	10,204,506.	.052532

2	Total of line 1, column (d)	2	.262509
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	.052502
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	9,198,095.
5	Multiply line 4 by line 3	5	482,918.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,678.
7	Add lines 5 and 6	7	484,596.
8	Enter qualifying distributions from Part XII, line 4	8	374,201.

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 ▶ ☐ and enter 1% of Part I, line 27b		1	3,356.
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	3,356.
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	3,356.
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a 2,136.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c 2,000.		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d		7	4,136.
8 Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached		8	12.
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	768.
11 Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶	768. Refunded ▶	11	0.

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	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?	2		X
If "Yes," attach a detailed description of the activities.			
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?	5		X
If "Yes," attach the statement required by General Instruction T.			
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?	7	X	
If "Yes," complete Part II, col. (c), and Part XV.			
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX			
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

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 ▶ N/A

14 The books are in care of ▶ JAMES F.P. WAGLEY Telephone no ▶214-346-1805
Located at ▶6031 WOODLAND DRIVE, DALLAS, TX ZIP+4 ▶75225-2834

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)*

			Yes	No
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		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 10		0.	0.	0.

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

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

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

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

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

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions	
3	
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	9,289,536.
b	Average of monthly cash balances		1b	48,632.
c	Fair market value of all other assets		1c	
d	**Total** (add lines 1a, b, and c)		1d	9,338,168.
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	9,338,168.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	140,073.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	9,198,095.
6	**Minimum investment return.** Enter 5% of line 5		6	459,905.

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	459,905.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 3,356.		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	3,356.
3	Distributable amount before adjustments Subtract line 2c from line 1		3	456,549.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	456,549.
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	456,549.

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	374,201.
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	374,201.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b	5	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	374,201.

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				456,549.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			349,715.	
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 ▶ $ 374,201.				
a Applied to 2010, but not more than line 2a			349,715.	
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				24,486.
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				432,063.
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))

NONE

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 ▶ [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient 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 SCHEDULE ATTACHED	NO INDIVIDUALS	ALL PUBLIC CHARITIES	GENERAL SUPPORT	369,000.
Total			▶ 3a	369,000.
b Approved for future payment				
NONE				
Total			▶ 3b	0.

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	3,045.	
4 Dividends and interest from securities			14	183,165.	
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	22,643.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0.		208,853.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 208,853.

(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

(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? ☐ 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

▶ Jan F P Wagley 10/29/2012 ▶ VICE PRESIDENT

Signature of officer or trustee Date Title

May the IRS discuss this return with the preparer shown below (see instr)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
NICHOLAS JACANGELO	Nicholas Jacangelo	10/24/12		

Firm's name ▶ MCGRATH, DOYLE & PHAIR — Firm's EIN ▶ 13-5559072

Firm's address ▶ 150 BROADWAY, SUITE 1212
NEW YORK, NY 10038-4499 — Phone no 212-571-2300

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

SOURCE	AMOUNT
CHESAPEAKE CAPITAL	1,467.
GOLDMAN SACHS	1,578.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	3,045.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
COMMON STOCK - GOLDMAN SACHS	53,868.	1,147.	52,721.
COMMON STOCK CHESAPEAKE CAPITAL	72,044.	1,553.	70,491.
CORPORATE INTEREST - GOLDMAN SACHS	42,153.	0.	42,153.
US GOVERNMENT INTEREST-GOLDMAN SACHS	17,800.	0.	17,800.
TOTAL TO FM 990-PF, PART I, LN 4	185,865.	2,700.	183,165.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	5,000.	1,250.		3,750.
TO FORM 990-PF, PG 1, LN 16B	5,000.	1,250.		3,750.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES-CHESAPEAKE CAITAL	25,808.	25,808.		0.
INVESTMENT FESS-GOLDMAN THORNBURG	7,024.	7,024.		0.
INVESTMENT FEES-GOLDMAN SACHS	1,122.	1,122.		0.
AGENCY FEE FROST BANK	4,060.	4,060.		0.
TO FORM 990-PF, PG 1, LN 16C	38,014.	38,014.		0.

FORM 990-PF TAXES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX WITHHELD-GOLDMAN SACHS	1,508.	1,508.		0.
FOREIGN TAX WITHHELD-CHESAPEAKE CAPITAL	269.	269.		0.
EXCISE TAX PAID - 2010	3,000.	0.		0.
TO FORM 990-PF, PG 1, LN 18	4,777.	1,777.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	67.	0.		67.
TO FORM 990-PF, PG 1, LN 23	67.	0.		67.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 7

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED - GOLDMAN SACHS	X		325,723.	326,647.
TOTAL U.S. GOVERNMENT OBLIGATIONS			325,723.	326,647.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			325,723.	326,647.

FORM 990-PF CORPORATE STOCK STATEMENT 8

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED - CHESAPEAKE CAPITAL	2,362,576.	3,133,484.
GOLDMAN SACHS-THORNBURG INT'L	472,175.	502,188.
SEE ATTACHED GOLDMAN SACHS	2,482,507.	2,126,678.
TOTAL TO FORM 990-PF, PART II, LINE 10B	5,317,258.	5,762,350.

FORM 990-PF CORPORATE BONDS STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED GOLDMAN SACHS	593,673.	615,648.
TOTAL TO FORM 990-PF, PART II, LINE 10C	593,673.	615,648.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
ANNE PAXTON WAGLEY 6031 WOODLAND DRIVE DALLAS, TX 752252834	PRESIDENT/DIRECTOR 1.00	0.	0.	0.
JAMES F.P. WAGLEY 6031 WOODLAND DRIVE DALLAS, TX 752252834	VP & ASST. SEC'Y/DIRECTOR 1.00	0.	0.	0.
MARY WAGLEY COPP 6031 WOODLAND DRIVE DALLAS, TX 752252834	SECRETARY/DIRECTOR 0.50	0.	0.	0.
SUE WAGLEY 6031 WOODLAND DRIVE DALLAS, TX 752252834	TREASURER/DIRECTOR 0.50	0.	0.	0.
B. ALLYN COPP 6031 WOODLAND DRIVE DALLAS, TX 752252834	VICE PRESIDENT/DIRECTOR 0.50	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

CHESAPEAKE CAPITAL MANAGEMENT, INC.

REALIZED GAINS AND LOSSES

The Partnership Foundation

From 01-01-11 Through 12-31-11

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
09-28-09	03-28-11	1,500	CH Robinson Worldwide, Inc.	88,030 50	108,513.91		20,483.41
03-23-07	03-28-11	1,000	Paychex	40,930 00	30,919.40		-10,010 60
06-17-04	03-28-11	1,000	Walgreen Co.	34,880.00	39,855.23		4,975.23
06-14-10	06-22-11	2,000	Hasbro Inc.	81,655.40	87,868.11		6,212.71
12-21-06	06-22-11	1,000	Thermo Fisher Scientific Inc	46,075 10	63,798 97		17,723.87
06-21-07	06-22-11	2,500	Walt Disney	85,400 00	96,073.15		10,673.15
03-23-07	09-30-11	1,500	Paychex	61,395 00	39,854.98		-21,540.02
03-31-08	09-30-11	500	Paychex	17,018.35	13,284.99		-3,733 36
06-27-08	09-30-11	500	Paychex	15,717.15	13,285 00		-2,432.15
12-23-09	09-30-11	100	Apple Inc.	20,165.77	38,625 95		18,460 18
06-25-09	09-30-11	500	Becton Dickinson & Co.	35,400 00	37,216.18		1,816.18
06-17-04	09-30-11	500	Church & Dwight Co. Inc.	7,456.40	22,296 57		14,840.17
03-01-10	12-19-11	1,500	Kellogg Company	78,448.35	73,649.33		-4,799.02
12-21-06	12-19-11	1,000	Thermo Fisher Scientific Inc.	46,075.10	44,249.04		-1,826.06
03-30-09	12-19-11	1,000	Thermo Fisher Scientific Inc.	35,446.30	44,249.05		8,802.75
03-28-11	12-19-11	3,000	Molex Inc	75,657 30	68,039.88	-7,617.42	
12-23-09	12-19-11	1,500	Hewlett Packard Co.	78,525.00	38,700.00		-39,825.00
09-27-10	12-19-11	1,000	Hewlett Packard Co.	41,539.20	25,800 00		-15,739.20
03-01-10	12-19-11	1,200	Clorox Co	73,872.00	78,146.21		4,274.21
06-19-02	12-19-11	400	3M Company	25,599 36	31,687.38		6,088.02
09-27-02	12-19-11	100	3M Company	5,731 00	7,921.85		2,190.85
06-25-09	12-19-11	500	McDonalds Corporation	28,609 00	49,024 30		20,415.30
12-22-05	12-19-11	500	United Technologies Corporation	28,785.00	36,339.80		7,554 80
TOTAL GAINS						0 00	144,510.83
TOTAL LOSSES						-7,617.42	-99,905.41
				1,052,411.28	1,089,399.28	-7,617.42	44,605.42

TOTAL REALIZED GAIN/LOSS 36,988 00

PARTNERSHIP FOUNDATION

Realized Gains and Losses

Period Ended December 31, 2011

YEAR TO DATE GAINS AND LOSSES

This information is for general guidance and should not be used for tax purposes You should use only your official form 1099's or other tax records for tax reporting This information is not, and should not be construed as tax, accounting or legal advice Please consult with your tax advisor regarding the tax consequences of your investment decisions The cost basis and acquisition dates of securities that you acquired elsewhere and that were subsequently delivered into your Goldman Sachs account were provided by you or a third party and Goldman Sachs makes no representation as to the accuracy of such information

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
CREDIT SUISSE (USA), INC 5 25% 03/02/2011	Jun 12 2006	Mar 02 2011	200,000 00	200,000 00	198,224 00	0 00	1,776 00	1,776 00	LT

	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)
LONG TERM GAINS	200,000 00	198,224 00	0 00	1,776 00	1,776 00
NET LONG TERM GAINS (LOSSES)	**200,000.00**	**198,224.00**	**0.00**	**1,776.00**	**1,776.00**

YEAR TO DATE GAINS AND LOSSES

This information is for general guidance and should not be used for tax purposes You should use only your official form 1099's or other tax records for tax reporting This information is not, and should not be construed as tax, accounting or legal advice Please consult with your tax advisor regarding the tax consequences of your investment decisions The cost basis and acquisition dates of securities that you acquired elsewhere and that were subsequently delivered into your Goldman Sachs account were provided by you or a third party and Goldman Sachs makes no representation as to the accuracy of such information

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
ARM HOLDINGS PLC SPON ADR SPONSORED ADR CMN	Dec 10 2007	Jan 06 2011	51 00	1,188 18	418 24	0 00	769 94	769 94	LT
SMITH & NEPHEW PLC ADR CMN	Jul 10 2008	Jan 10 2011	14 00	768 01	753 77	0 00	14 25	14 25	LT
	Jul 10 2008	Jan 11 2011	10 00	524 59	538 40	0 00	(13 81)	(13 81)	LT
	Aug 01 2008	Jan 11 2011	44 00	2,308 20	2,392 59	0 00	(84 39)	(84 39)	LT
	Sep 24 2008	Jan 11 2011	10 00	524 59	559 00	0 00	(34 41)	(34 41)	LT
	Sep 24 2008	Jan 12 2011	18 00	958 89	1,006 20	0 00	(47 31)	(47 31)	LT
	Sep 30 2008	Jan 12 2011	26 00	1,385 06	1,368 22	0 00	16 84	16 84	LT
	Oct 24 2008	Jan 12 2011	32 00	1,704 70	1,239 92	0 00	464 78	464 78	LT
ARM HOLDINGS PLC SPON ADR SPONSORED ADR CMN	Dec 10 2007	Jan 13 2011	52 00	1,403 22	426 44	0 00	976 78	976 78	LT
CANADIAN NATURAL RESOURCES CMN	Aug 20 2009	Feb 03 2011	35 00	1,573 65	1,022 99	0 00	550 66	550 66	LT
KOMATSU LTD ADR (NEW) SPONSORED GDS CMN	Dec 19 2006	Feb 03 2011	47 00	1,457 86	888 89	0 00	568 97	568 97	LT
MAN GROUP PLC UNSPONSORED ADR CMN	Mar 18 2010	Feb 03 2011	316 00	1,514 02	1,158 27	0 00	355 75	355 75	ST
SAP AG (SPON ADR)	May 19 2008	Feb 03 2011	25 00	1,460 45	1,299 72	0 00	160 73	160 73	LT
BRITISH SKY BROADCASTING GROUP PLC	Sep 30 2008	Feb 09 2011	34 00	1,662 98	1,003 28	0 00	659 70	659 70	LT
AMERICAN DEPOSITARY SHARES (1 ADS = 4	Mar 09 2009	Feb 09 2011	32 00	1,565 15	769 63	0 00	795 52	795 52	LT
ORDS)	May 06 2009	Feb 09 2011	2 00	97 82	58 93	0 00	38 90	38 90	LT
WAL-MART DE MEXICO SAB DE CV SPONSORED	Jul 30 2007	Feb 09 2011	10 00	287 24	183 35	0 00	103 89	103 89	LT
ADR REPSTG SER V SHS	Oct 08 2008	Feb 09 2011	16 00	459 58	197 38	0 00	262 20	262 20	LT
LULULEMON ATHLETICA INC CMN	Sep 10 2010	Feb 10 2011	17 00	1,398 49	681 13	0 00	717 37	717 37	ST
	Sep 13 2010	Feb 10 2011	2 00	164 53	84 42	0 00	80 11	80 11	ST
WAL-MART DE MEXICO SAB DE CV SPONSORED ADR REPSTG SER V SHS	Oct 08 2008	Feb 10 2011	27 00	755 16	333 08	0 00	422 09	422 09	LT
SAP AG (SPON ADR)	May 19 2008	Feb 14 2011	25 00	1,502 72	1,299 72	0 00	203 00	203 00	LT

THORNBURG INTL EQTY SEPACCT
Realized Gains and Losses (Continued)

Period Ended December 31, 2011

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
BRITISH SKY BROADCASTING GROUP PLC	May 06 2009	Feb 15 2011	34 00	1,642 80	1,001 73	0 00	641 06	641 06	LT
AMERICAN DEPOSITARY SHARES (1 ADS = 4	May 08 2009	Feb 15 2011	44 00	2,125 97	1,288 49	0 00	837 48	837 48	LT
ORDS)	May 08 2009	Feb 16 2011	10 00	481 10	292 84	0 00	188 26	188 26	LT
	Apr 26 2010	Feb 16 2011	37 00	1,780 08	1,412 52	0 00	367 56	367 56	ST
DEUTSCHE BANK AG CMN	Jan 21 2011	Feb 17 2011	36 00	2,347 41	2,169 39	0 00	178 02	178 02	ST
	Jan 21 2011	Feb 18 2011	2 00	130 22	120 52	0 00	9 70	9 70	ST
	Jan 24 2011	Feb 18 2011	11 00	716 23	663 25	0 00	52 98	52 98	ST
	Feb 09 2011	Feb 18 2011	49 00	3,190 46	3,143 54	0 00	46 92	46 92	ST
LAFARGE SPONSORED ADR CMN	Jan 28 2010	Feb 24 2011	189 00	2,837 10	3,628 93	0 00	(791 83)	(791 83)	LT
	Feb 04 2010	Feb 24 2011	51 00	765 57	937 18	0 00	(171 61)	(171 61)	LT
	Feb 04 2010	Feb 25 2011	80 00	1,207 05	1,470 08	0 00	(263 04)	(263 04)	LT
	Mar 05 2010	Feb 25 2011	81 00	1,222 13	1,458 96	0 00	(236 83)	(236 83)	ST
	Aug 05 2010	Feb 25 2011	32 00	482 82	437 08	0 00	45 74	45 74	ST
	Aug 05 2010	Feb 28 2011	66 00	992 30	901 48	0 00	90 82	90 82	ST
	Sep 13 2010	Feb 28 2011	101 00	1,518 51	1,338 98	0 00	179 53	179 53	ST
INFOSYS LTD SPONSORED ADR CMN -	Feb 20 2009	Mar 15 2011	22 00	1,456 25	541 10	0 00	915 15	915 15	LT
	Mar 19 2009	Mar 15 2011	33 00	2,184 37	883 48	0 00	1,300 89	1,300 89	LT
	Apr 23 2009	Mar 15 2011	18 00	1,191 47	511 04	0 00	680 44	680 44	LT
	Apr 23 2009	Mar 16 2011	14 00	906 84	397 47	0 00	509 37	509 37	LT
NOVO-NORDISK A/S ADR ADR CMN	Dec 19 2006	Mar 16 2011	14 00	1,682 40	585 06	0 00	1,097 34	1,097 34	LT
SAP AG (SPON ADR)	May 19 2008	Apr 18 2011	25 00	1,582 19	1,299 72	0 00	282 47	282 47	LT
SOUTHERN COPPER CORPORATION CMN	Jul 20 2009	Apr 19 2011	88 00	3,154 75	2,079 85	0 00	1,074 90	1,074 90	LT
	Jan 28 2010	Apr 19 2011	47 00	1,684 93	1,310 05	0 00	374 88	374 88	LT
LULULEMON ATHLETICA INC CMN	Sep 13 2010	Apr 20 2011	12 00	1,200 22	506 50	0 00	693 72	693 72	ST
	Sep 13 2010	May 02 2011	6 00	579 39	253 25	0 00	326 14	326 14	ST
	Sep 22 2010	May 02 2011	10 00	965 66	424 22	0 00	541 43	541 43	ST
	Sep 22 2010	May 03 2011	7 00	654 26	296 96	0 00	357 30	357 30	ST
	Sep 30 2010	May 03 2011	8 00	747 72	351 92	0 00	395 80	395 80	ST
VESTAS WIND SYSTEMS A/S ADR CMN	Aug 08 2008	May 11 2011	69 00	692 47	2,803 12	0 00	(2,110 65)	(2,110 65)	LT
	Aug 15 2008	May 11 2011	73 00	732 61	2,982 45	0 00	(2,249 84)	(2,249 84)	LT
	Sep 09 2008	May 11 2011	57 00	572 04	2,177 56	0 00	(1,605 52)	(1,605 52)	LT
	Sep 30 2008	May 11 2011	48 00	481 72	1,364 24	0 00	(882 52)	(882 52)	LT
	Jan 15 2009	May 11 2011	11 00	110 39	192 86	0 00	(82 46)	(82 46)	LT
	Jan 15 2009	May 12 2011	42 00	413 57	736 36	0 00	(322 78)	(322 78)	LT

THORNBURG INTL EQTY SEPACCT

Realized Gains and Losses (Continued)

Period Ended December 31, 2011

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
	Apr 16 2009	May 12 2011	41 00	403 73	757 79	0 00	(354 07)	(354 07)	LT
	Sep 15 2009	May 12 2011	48 00	472 65	1,205 39	0 00	(732 73)	(732 73)	LT
	Sep 15 2009	May 13 2011	2 00	19 93	50 22	0 00	(30 30)	(30 30)	LT
	Dec 17 2009	May 13 2011	65 00	647 64	1,320 16	0 00	(672 52)	(672 52)	LT
	Dec 30 2009	May 13 2011	64 00	637 67	1,291 03	0 00	(653 36)	(653 36)	LT
FRESENIUS MEDICAL CARE AG & CO KGAA	Mar 13 2009	May 16 2011	13 00	922 72	501 97	0 00	420 75	420 75	LT
SPONSORED ADR CMN	Mar 13 2009	May 17 2011	10 00	703 72	386 13	0 00	317 59	317 59	LT
COCA-COLA HELLENIC BOTTLING CO	May 07 2007	May 18 2011	2 00	48 20	57 28	0 00	(9 08)	(9 08)	LT
SPONSORED ADR CMN	May 31 2007	May 18 2011	102 00	2,458 35	2,974 31	0 00	(515 96)	(515 96)	LT
	Oct 12 2007	May 18 2011	28 00	674 84	1,028 84	0 00	(354 00)	(354 00)	LT
	Oct 15 2007	May 18 2011	57 00	1,373 78	2,089 25	0 00	(715 47)	(715 47)	LT
AMERICA MOVIL SAB DE CV SPONSORED ADR	Dec 19 2006	May 19 2011	48 00	2,406 31	2,085 60	0 00	320 71	320 71	LT
CMN SERIES L	Aug 23 2007	May 19 2011	24 00	1,203 15	1,420 59	0 00	(217 44)	(217 44)	LT
	Aug 23 2007	May 25 2011	32 00	1,657 08	1,894 12	0 00	(237 04)	(237 04)	LT
	Sep 05 2007	May 25 2011	8 00	414 27	487 54	0 00	(73 27)	(73 27)	LT
	Sep 05 2007	May 26 2011	64 00	3,308 12	3,900 35	0 00	(592 23)	(592 23)	LT
YOUKU COM INC SPONSORED ADR CMN	May 13 2011	Jun 15 2011	32 00	879 07	1,513 52	0 00	(634 45)	(634 45)	ST
SERIES	May 16 2011	Jun 15 2011	36 00	988 96	1,610 09	0 00	(621 13)	(621 13)	ST
NEW ORIENTAL ED & TECH GRP SPONSORED	Sep 09 2009	Jul 20 2011	8 00	1,018 01	566 74	0 00	451 27	451 27	LT
ADR CMN	Sep 11 2009	Jul 20 2011	4 00	509 00	296 42	0 00	212 58	212 58	LT
TEVA PHARMACEUTICAL IND LTD ADS	Nov 20 2006	Jul 26 2011	33 00	1,547 15	1,043 12	0 00	504 03	504 03	LT
FRESENIUS MEDICAL CARE AG & CO KGAA SPONSORED ADR CMN	Mar 13 2009	Jul 27 2011	22 00	1,739 74	849 48	0 00	890 26	890 26	LT
LVMH MOET HENNESSY LOUIS VUITTON S A ADR CMN	Nov 12 2008	Jul 27 2011	49 00	1,848 67	550 71	0 00	1,297 96	1,297 96	LT
CANADIAN NATIONAL RAILWAY CO CMN	Sep 14 2007	Aug 10 2011	42 00	2,868 09	2,351 04	0 00	517 05	517 05	LT
MAN GROUP PLC UNSPONSORED ADR CMN	Mar 18 2010	Aug 11 2011	411 00	1,255 45	1,506 48	0 00	(251 03)	(251 03)	LT
	Mar 25 2010	Aug 11 2011	373 00	1,139 38	1,388 83	0 00	(249 45)	(249 45)	LT
	Mar 25 2010	Aug 12 2011	357 00	1,123 06	1,329 25	0 00	(206 19)	(206 19)	LT
	May 12 2010	Aug 12 2011	364 00	1,145 08	1,239 46	0 00	(94 38)	(94 38)	LT

THORNBURG INTL EQTY SEPACCT
Realized Gains and Losses (Continued)

Period Ended December 31, 2011

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
FANUC CORP UNSPONSORED ADR CMN	Dec 16 2008	Aug 17 2011	70 00	1,988 56	765 28	0 00	1,223 28	1,223 28	LT
WAL-MART DE MEXICO SAB DE CV SPONSORED	Oct 08 2008	Aug 30 2011	11 00	285 96	135 70	0 00	150 26	150 26	LT
ADR REPSTG SER V SHS	Nov 18 2008	Aug 30 2011	28 00	727 89	350 13	0 00	377 77	377 77	LT
NESTLE SA SPONSORED ADR (REP 1/20 CHF 10 REGD SHS)	May 09 2007	Aug 31 2011	24 00	1,468 05	956 31	0 00	511 74	511 74	LT
BAYER AG-SPONSORED ADR SPONSORED ADR CMN	Jul 27 2011	Sep 06 2011	52 00	2,724 98	4,365 17	0 00	(1,640 19)	(1,640 19)	ST
BAYER AG-SPONSORED ADR SPONSORED ADR CMN DISALLOWED LOSSES								(977 81)	
CHINA MERCHANTS HOLDINGS (INTE	Oct 12 2009	Sep 08 2011	71 00	2,080 55	2,312 00	0 00	(231 45)	(231 45)	LT
UNSPONOSRED ADR CMN	Oct 13 2009	Sep 08 2011	1 00	29 30	33 39	0 00	(4 08)	(4 08)	LT
	Oct 13 2009	Sep 09 2011	67 00	1,903 07	2,236 95	0 00	(333 88)	(333 88)	LT
GAZPROM ADR SPONSORED ADR CMN	Jun 14 2007	Sep 09 2011	173 00	1,979 05	3,407 86	0 00	(1,428 81)	(1,428 81)	LT
	Jun 14 2007	Sep 12 2011	13 00	140 74	256 08	0 00	(115 35)	(115 35)	LT
	Jun 15 2007	Sep 12 2011	288 00	3,117 83	5,829 22	0 00	(2,711 39)	(2,711 39)	LT
	Oct 18 2007	Sep 12 2011	122 00	1,320 75	2,876 24	0 00	(1,555 49)	(1,555 49)	LT
	Mar 15 2011	Sep 12 2011	104 00	1,125 88	1,560 85	0 00	(434 97)	(434 97)	ST
NEW ORIENTAL ED & TECH GRP SPONSORED	Sep 11 2009	Sep 13 2011	24 00	773 10	444 63	0 00	328 47	328 47	LT
ADR CMN	Sep 14 2009	Sep 13 2011	12 00	386 55	223 78	0 00	162 77	162 77	LT
	Sep 15 2009	Sep 13 2011	2 00	64 43	37 40	0 00	27 02	27 02	LT
BAYER AG-SPONSORED ADR SPONSORED ADR	Jul 27 2011	Sep 15 2011	23 00	1,238 42	1,930 75	0 00	(692 33)	(692 33)	ST
CMN	Jul 27 2011	Sep 15 2011	31 00	1,669 17	2,931 37	0 00	(1,262 19)	(1,262 19)	ST
NEW ORIENTAL ED & TECH GRP SPONSORED ADR CMN	Sep 15 2009	Sep 15 2011	24 00	799 27	448 85	0 00	350 42	350 42	LT
BNP PARIBAS SPONSORED ADR CMN	May 15 2008	Sep 16 2011	56 00	1,146 26	3,061 23	0 00	(1,914 97)	(1,914 97)	LT
	Jun 11 2008	Sep 16 2011	57 00	1,166 73	2,659 34	0 00	(1,492 61)	(1,492 61)	LT
	Oct 17 2008	Sep 16 2011	25 00	511 73	974 36	0 00	(462 64)	(462 64)	LT
	Oct 22 2008	Sep 16 2011	40 00	818 76	1,510 06	0 00	(691 30)	(691 30)	LT
	Jan 07 2009	Sep 16 2011	11 00	225 16	260 01	0 00	(34 85)	(34 85)	LT
CHINA MERCHANTS HOLDINGS (INTE	Oct 13 2009	Sep 16 2011	14 00	374 40	467 42	0 00	(93 02)	(93 02)	LT
UNSPONOSRED ADR CMN	Oct 20 2009	Sep 16 2011	34 00	909 25	1,187 45	0 00	(278 19)	(278 19)	LT
NEW ORIENTAL ED & TECH GRP SPONSORED	Sep 15 2009	Sep 16 2011	10 00	327 96	187 02	0 00	140 94	140 94	LT
ADR CMN	Sep 16 2009	Sep 16 2011	6 00	196 78	113 78	0 00	83 00	83 00	LT
CHINA MERCHANTS HOLDINGS (INTE	Oct 20 2009	Sep 19 2011	40 00	1,024 31	1,397 00	0 00	(372 69)	(372 69)	LT
UNSPONOSRED ADR CMN	Sep 07 2010	Sep 19 2011	23 00	588 98	824 83	0 00	(235 86)	(235 86)	LT

THORNBURG INTL EQTY SEPACCT

Realized Gains and Losses (Continued)

Period Ended December 31, 2011

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
BNP PARIBAS SPONSORED ADR CMN	Jan 07 2009	Sep 20 2011	45 00	770 87	1,063 67	0 00	(292 81)	(292 81)	LT
	May 25 2010	Sep 20 2011	47 00	805 13	1,310 91	0 00	(505 78)	(505 78)	LT
	Sep 30 2010	Sep 20 2011	19 00	325 48	680 34	0 00	(354 87)	(354 87)	ST
	Sep 30 2010	Sep 21 2011	41 00	660 52	1,468 11	0 00	(807 59)	(807 59)	ST
	Oct 21 2010	Sep 21 2011	47 00	757 18	1,739 02	0 00	(981 84)	(981 84)	ST
	Mar 10 2011	Sep 21 2011	43 00	692 74	1,560 82	0 00	(868 08)	(868 08)	ST
LOGITECH INTERNATIONAL SA ORD CMN	Jul 24 2007	Sep 22 2011	35 00	270 91	982 51	0 00	(711 60)	(711 60)	LT
	Nov 01 2007	Sep 22 2011	75 00	580 53	2,652 18	0 00	(2,071 66)	(2,071 66)	LT
	Jan 18 2008	Sep 22 2011	69 00	534 08	1,923 00	0 00	(1,388 92)	(1,388 92)	LT
	Apr 16 2008	Sep 22 2011	32 00	247 69	817 45	0 00	(569 76)	(569 76)	LT
	Apr 16 2008	Sep 23 2011	16 00	123 43	408 72	0 00	(285 29)	(285 29)	LT
	Apr 17 2008	Sep 23 2011	57 00	439 73	1,469 12	0 00	(1,029 39)	(1,029 39)	LT
	Nov 21 2008	Sep 23 2011	52 00	401 16	617 56	0 00	(216 41)	(216 41)	LT
	Jan 22 2009	Sep 23 2011	28 00	216 01	301 12	0 00	(85 12)	(85 12)	LT
	Jan 22 2009	Sep 26 2011	43 00	333 97	462 44	0 00	(128 47)	(128 47)	LT
	Jul 23 2009	Sep 26 2011	68 00	528 14	1,042 94	0 00	(514 80)	(514 80)	LT
	Jul 23 2009	Sep 27 2011	6 00	48 01	92 02	0 00	(44 02)	(44 02)	LT
	Apr 29 2010	Sep 27 2011	77 00	616 08	1,284 61	0 00	(668 53)	(668 53)	LT
ARM HOLDINGS PLC SPON ADR SPONSORED	Dec 10 2007	Oct 11 2011	15 00	414 87	123 01	0 00	291 86	291 86	LT
ADR CMN	May 02 2008	Oct 11 2011	25 00	691 44	160 15	0 00	531 29	531 29	LT
TESCO PLC (SPONSORED) ADR SPONSORED ADR CMN	Oct 21 2009	Oct 11 2011	119 00	2,268 29	2,338 20	0 00	(69 91)	(69 91)	LT
SABMILLER PLC SPONSORED ADR	Oct 30 2006	Oct 13 2011	39 00	1,384 42	759 50	0 00	624 92	624 92	LT
	Oct 30 2006	Oct 14 2011	6 00	214 29	116 85	0 00	97 45	97 45	LT
	Nov 28 2007	Oct 14 2011	40 00	1,428 63	1,091 61	0 00	337 02	337 02	LT
NEW ORIENTAL ED & TECH GRP SPONSORED	Sep 16 2009	Oct 17 2011	2 00	60 24	37 92	0 00	22 32	22 32	LT
ADR CMN	Oct 01 2009	Oct 17 2011	17 00	512 07	333 80	0 00	178 27	178 27	LT
EMBRAER SA ADR CMN	Apr 28 2006	Oct 31 2011	41 00	1,168 22	1,612 45	0 00	(444 23)	(444 23)	LT
DASSAULT SYSTEMES SA SPONSORED ADR	Jan 25 2008	Nov 04 2011	13 00	1,083 89	688 12	0 00	395 77	395 77	LT
CMN	Jan 25 2008	Nov 08 2011	7 00	583 69	370 53	0 00	213 17	213 17	LT

THORNBURG INTL EQTY SEPACCT

Realized Gains and Losses (Continued)

Period Ended December 31, 2011

	Date Acquired or Sold Short	Date Sold or Covered	Quantity	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)	Holding Period
NEW ORIENTAL ED & TECH GRP SPONSORED	Oct 01 2009	Nov 18 2011	19 00	433 49	373 07	0 00	60 43	60 43	LT
ADR CMN	Oct 08 2009	Nov 18 2011	32 00	730 09	654 32	0 00	75 77	75 77	LT
	Dec 02 2009	Nov 18 2011	19 00	433 49	345 92	0 00	87 58	87 58	LT
	Dec 02 2009	Nov 21 2011	48 00	1,108 21	873 90	0 00	234 31	234 31	LT
SAP AG (SPON ADR)	May 19 2008	Nov 21 2011	1 00	57 88	51 99	0 00	5 89	5 89	LT
	May 29 2008	Nov 21 2011	20 00	1,157 61	1,103 40	0 00	54 21	54 21	LT
NEW ORIENTAL ED & TECH GRP SPONSORED	Dec 02 2009	Nov 22 2011	17 00	395 86	309 51	0 00	86 35	86 35	LT
ADR CMN	Mar 10 2011	Nov 22 2011	40 00	931 43	875 40	0 00	56 03	56 03	ST
	Mar 10 2011	Nov 23 2011	21 00	485 37	459 59	0 00	25 79	25 79	ST
TELEFONICA S A ADR SPONSORED ADR CMN	Feb 01 2007	Nov 23 2011	156 00	2,723 13	3,431 06	0 00	(707 93)	(707 93)	LT
	Jun 16 2008	Nov 23 2011	4 00	69 82	109 56	0 00	(39 74)	(39 74)	LT
ARCELORMITTAL CMN	Feb 24 2011	Nov 28 2011	69 00	1,160 32	2,466 57	0 00	(1,306 25)	(1,306 25)	ST
	Feb 25 2011	Nov 28 2011	2 00	33 63	72 10	0 00	(38 46)	(38 46)	ST
NEW ORIENTAL ED & TECH GRP SPONSORED ADR CMN	Mar 10 2011	Nov 28 2011	11 00	262 16	240 74	0 00	21 43	21 43	ST
ARCELORMITTAL CMN	Feb 25 2011	Dec 01 2011	54 00	1,027 22	1,946 57	0 00	(919 35)	(919 35)	ST
	Feb 28 2011	Dec 01 2011	23 00	437 52	840 05	0 00	(402 53)	(402 53)	ST
	Feb 28 2011	Dec 09 2011	20 00	375 77	730 48	0 00	(354 71)	(354 71)	ST
	Mar 15 2011	Dec 09 2011	50 00	939 42	1,685 87	0 00	(746 45)	(746 45)	ST
	Apr 01 2011	Dec 09 2011	43 00	807 90	1,550 30	0 00	(742 40)	(742 40)	ST
	May 04 2011	Dec 09 2011	7 00	131 52	253 87	0 00	(122 35)	(122 35)	ST
	May 04 2011	Dec 12 2011	37 00	639 42	1,341 88	0 00	(702 46)	(702 46)	ST
DASSAULT SYSTEMES SA SPONSORED ADR	Jan 25 2008	Dec 20 2011	4 00	313 57	211 73	0 00	101 84	101 84	LT
CMN	Jan 25 2008	Dec 23 2011	3 00	234 38	158 80	0 00	75 58	75 58	LT
	Jan 25 2008	Dec 27 2011	5 00	392 22	264 66	0 00	127 56	127 56	LT
	Jan 25 2008	Dec 28 2011	3 00	236 13	158 80	0 00	77 33	77 33	LT

	Sale Proceeds	Cost Basis	FX Gain (Loss)	Market Gain (Loss)	Total Gain (Loss)
SHORT TERM GAINS	20,061 28	15,519 16	0 00	4,542 14	4,542 14
SHORT TERM LOSSES	17,837 25	31,706 69	0 00	(13,869 43)	(13,869 43)
SHORT TERM DISALLOWED LOSSES					(977 81)
NET SHORT TERM GAINS (LOSSES)	**37,898.53**	**47,225.85**	**0.00**	**(9,327.29)**	**(8,349.48)**
LONG TERM GAINS	67,813 28	41,936 07	0 00	25,877 28	25,877 28
LONG TERM LOSSES	59,593 24	95,942 82	0 00	(36,349 64)	(36,349 64)
NET LONG TERM GAINS (LOSSES)	**127,406.52**	**137,878.89**	**0.00**	**(10,472.36)**	**(10,472.36)**

CHESAPEAKE CAPITAL MANAGEMENT, INC.
PORTFOLIO APPRAISAL
The Partnership Foundation
December 31, 2011

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
Information Processing-Individual Computing/Network									
3,500	Microsoft Corporation	31 65	110,765.80	25.96	90,860.00	2 2	0.800	2,800.00	3.1
			110,765.80		90,860 00	2.2		2,800 00	3.1
Merchandising									
1,500	TJX Companies Inc.	44 89	67,333.20	64.55	96,825.00	2.3	0.460	690.00	0.7
			67,333.20		96,825.00	2 3		690.00	0 7
Merchandising-Drug									
2,500	Walgreen Co.	35.42	88,539.00	33 06	82,650.00	2.0	0.900	2,250.00	2 7
			88,539 00		82,650.00	2 0		2,250 00	2.7
Miscellaneous									
3,400	Ball Corporation	35 86	121,915.70	35.71	121,414.00	2.9	0.400	1,360.00	1.1
2,000	Dover Corporation	60.21	120,418.05	58.05	116,100.00	2.8	1.260	2,520.00	2.2
			242,333 75		237,514.00	5.7		3,880.00	1.6
Railroads									
1,300	Union Pacific	79.12	102,855.26	105.94	137,722.00	3.3	2 400	3,120.00	2.3
			102,855.26		137,722.00	3.3		3,120.00	2.3
Restaurants									
1,500	McDonalds Corporation	65 70	98,547.50	100.33	150,495.00	3.6	2.800	4,200.00	2.8
			98,547.50		150,495 00	3.6		4,200 00	2.8
Telecom./Technology									
2,500	Vodafone Airtouch SPADR	26 04	65,099.75	28.03	70,075 00	1.7	1 430	3,576.12	5.1
			65,099 75		70,075.00	1 7		3,576.12	5.1
Utilities-Water									
3,000	American Water Works Company Inc.	27.94	83,814.90	31.86	95,580.00	2 3	0.920	2,760.00	2.9
			83,814 90		95,580 00	2.3		2,760.00	2 9
Medical Specialty									
1,500	Stryker Corporation	51 64	77,457.50	49.71	74,565.00	1.8	0.850	1,275 00	1.7
			77,457.50		74,565 00	1 8		1,275.00	1.7
Manufacture-Diverse									
1,500	United Technologies Corporation	60 70	91,045.00	73 09	109,635 00	2 6	1.920	2,880 00	2 6
			91,045.00		109,635 00	2.6		2,880.00	2.6
Health Care Mangagement									
1,000	UnitedHealth Group Inc.	49.19	49,189 00	50.68	50,680 00	1.2	0 650	650.00	1 3
			49,189.00		50,680.00	1.2		650.00	1.3
Industrial Gases									
1,500	Air Products & Chemicals, Inc.	51 22	76,836.20	85.19	127,785.00	3.0	2.560	3,840.00	3.0
			76,836.20		127,785.00	3 0		3,840.00	3.0
	COMMON STOCK Total		2,362,576.44		3,133,484.00	74 7		70,550.48	2.3

CHESAPEAKE CAPITAL MANAGEMENT, INC.

PORTFOLIO APPRAISAL

The Partnership Foundation

December 31, 2011

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
COMMON STOCK									
Aerospace/Defense									
1,500	Triumph Group, Inc	50.02	75,023.55	58.45	87,675.00	2.1	0 160	240.00	0 3
			75,023.55		87,675.00	2.1		240.00	0 3
Automotive-Replacement Parts									
1,300	Advance Auto Parts Inc.	59.27	77,055.03	69.63	90,519.00	2.2	0.240	312.00	0 3
1,300	O'Reilly Automotive, Inc	60 43	78,560.56	79.95	103,935 00	2.5	0.000	0.00	0 0
			155,615.59		194,454 00	4.6		312.00	0.2
Beverages									
2,500	Coca-Cola Co.	55.95	139,863.00	69.97	174,925 00	4 2	2.040	5,100.00	2.9
			139,863 00		174,925.00	4.2		5,100.00	2.9
Building Materials									
1,000	Stanley Black & Decker	63.79	63,789.50	67.60	67,600 00	1 6	1.640	1,640.00	2.4
			63,789.50		67,600.00	1.6		1,640 00	2.4
Chemicals-Major									
1,500	Praxair Inc.	39 82	59,723 72	106 90	160,350 00	3.8	2.200	3,300.00	2.1
			59,723 72		160,350.00	3.8		3,300 00	2.1
Chemicals-Divers									
1,000	3M Company	52 99	52,989.95	81.73	81,730.00	1.9	2.360	2,360.00	2.9
			52,989.95		81,730 00	1.9		2,360.00	2.9
Cosmetics and Toiletries									
1,000	Kimberly Clark	71.69	71,685 80	73 56	73,560.00	1.8	2.960	2,960.00	4.0
1,500	Proctor & Gamble Co.	53 10	79,643.85	66.71	100,065.00	2.4	2.248	3,372.00	3.4
			151,329.65		173,625.00	4.1		6,332.00	3.6
Drugs									
2,500	Teva Pharmaceuticals Industries Ltd.	33 89	84,712.70	40.36	100,900.00	2.4	0.765	1,913 36	1.9
			84,712.70		100,900.00	2.4		1,913.36	1 9
Medical Products/Supply									
1,800	Abbott Labs	52.32	94,184.64	56.23	101,214.00	2.4	2.040	3,672.00	3.6
1,000	Becton Dickinson & Co	70 80	70,800.00	74 72	74,720.00	1.8	1.800	1,800.00	2.4
2,000	Johnson & Johnson	4.95	9,899.38	65 58	131,160.00	3 1	2.440	4,880.00	3.7
			174,884.02		307,094.00	7 3		10,352.00	3.4
Household Prod.									
3,500	Church & Dwight Co. Inc.	14 66	51,317.00	45.76	160,160.00	3 8	0.960	3,360 00	2.1
1,500	Colgate Palmolive	73.10	109,649 40	92 39	138,585.00	3.3	2.480	3,720.00	2.7
			160,966.40		298,745.00	7.1		7,080.00	2.4
Computer Related									
400	Apple Inc.	224 65	89,861.50	405.00	162,000.00	3.9	0.000	0.00	0 0
			89,861.50		162,000.00	3.9		0.00	0.0

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
NON-US EQUITY								
THORNBURG NON-US EQUITY								
U S DOLLAR	272 54	1 0000	272 54		272 54			
GOLDMAN SACHS BANK DEPOSIT (BDA) (*BDANOW)[14]	16,452 64	1 0000	16,452 64	1 0000	16,452 64		0 1611	26 50

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
CARNIVAL CORPORATION CMN (CCL)	407 00	32 6400	13,284 48	41 6316	16,944 05	(3,659 57)	3 0637	407 00
LAS VEGAS SANDS CORP CMN (LVS)	60 00	42 7300	2,563 80	42 0952	2,525 71	38 09		
SCHLUMBERGER LTD CMN (SLB)	197 00	68 3100	13,457 07 49 25	58 0640	11,438 60	2,018 47	1 4639	197 00
SOUTHERN COPPER CORPORATION CMN (SCCO)	81 00	30 1800	2,444 58	31 4904	2,550 72	(106 14)	9 2777	226 80
ADIDAS AG ADR CMN (ADDYY)	250 00	32 6220	8,155 50	36 8496	9,212 41	(1,056 91)	1 2240	99 83
ARM HOLDINGS PLC SPON ADR SPONSORED ADR CMN (ARMH)	180 00	27 6700	4,980 60	6 4060	1,153 08	3,827 52	0 4714	23 48
ASSA ABLOY AB UNSPONSORED ADR (SWEDEN) (ASAZY)	936 00	12 5890	11,783 30	13 6008	12,730 34	(947 04)	1 9524	230 06
BG GROUP PLC SPON ADR ADR CMN (BRGYY)	111 00	106 9610	11,872 67	84 6780	9,399 26	2,473 41	1 0555	125 32
CANADIAN NATIONAL RAILWAY CO CMN (CNI)	153 00	78 5600	12,019 68	56 9058	8,706 59	3,313 09	1 6257	195 40
CANADIAN NATURAL RESOURCES CMN (CNQ)	173 00	37 3700	6,465 01 11 48	29 7244	5,142 33	1,322 68	0 9530	61 61
CANON INC ADR ADR CMN (CAJ)	288 00	44 0400	12,683 52	39 9843	11,515 49	1,168 03	3 2859	416 77
CHECK POINT SOFTWARE TECH LTD ORDINARY SHARES (CHKP)	94 00	52 5400	4,938 76	54 9906	5,169 12	(230 36)		
CNOOC LTD SPONSORED ADR CMN (CEO)	62 00	174 6800	10,830 16	146 7263	9,097 03	1,733 13	3 3081	358 27
CREDIT SUISSE GROUP SPON ADR SPONSORED ADR CMN (CS)	404 00	23 4800	9,485 92	41 4510	16,746 21	(7,260 29)	6 2998	597 60
DASSAULT SYSTEMES SA SPONSORED ADR CMN (DASTY)	64 00	80 3940	5,145 22	51 6190	3,303 62	1,841 60	0 7109	36 58
EMBRAER SA ADR CMN (ERJ)	334 00	25 2200	8,423 48	32 0261	10,696 73	(2,273 25)		
FANUC CORP UNSPONSORED ADR CMN (FANUY)	374 00	25 5180	9,543 73	12 4919	4,671 96	4,871 77	1 4574	139 09
FLSMIDTH & CO A/S SPONSORED ADR CMN (FLIDY)	919 00	5 8950	5,417 50	6 0378	5,548 77	(131 26)	1 9298	104 55
FRESENIUS MEDICAL CARE AG & CO KGAA SPONSORED ADR CMN (FMS)	177 00	67 9800	12,032 46	40 4208	7,154 48	4,877 98	0 9599	115 51

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit

Not a Deposit Not FDIC Insured May Lose Value (Excluding Goldman Sachs Bank Deposit Account, Term Deposits and Certificates of Deposit)

Brokerage and securities services provided by Goldman, Sachs & Co Bank Deposit Account, Certificate of Deposit Account and Term Deposit Account offered by Goldman Sachs Bank USA, Member FDIC

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
NON-US EQUITY								
THORNBURG NON-US EQUITY								
HANG LUNG PPTYS LTD SPONSORED ADR CMN (HLPPY)	328 00	14 2280	4,666 78	16 3990	5,378 89	(712 10)	2 9774	138 95
HENNES & MAURITZ AB ADR CMN (HNNMY)	2,068 00	6 4560	13,351 01	5 3509	11,065 63	2,285 37	3 6586	488 46
HONG KONG EXCHANGES & CLEARING UNSPONSORED ADR CMN (HKXCY)	428 00	15 9790	6,839 01	8 2554	3,533 32	3,305 69	3 2446	221 90
INDUSTRIAL & COMMERCIAL BANK O ADR CMN (IDCBY)	699 00	11 8710	8,297 83	13 4712	9,416 36	(1,118 53)	3 8787	321 85
ING GROEP N V SPONS ADR SPONSORED ADR CMN (ING)	1,048 00	7 1700	7,514 16	8 0814	8,469 30	(955 14)		
KDDI CORP UNSPONSORED ADR CMN (KDDIY)	364 00	16 0840	5,854 58	17 1369	6,237 84	(383 26)	2 5301	148 13
KINGFISHER PLC SPONSORED ADR CMN (KGFHY)	1,528 00	7 7920	11,906 18	8 7350	13,347 11	(1,440 93)	2 7673	329 48
KOMATSU LTD ADR (NEW) SPONSORED GDS CMN (KMTUY)	436 00	23 3820	10,194 55	17 6364	7,689 45	2,505 10	1 8589	189 51
LI & FUNG LIMITED UNSPONSORED ADR CMN (LFUGY)	2,156 00	3 7030	7,983 67	3 6686	7,909 60	74 07	2 5011	199 68
LVMH MOET HENNESSY LOUIS VUITTON S A ADR CMN (LVMUY)	541 00	28 4030	15,366 02	14 2823	7,726 70	7,639 32	1 5884	244 08
MERCADOLIBRE INC CMN (MELI)	77 00	79 5400	6,124 58 6 16	63 8312	4,915 00	1,209 58	0 4023	24 64
MITSUBISHI UFJ FINL GROUP, INC SPONSORED ADR CMN (MTU)	1,904 00	4 1900	7,977 76	6 0871	11,589 77	(3,612 01)	3 3122	264 24
NESTLE SA SPONSORED ADR (REP 1/20 CHF 10 REGD SHS) (NSRGY)	195 00	57 7480	11,260 86	37 8841	7,387 39	3,873 47	3 0592	344 49
NOVARTIS AG-ADR SPONSORED ADR CMN (NVS)	259 00	57 1700	14,807 03	52 9012	13,701 40	1,105 63	3 5077	519 39
NOVO-NORDISK A/S ADR ADR CMN (NVO)	120 00	115 2600	13,831 20	42 2539	5,070 47	8,760 73	1 1781	162 95
POTASH CORP OF SASKATCHEWAN INC (POT)	228 00	41 2800	9,411 84	39 0844	8,911 24	500 60	0 6783	63 84
PUBLICIS GROUPE SA SPONSORED ADR CMN (PUBGY)	345 00	23 0710	7,959 50	21 9191	7,562 10	397 40	1 7384	138 37
RECKITT BENCKISER GROUP PLC SLOUGH UNSPONSORED ADR (UK) (RBGPY)	1,444 00	9 8840	14,272 50	9 0278	13,036 18	1,236 32	3 5236	502 91
SABMILLER PLC SPONSORED ADR (SBMRY)	142 00	35 2240	5,001 81	24 8536	3,529 21	1,472 60	2 2470	112 39
SAP AG (SPON ADR) (SAP)	264 00	52 9500	13,978 80	44 4477	11,734 20	2,244 60	1 9367	270 73
SBERBANK SPONSORED ADR CMN TRADEABLE ON LNSE & NASDAQ UK LINE SBNCYQ L-US LINE SBRCY (SBRCY)	711 00	9 9200	7,053 12	10 8085	7,684 87	(631 75)	1 1865	83 68

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
NON-US EQUITY								
THORNBURG NON-US EQUITY								
SIEMENS AKTIENGESELLSCHAFT SPONSORED ADR CMN (SI)	116 00	95 6100	11,090 76	117 1946	13,594 57	(2,503 81)	3 0897	342 67
SWATCH GROUP SA (THE) ADR CMN (SWGAY)	315 00	18 7950	5,920 43	18 9399	5,966 07	(45 65)	0 9283	54 96
TECK RESOURCES LIMITED CMN CLASS B (TCK)	159 00	35 1900	5,595 21 46 93	49 1514	7,815 08	(2,219 87)	2 2490	125 84
TELEFONICA S A ADR SPONSORED ADR CMN (TEF)	374 00	17 1900	6,429 06	24 2202	9,058 35	(2,629 29)	9 9617	640 44
TENCENT HOLDINGS LIMITED UNSPONSORED ADR CMN (TCEHY)	436 00	20 0990	8,763 16	20 5585	8,963 49	(200 33)	0 3018	26 44
TESCO PLC (SPONSORED) ADR SPONSORED ADR CMN (TSCDY)	672 00	18 8100	12,640 32 134 81	19 8040	13,308 29	(667 97)	3 5258	445 67
TEVA PHARMACEUTICAL IND LTD ADS (TEVA)	332 00	40 3600	13,399 52	34 8167	11,559 14	1,840 38	1 9449	260 60
TOYOTA MOTOR CORPORATION SPON ADR (TM)	181 00	66 1300	11,969 53	97 6976	17,683 27	(5,713 74)	1 7599	210 66
TURKIYE GARANTI BANKASI AS GDS CMN (TKGBY)	2,090 00	3 1240	6,529 16	4 4697	9,341 74	(2,812 58)	2 1028	137 30
VODAFONE GROUP PLC SPONSORED ADR CMN (VOD)	94 00	28 0300	2,634 82	26 1521	2,458 30	176 52	5 1478	135 63
WAL-MART DE MEXICO SAB DE CV SPONSORED ADR REPSTG SER V SHS (WMMVY)	306 00	27 4450	8,398 17	11 0161	3,370 92	5,027 25	1 1982	100 62
YANDEX N V CMN (YNDX)	186 00	19 7000	3,664 20	31 7152	5,899 03	(2,234 83)		
ITAU UNIBANCO BANCO HLDNG S A SPONSORED ADR CMN (ITUB)	646 00	18 5600	11,989 76 8 00	18 2367	11,780 88	208 88	0 4594	55 08
VOLKSWAGEN AG, WOLFSBURG SPONSORED ADR PFD USD0 4941 (VLKPY)	233 00	30 0520	7,002 12	21 6665	5,048 30	1,953 82	1 6441	115 12
TOTAL THORNBURG NON-US EQUITY			501,931 63 256 63		472,175 14	29,756 49	2 2720	10,782 05

	Market Value	Adjusted Cost / [6] Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO	**502,188.26**	**472,175.14**	**29,756.49**	**10,782.05**

[6] Original Cost is price paid by purchaser adjusted for annual original issue discount inclusions and/or return of capital adjustments, if applicable Adjusted Cost reflects adjustments to Original Cost for market discount accretion and/or premium amortization Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions

CHESAPEAKE CAPITAL MANAGEMENT, INC.
REALIZED GAINS AND LOSSES
The Partnership Foundation
From 01-01-11 Through 12-31-11

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss Short Term	Gain Or Loss Long Term
09-28-09	03-28-11	1,500	CH Robinson Worldwide, Inc.	88,030 50	108,513.91		20,483.41
03-23-07	03-28-11	1,000	Paychex	40,930 00	30,919.40		-10,010.60
06-17-04	03-28-11	1,000	Walgreen Co.	34,880.00	39,855.23		4,975.23
06-14-10	06-22-11	2,000	Hasbro Inc.	81,655.40	87,868.11		6,212.71
12-21-06	06-22-11	1,000	Thermo Fisher Scientific Inc	46,075 10	63,798.97		17,723.87
06-21-07	06-22-11	2,500	Walt Disney	85,400 00	96,073.15		10,673.15
03-23-07	09-30-11	1,500	Paychex	—61,395.00	39,854.98		-21,540.02
03-31-08	09-30-11	500	Paychex	17,018.35	13,284.99		-3,733.36
06-27-08	09-30-11	500	Paychex	15,717.15	13,285.00		-2,432.15
12-23-09	09-30-11	100	Apple Inc.	20,165 77	38,625 95		18,460 18
06-25-09	09-30-11	500	Becton Dickinson & Co.	35,400.00	37,216.18		1,816.18
06-17-04	09-30-11	500	Church & Dwight Co. Inc.	7,456 40	22,296.57		14,840.17
03-01-10	12-19-11	1,500	Kellogg Company	78,448.35	73,649.33		-4,799.02
12-21-06	12-19-11	1,000	Thermo Fisher Scientific Inc.	46,075.10	44,249.04		-1,826.06
03-30-09	12-19-11	1,000	Thermo Fisher Scientific Inc.	35,446.30	44,249 05		8,802.75
03-28-11	12-19-11	3,000	Molex Inc.	75,657 30	68,039.88	-7,617.42	
12-23-09	12-19-11	1,500	Hewlett Packard Co	78,525.00	38,700.00		-39,825.00
09-27-10	12-19-11	1,000	Hewlett Packard Co	41,539.20	25,800 00		-15,739.20
03-01-10	12-19-11	1,200	Clorox Co	73,872.00	78,146 21		4,274.21
06-19-02	12-19-11	400	3M Company	25,599.36	31,687.38		6,088.02
09-27-02	12-19-11	100	3M Company	5,731 00	7,921.85		2,190.85
06-25-09	12-19-11	500	McDonalds Corporation	28,609 00	49,024 30		20,415.30
12-22-05	12-19-11	500	United Technologies Corporation	28,785.00	36,339.80		7,554 80
TOTAL GAINS						0 00	144,510.83
TOTAL LOSSES						-7,617.42	-99,905.41
				1,052,411.28	1,089,399.28	-7,617.42	44,605.42
TOTAL REALIZED GAIN/LOSS			36,988 00				

PARTNERSHIP FOUNDATION

Holdings (Continued)

Period Ended December 31, 2011

FIXED INCOME (Continued)

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
INVESTMENT GRADE FIXED INCOME								
GOVERNMENT AND GOVERNMENT AGENCY BONDS								
FHLB 5 250000% 06/18/2014 JD S&P AA+ /Moody's Aaa	200,000 00	111 2990	222,598 00	102 0205	204,041 04	18,556 96	4 3761	10,500 00
			379 17	104 56	209,112 00	13,486 00		
TOTAL GOVERNMENT AND GOVERNMENT AGENCY BONDS	300,000 00		326,647 00		305,616 42	21,030 58	4 4302	17,800 00
			3,420 84		325,723 00	924 00		
TOTAL INVESTMENT GRADE FIXED INCOME			**942,295.00**		**905,600.86**	**36,694.14**	**4.3941**	**46,100.00**
			10,107.79		**919,396.00**	**22,899.00**		

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
S&P 500 INDEX FUND (SPDR)								
SPDR S&P 500 ETF TRUST (SPY)	13,500 00	125 5000	1,694,250 00	147 8064	1,995,386 40	(301,136 40)	2 0526	34,776 00
			10,396 76					

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized / Economic Gain (Loss)	Dividend Yield	Estimated Annual Income
GS SMALL CAP VALUE FUND								
GS SMALL CAP VALUE FUND CLASS A SHARES (GSSMX)	1,707 942	38 9000	66,438 94	35 1300	60,000 00	6,438 94	0 1902	126 39
						8,372 66		
TOTAL US EQUITY			**1,760,688.94**		**2,055,386.40**	**(294,697.46)**	**1.9823**	**34,902.39**
			10,396.76					
NON-US EQUITY								
GS STRUCTURED INTERNATIONAL EQUITY FUND								
GS STRUCTURED INTERNATIONAL EQUITY FUND CLASS A SHARES (GCIAX)	38,172 043	8 1600	311,483 87	9 3000	355,000 00	(43,516 13)	5 1471	16,032 26
						(19,643 34)		

PARTNERSHIP FOUNDATION

Holdings (Continued)

Period Ended December 31, 2011

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized / Economic Gain (Loss)	Dividend Yield	Estimated Annual Income
NON-US EQUITY								
GS EMERGING MARKETS FUND								
GS EMERGING MARKETS EQUITY FUND INSTITUTIONAL SHARES (GEMIX)	3,785 109	14 4000	54,505 57	19 0538	72,120 82	(17,615 25) (3,434 57)	0 5000	272 53
TOTAL NON-US EQUITY			**365,989.44**		**427,120.82**	**(61,131.38)**	**4.4550**	**16,304.79**
TOTAL PUBLIC EQUITY			**2,126,678.38** **10,396.76**		**2,482,507.22**	**(355,828.84)**	**2.4078**	**51,207.17**

	Market Value	Adjusted Cost / [6] Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO	**4,444,428.12**	**4,743,058.27** **4,756,853.41**	**(319,134.70)** **(332,929.84)**	**99,498.98**

[6] Original Cost is price paid by purchaser adjusted for annual original issue discount inclusions and/or return of capital adjustments, if applicable Adjusted Cost reflects adjustments to Original Cost for market discount accretion and/or premium amortization Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions

CASH, DEPOSITS & MONEY MARKET FUNDS

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity / Current Yield	Estimated Annual Income
DEPOSITS & MONEY MARKET FUNDS								
DEPOSITS								
GOLDMAN SACHS BANK DEPOSIT (BDA)[14]	1,354,950 19	1 0000	1,354,950 19	1 0000	1,354,950 19	0 00	0 1618	2,191 80

FIXED INCOME

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
INVESTMENT GRADE FIXED INCOME								
CORPORATE BONDS								
COSTCO WHOLESALE CORPORATION 5 3% 03/15/2012 SR	100,000 00	100 9260	100,926 00	100 7642	100,764 23	161 77	1 5620	5,300 00
LIEN M-W+10 00BP S&P A+ /Moody's A2			1,560 56	108 72	108,720 00	(7,794 00)		
BERKSHIRE HATHAWAY FINANCE COR 4 75% 05/15/2012	200,000 00	101 3900	202,780 00	99 7692	199,538 49	3,241 51	5 4859	9,500 00
USD S&P AA+ /Moody's Aa2			1,213 89	96 27	192,548 00	10,232 00		
BELLSOUTH CORPORATION 4 75% 11/15/2012 S&P A-	100,000 00	103 3480	103,348 00	102 1907	102,190 73	1,157 27	2 2029	4,750 00
			606 94	107 45	107,453 00	(4,105 00)		
MERCK & CO , INC 4 375% 02/15/2013 USD S&P AA	200,000 00	104 2970	208,594 00	98 7455	197,490 99	11,103 01	5 7321	8,750 00
/Moody's Aa3			3,305 56	92 48	184,952 00	23,642 00		
TOTAL CORPORATE BONDS	600,000 00		615,648 00		599,984 44	15,663 56	4 3749	28,300 00
			6,686 95		593,673 00	21,975 00		
GOVERNMENT AND GOVERNMENT AGENCY BONDS								
SLMA 7 3% 08/01/2012 FA Moody's Aaa	100,000 00	104 0490	104,049 00	101 5754	101,575 38	2,473 62	4 5460	7,300 00
			3,041 67	116 61	116,611 00	(12,562 00)		

[14] This represents a bank deposit of an affiliated bank reflected here for your convenience and is not cash held in your brokerage or custody account Please see the enclosed Bank Statement page(s) for specific information related to your bank deposit

PARTNERSHIP FOUNDATION

Holdings (Continued)

Period Ended December 31, 2011

FIXED INCOME (Continued)

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
INVESTMENT GRADE FIXED INCOME								
GOVERNMENT AND GOVERNMENT AGENCY BONDS								
FHLB 5 250000% 06/18/2014 JD S&P AA+ /Moody's Aaa	200,000 00	111 2990	222,598 00 379 17	102 0205 104 56	204,041 04 209,112 00	18,556 96 13,486 00	4 3761	10,500 00
TOTAL GOVERNMENT AND GOVERNMENT AGENCY BONDS	300,000 00		326,647 00 3,420 84		305,616 42 325,723 00	21,030 58 924 00	4 4302	17,800 00
TOTAL INVESTMENT GRADE FIXED INCOME			**942,295.00** **10,107.79**		**905,600.86** **919,396.00**	**36,694.14** **22,899.00**	**4.3941**	**46,100.00**

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
S&P 500 INDEX FUND (SPDR)								
SPDR S&P 500 ETF TRUST (SPY)	13,500 00	125 5000	1,694,250 00 10,396 76	147 8064	1,995,386 40	(301,136 40)	2 0526	34,776 00

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized / Economic Gain (Loss)	Dividend Yield	Estimated Annual Income
GS SMALL CAP VALUE FUND								
GS SMALL CAP VALUE FUND CLASS A SHARES (GSSMX)	1,707 942	38 9000	66,438 94	35 1300	60,000 00	6,438 94 8,372 66	0 1902	126 39
TOTAL US EQUITY			**1,760,688.94** **10,396.76**		**2,055,386.40**	**(294,697.46)**	**1.9823**	**34,902.39**
NON-US EQUITY								
GS STRUCTURED INTERNATIONAL EQUITY FUND								
GS STRUCTURED INTERNATIONAL EQUITY FUND CLASS A SHARES (GCIAX)	38,172 043	8 1600	311,483 87	9 3000	355,000 00	(43,516 13) (19,643 34)	5 1471	16,032 26

FIXED INCOME (Continued)

	Quantity / Current Face	Market Price	Market Value / Accrued Income	Unit Cost	Adjusted Cost / Original Cost	Unrealized Gain (Loss)	Yield to Maturity in Percentage	Estimated Annual Income
INVESTMENT GRADE FIXED INCOME								
GOVERNMENT AND GOVERNMENT AGENCY BONDS								
FHLB 5 250000% 06/18/2014 JD S&P AA+ /Moody's Aaa	200,000 00	111 2990	222,598 00 379 17	102 0205 104 56	204,041 04 209,112 00	18,556 96 13,486 00	4 3761	10,500 00
TOTAL GOVERNMENT AND GOVERNMENT AGENCY BONDS	300,000 00		326,647 00 3,420 84		305,616 42 325,723 00	21,030 58 924 00	4 4302	17,800 00
TOTAL INVESTMENT GRADE FIXED INCOME			**942,295.00** **10,107.79**		**905,600.86** **919,396.00**	**36,694.14** **22,899.00**	**4.3941**	**46,100.00**

PUBLIC EQUITY

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized Gain (Loss)	Dividend Yield	Estimated Annual Income
US EQUITY								
S&P 500 INDEX FUND (SPDR)								
SPDR S&P 500 ETF TRUST (SPY)	13,500 00	125 5000	1,694,250 00 10,396 76	147 8064	1,995,386 40	(301,136 40)	2 0526	34,776 00

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized / Economic Gain (Loss)	Dividend Yield	Estimated Annual Income
GS SMALL CAP VALUE FUND								
GS SMALL CAP VALUE FUND CLASS A SHARES (GSSMX)	1,707 942	38 9000	66,438 94	35 1300	60,000 00	6,438 94 8,372 66	0 1902	126 39
TOTAL US EQUITY			**1,760,688.94** **10,396.76**		**2,055,386.40**	**(294,697.46)**	**1.9823**	**34,902.39**
NON-US EQUITY								
GS STRUCTURED INTERNATIONAL EQUITY FUND								
GS STRUCTURED INTERNATIONAL EQUITY FUND CLASS A SHARES (GCIAX)	38,172 043	8 1600	311,483 87	9 3000	355,000 00	(43,516 13) (19,643 34)	5 1471	16,032 26

PARTNERSHIP FOUNDATION

Holdings (Continued)

Period Ended December 31, 2011

PUBLIC EQUITY (Continued)

	Quantity	Market Price	Market Value / Accrued Income	Unit Cost	Cost Basis	Unrealized / Economic Gain (Loss)	Dividend Yield	Estimated Annual Income
NON-US EQUITY								
GS EMERGING MARKETS FUND								
GS EMERGING MARKETS EQUITY FUND INSTITUTIONAL SHARES (GEMIX)	3,785 109	14 4000	54,505 57	19 0538	72,120 82	(17,615 25) (3,434 57)	0 5000	272 53
TOTAL NON-US EQUITY			**365,989.44**		**427,120.82**	**(61,131.38)**	**4.4550**	**16,304.79**
TOTAL PUBLIC EQUITY			**2,126,678.38** **10,396.76**		**2,482,507.22**	**(355,828.84)**	**2.4078**	**51,207.17**

	Market Value	Adjusted Cost / [6] Original Cost	Unrealized Gain (Loss)	Estimated Annual Income
TOTAL PORTFOLIO	**4,444,428.12**	**4,743,058.27** **4,756,853.41**	**(319,134.70)** **(332,929.84)**	**99,498.98**

[6] Original Cost is price paid by purchaser adjusted for annual original issue discount inclusions and/or return of capital adjustments, if applicable Adjusted Cost reflects adjustments to Original Cost for market discount accretion and/or premium amortization Adjusted cost for GMS Portfolios and Alternative Investments are determined by inception to date contributions minus inception to date distributions

The Partnership Foundation
GRANTS PAID IN 2011

Organization	Amount
Children's Medical Center	$ 15,000
The Eliza Project	1,500
The Suicide & Crisis Center	7,500
The Environmental Defense Fund	25,000
Michigan Land Use Institute	10,000
St. Phillips Sch & Community Center	2,500
Jubilee Center	2,000
The Phoebe Berman Bioethics Institute	10,000
ESD	20,000
The Gordie Center for Substance Abuse	15,000
The Conservation Fund - Alaska	15,000
The Conservation Fund - Texas	2,500
Camp John Mark	3,000
Bright Haven	25,000
Fix Our Ferals	30,000
Berkeley Food & Housing	10,000
Hersperian Foundation	25,000
Pacific Center	10,000
East Bay Community Law Center	10,000
PPNT	10,000
International Institute of Rhode Island	35,000
Providence After School Alliance	50,000
Community MusicWorks	25,000
UCAP - Urban Accelerated Collaborative Program	2,500
Providence Animal Rescue League	5,000
Foundations Literacy and Leadership Programs	2,500
TOTAL	$ 369,000

Form **8868** (Rev. January 2012) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

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

OMB No. 1545-1709

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

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

Electronic filing *(e-file)*. You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* 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	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
File by the due date for filing your return See instructions	THE PARTNERSHIP FOUNDATION C/O JAMES F.P. WAGLEY	[X] 75-2796975
	Number, street, and room or suite no. If a P.O. box, see instructions. 6031 WOODLAND DRIVE	Social security number (SSN) [ ]
	City, town or post office, state, and ZIP code. For a foreign address, see instructions DALLAS, TX 75225-2834	

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-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

- The books are in the care of ▶ JAMES F.P. WAGLEY 6031 WOODLAND DRIVE - DALLAS, TX 75225-2834
  Telephone No. ▶ 214-346-1805 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2012 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] 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**	$ 0.
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**	$ 0.
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**	$ 2,000.

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

Mailed 8-13-12

RJC Filed

- 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 THE PARTNERSHIP FOUNDATION C/O JAMES F.P. WAGLEY	Employer identification number (EIN) or [X] 75-2796975
	Number, street, and room or suite no. If a P.O. box, see instructions. 6031 WOODLAND DRIVE	Social security number (SSN) [ ]
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. DALLAS, TX 75225-2834	

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.

- The books are in the care of ▶ JAMES F.P. WAGLEY 6031 WOODLAND DRIVE - DALLAS, TX 75225-2834

Telephone No. ▶ 214-346-1805 FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______. If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

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

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

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

7 State in detail why you need the extension
AWAITING ADDITIONAL INFORMATION IN ORDER TO FILE AN ACCURATE 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**	$ 3,178.
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 and any amount paid previously with Form 8868.	**8b**	$ 4,457.
c	**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 ▶ Title ▶ CPA Date ▶ 7/13/12

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01-06-12