



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



**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.

For calendar year 2011 or tax year beginning 07/01, 2011, and ending 06/30, 2012

Name of foundation  
HUGH M. HEFNER FOUNDATION 23-19173

Number and street (or P.O. box number if mail is not delivered to street address) Room/suite  
10236 CHARING CROSS ROAD

City or town, state, and ZIP code  
LOS ANGELES, CA 90024-1815

**A** Employer identification number  
36-6108843

**B** Telephone number (see instructions)  
(310) 860-4269

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

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

**I** Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 1,105,796.

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

**C** If exemption application is pending, check here

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

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

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

<b>Part I Analysis of Revenue and Expenses</b> (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>1</b>	Contributions, gifts, grants, etc., received (attach schedule)	240,386.			
<b>2</b>	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
<b>3</b>	Interest on savings and temporary cash investments				
<b>4</b>	Dividends and interest from securities	28,008.	28,008.		STMT 1
<b>5a</b>	Gross rents				
<b>b</b>	Net rental income or (loss)				
<b>6a</b>	Net gain or (loss) from sale of assets not on line 10	38,399.			
<b>b</b>	Gross sales price for all assets on line 6a	533,158.			
<b>7</b>	Capital gain net income (from Part IV, line 2)		38,399.		
<b>8</b>	Net short-term capital gain				
<b>9</b>	Income modifications				
<b>10a</b>	Gross sales less returns and allowances				
<b>b</b>	Less Cost of goods sold				
<b>c</b>	Gross profit or (loss) (attach schedule)				
<b>11</b>	Other income (attach schedule)				
<b>12</b>	<b>Total.</b> Add lines 1 through 11	306,793.	66,407.		
<b>13</b>	Compensation of officers, directors, trustees, etc.	13,800.			13,800.
<b>14</b>	Other employee salaries and wages		NONE	NONE	
<b>15</b>	Pension plans, employee benefits		NONE	NONE	
<b>16a</b>	Legal fees (attach schedule)				
<b>b</b>	Accounting fees (attach schedule) STMT 2	2,000.	1,000.	NONE	1,000.
<b>c</b>	Other professional fees (attach schedule) STMT 3	5,684.	5,684.		
<b>17</b>	Interest				
<b>18</b>	Taxes (attach schedule) (see instructions) STMT 4	371.	371.		
<b>19</b>	Depreciation (attach schedule) and depletion				
<b>20</b>	Occupancy				
<b>21</b>	Travel, conferences, and meetings	12,712.	NONE	NONE	12,712.
<b>22</b>	Printing and publications		NONE	NONE	
<b>23</b>	Other expenses (attach schedule) STMT 5	46,959.			46,959.
<b>24</b>	<b>Total operating and administrative expenses.</b> Add lines 13 through 23	81,526.	7,055.	NONE	74,471.
<b>25</b>	Contributions, gifts, grants paid	102,494.			102,494.
<b>26</b>	<b>Total expenses and disbursements</b> Add lines 24 and 25	184,020.	7,055.	NONE	176,965.
<b>27</b>	Subtract line 26 from line 12.				
<b>a</b>	Excess of revenue over expenses and disbursements	122,773.			
<b>b</b>	Net investment income (if negative, enter -0-)		59,352.		
<b>c</b>	Adjusted net income (if negative, enter -0-)				

SCANNED MAY 23 2013  
 Operating and Administrative Expenses

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing . . . . .			
	2	Savings and temporary cash investments . . . . .	35,650.	68,033.	68,033.
	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 (attach schedule) (see instructions) . . . . .			
	7	Other notes and loans receivable (attach schedule) ▶ Less: allowance for doubtful accounts ▶			NONE
	8	Inventories for sale or use . . . . .			
	9	Prepaid expenses and deferred charges . . . . .			
	10 a	Investments - U S and state government obligations (attach schedule), . . . . .			
	b	Investments - corporate stock (attach schedule) . STMT 6 . . . . .	435,243.	462,427.	498,613.
	c	Investments - corporate bonds (attach schedule) . STMT 7 . . . . .	386,746.	422,417.	432,331.
	11	Investments - land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans . . . . .			
	13	Investments - other (attach schedule) . . . . . STMT 8 . . . . .	73,661.	91,312.	106,819.
	14	Land, buildings, and equipment: basis Less: accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶ . . . . .)				
16	<b>Total assets</b> (to be completed by all filers - see the instructions Also, see page 1, item I) . . . . .	931,300.	1,044,189.	1,105,796.	
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 (attach schedule) . . . . .			
	22	Other liabilities (describe ▶ . . . . .)			
23	<b>Total liabilities</b> (add lines 17 through 22) . . . . .				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted . . . . .			
	25	Temporarily restricted . . . . .			
	26	Permanently restricted . . . . .			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds . . . . .	931,300.	1,044,189.	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund . . . . .			
	29	Retained earnings, accumulated income, endowment, or other funds . . . . .			
30	<b>Total net assets or fund balances</b> (see instructions) . . . . .	931,300.	1,044,189.		
31	<b>Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	931,300.	1,044,189.		

**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	931,300.
2	Enter amount from Part I, line 27a . . . . .	2	122,773.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3 . . . . .	4	1,054,073.
5	Decreases not included in line 2 (itemize) ▶ SEE STATEMENT 9	5	9,884.
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5) - Part II, column (b), line 30 . . . . .	6	1,044,189.

**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.)
<b>1a PUBLICLY TRADED SECURITIES</b>						
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a 518,323.		494,635.	23,688.			
b						
c						
d						
e						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69						(l) Gains (Col. (h) gain minus col (k), but not less than -0- or Losses (from col (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any				
a			23,688.			
b						
c						
d						
e						
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }				2	38,399.	
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) (see instructions). If (loss), enter -0- in Part I, line 8				3		

**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 the 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	94,110.	985,955.	0.095451
2009	141,379.	851,872.	0.165963
2008	135,386.	871,683.	0.155316
2007	226,949.	1,204,880.	0.188358
2006	215,265.	1,253,675.	0.171707
<b>2</b> Total of line 1, column (d)			2 0.776795
<b>3</b> 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 0.155359
<b>4</b> Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 1,078,182.
<b>5</b> Multiply line 4 by line 3			5 167,505.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)			6 594.
<b>7</b> Add lines 5 and 6			7 168,099.
<b>8</b> Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 176,965.

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

Table with 11 rows for excise tax calculation. Includes categories like 'Exempt operating foundations', 'Domestic foundations', and 'Tax based on investment income'. Total tax due is 502, with 502 refunded.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include question number, 'Yes', and 'No'. Questions cover political activities, unrelated business income, and state reporting requirements.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) . . . . . 11 X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) . . . . . 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? . . . . . 13 X
Website address hmfoundation.org
14 The books are in care of SEE STATEMENT 10 Telephone no.
Located at ZIP + 4
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here . . . . . 15
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 Yes No 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.

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 X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . . Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . . Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . . X 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 X 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 X 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 X No
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions) . . . . . 2b X
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 X No
b If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.) . . . . . 3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? . . . . . 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? . . . . . 4b X

**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)  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)?  Yes  No  
 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?  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?  Yes  No  
 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?  Yes  No

**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 (see instructions).

(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 11		13,800.	-0-	-0-

**2** Compensation of five highest-paid employees (other than those included on line 1 - see instructions). 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		NONE	NONE	NONE

Total number of other employees paid over \$50,000  NONE

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

**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

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

**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 NONE	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments (see instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments. See instructions.	
3 NONE	
<b>Total. Add lines 1 through 3</b> . . . . . ▶	

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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	1,094,601.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	NONE
<b>c</b>	Fair market value of all other assets (see instructions)	<b>1c</b>	NONE
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	1,094,601.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	NONE
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	1,094,601.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	16,419.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	1,078,182.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	53,909.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	53,909.
<b>2a</b>	Tax on investment income for 2011 from Part VI, line 5	<b>2a</b>	594.
<b>b</b>	Income tax for 2011. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	594.
<b>3</b>	Distributable amount before adjustments Subtract line 2c from line 1	<b>3</b>	53,315.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	NONE
<b>5</b>	Add lines 3 and 4	<b>5</b>	53,315.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	NONE
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	53,315.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	176,965.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	NONE
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	NONE
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	NONE
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	176,965.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	<b>5</b>	594.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	176,371.

**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 . . . . .				53,315.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only . . . . .			NONE	
b Total for prior years 20 <u>09</u> , 20 <u>  </u> , 20 <u>  </u> . . . . .		NONE		
3 Excess distributions carryover, if any, to 2011:				
a From 2006 . . . . .	150,220.			
b From 2007 . . . . .	163,401.			
c From 2008 . . . . .	92,303.			
d From 2009 . . . . .	100,404.			
e From 2010 . . . . .	45,792.			
f Total of lines 3a through e . . . . .	552,120.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$ <u>176,965.</u>				
a Applied to 2010, but not more than line 2a . . . . .			NONE	
b Applied to undistributed income of prior years (Election required - see instructions) . . . . .		NONE		
c Treated as distributions out of corpus (Election required - see instructions) . . . . .	NONE			
d Applied to 2011 distributable amount . . . . .				53,315.
e Remaining amount distributed out of corpus . . . . .	123,650.			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	675,770.			
b Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		NONE		
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 . . . . .		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions . . . . .		NONE		
e Undistributed income for 2010 Subtract line 4a from line 2a. Taxable amount - see instructions . . . . .			NONE	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012 . . . . .				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .	NONE			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions) . . . . .	150,220.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a . . . . .	525,550.			
10 Analysis of line 9:				
a Excess from 2007 . . . . .	163,401.			
b Excess from 2008 . . . . .	92,303.			
c Excess from 2009 . . . . .	100,404.			
d Excess from 2010 . . . . .	45,792.			
e Excess from 2011 . . . . .	123,650.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

NOT APPLICABLE

1a 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)

Table with 5 main rows (2a-e) and 5 columns: (a) 2011, (b) 2010, (c) 2009, (d) 2008, (e) Total. Rows include 2a (Adjusted net income), 2b (85% of line 2a), 2c (Qualifying distributions from Part XII), 2d (Amounts included in line 2c not used directly for active conduct of exempt activities), 2e (Qualifying distributions made directly for active conduct of exempt activities), 3 (Alternative tests: a Assets, b Endowment, c Support).

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).)

HUGH M. HEFNER

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.

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

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

a The name, address, and telephone number of the person to whom applications should be addressed: SEE STATEMENT 13

b The form in which applications should be submitted and information and materials they should include: SEE ATTACHED STATEMENT FOR LINE 2

c Any submission deadlines: SEE ATTACHED STATEMENT FOR LINE 2

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: SEE ATTACHED STATEMENT FOR LINE 2

**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
<p><b>a Paid during the year</b></p> <p>SEE STATEMENT 17</p>				
<b>Total</b> . . . . . ▶ <b>3a</b>				102,494.
<p><b>b Approved for future payment</b></p>				
<b>Total</b> . . . . . ▶ <b>3b</b>				



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

- 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... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash (2) Other assets b Other transactions: (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

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.

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer or trustee: MICHAEL R. WHALEN Date: 4/25/2013 Title: Secretary/Director

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

Paid Preparer Use Only Print/Type preparer's name: WILLIAM BRADLEY Preparer's signature: [Signature] Date: 4-10-13 Check [ ] if self-employed PTIN: P01292951 Firm's name: THE NORTHERN TRUST COMPANY Firm's EIN: 36-1561860 Firm's address: P.O. BOX 803878 CHICAGO, IL 60680 Phone no.

# Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

**2011**

Name of the organization

Employer identification number

HUGH M. HEFNER FOUNDATION 23-19173

36-6108843

Organization type (check one).

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

### General Rule

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

### Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ▶ \$ \_\_\_\_\_

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

Name of organization <b>HUGH M. HEFNER FOUNDATION 23-19173</b>	Employer identification number <b>36-6108843</b>
---	---

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	HUGH HEFNER ----- 10236 CHARING CROSS ROAD ----- LOS ANGELES, CA 90024-1815 -----	\$ 240,386.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
DIVIDENDS ETC.	28,008.	28,008.
	-----	-----
TOTAL	28,008.	28,008.
	=====	=====

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
TAX PREPARATION	2,000.	1,000.		1,000.
TOTALS	2,000.	1,000.	NONE	1,000.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT FEES	5,684.	5,684.
TOTALS	5,684.	5,684.

FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FOREIGN	371.	371.
TOTALS	371.	371.

TOTALS

FORM 990PF, PART I - OTHER EXPENSES

=====

REVENUE  
AND  
EXPENSES  
PER BOOKS  
-----

CHARITABLE  
PURPOSES  
-----

DESCRIPTION  
-----

ATTORNEY GENERAL	15.	15.
WEBSITE DESIGN, ETC.	1,150.	1,150.
SECRETARY OF STATE FEE, ETC.	72.	72.
PUBLIC RELATIONS	15,781.	15,781.
OTHER	3,315.	3,315.
ADMINISTRATIVE	26,626.	26,626.

TOTALS

-----  
46,959.  
=====

-----  
46,959.  
=====

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SCHEDULE ATTACHED	462,427.	498,613.
TOTALS	462,427.	498,613.

=====

FORM 990PF, PART II - CORPORATE BONDS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SCHEDULE ATTACHED	422,417.	432,331.
TOTALS	422,417.	432,331.

=====

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION -----	COST/ FMV C OR F -----	ENDING BOOK VALUE -----	ENDING FMV ---
TOTALS		91,312.	106,819.

-----

91,312.

-----

106,819.

-----

91,312.

-----

106,819.

=====

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

=====

DESCRIPTION

AMOUNT

-----

-----

TAX COST ET. ADJ.

9,884.

-----

TOTAL

9,884.

=====

FORM 990PF, PART VII-A, LINE 14 - BOOKS ARE IN THE CARE OF  
=====

NAME: MICHAEL R. WHALEN, ESQ.  
DAVIS & WHALEN PC  
ADDRESS: 531 SOUTH MARENGO AVENUE  
PASADENA, CA 91101-3114  
  
TELEPHONE NUMBER: (626) 765-9343

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

OFFICER NAME:

HUGH M. HEFNER

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024

TITLE:

PRES & DIR

OFFICER NAME:

CHRISTIE HEFNER

ADDRESS:

628 N. LAKE SHORE DRIVE  
CHICAGO, IL 60654

TITLE:

DIRECTOR

OFFICER NAME:

RICHARD S. ROSENZWEIG

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024

TITLE:

VICE PRES & DIR

OFFICER NAME:

MICHAEL R. WHALEN ESQ.

ADDRESS:

531 SOUTH MARENGO AVE  
PASADENA, CA 91101

TITLE:

SEC & DIR

COMPENSATION .....

13,800.

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

OFFICER NAME:

MARY O'CONNOR

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024

TITLE:

DIRECTOR

OFFICER NAME:

GARY ISKOWITZ

ADDRESS:

1801 CENTURY PARK EAST, SUITE 1010  
LOS ANGELES, CA 90067-2340

TITLE:

TREAS & DIR

OFFICER NAME:

ANTHONY M. GLASSMAN ESQ.

ADDRESS:

360 NORTH BEDFORD DRIVE  
BEVERLY HILLS, CA 90210

TITLE:

DIRECTOR

TOTAL COMPENSATION:

13,800.

=====

RECIPIENT NAME:

HUGH HEFNER

FORM, INFORMATION AND MATERIALS:

BY LETTER

SUBMISSION DEADLINES:

NONE

RESTRICTIONS OR LIMITATIONS ON AWARDS:

NONE

=====

RECIPIENT NAME:

CHILDREN OF THE NIGHT

ADDRESS:

\*

VAN NUYS, CA

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC

AMOUNT OF GRANT PAID ..... 16,000.

RECIPIENT NAME:

ACLU FOUNDATION

ADDRESS:

\*

LOS ANGELES, CA

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC

AMOUNT OF GRANT PAID ..... 11,000.

RECIPIENT NAME:

KINSEY INSTITUTE

ADDRESS:

\*

BLOOMINGTON, IN

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC

AMOUNT OF GRANT PAID ..... 7,500.

=====

RECIPIENT NAME:  
WATER EDUCATION  
FOUNDATION

ADDRESS:

\*

SACRAMENTO, CA

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC

AMOUNT OF GRANT PAID ..... 2,500.

RECIPIENT NAME:  
ARTIST TRIBE FOUNDATION

ADDRESS:

\*

TOPANGA, CA

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC

AMOUNT OF GRANT PAID ..... 3,324.

RECIPIENT NAME:  
SOMERSET FOUNDATION

ADDRESS:

\*

SANTA MONICA, CA

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC

AMOUNT OF GRANT PAID ..... 37,170.

RECIPIENT NAME:

ZACHARY KOPPLIN - HUGH M.  
HEFNER FIRST AMENDMENT AWARD

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024-1815

RELATIONSHIP:

SEE ATTACHED DESCRIPTION

AMOUNT OF GRANT PAID ..... 5,000.

RECIPIENT NAME:

REBECCA MACKINNON- HUGH M.  
HEFNER FIRST AMENDMENT AWARD

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA

RELATIONSHIP:

SEE ATTACHED EXPLANATION

AMOUNT OF GRANT PAID ..... 5,000.

RECIPIENT NAME:

THOMAS DRAKE - HUGH M.  
HEFNER FIRST AMENDMENT AWARD

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024-1815

RELATIONSHIP:

SEE ATTACHED EXPLANATION

AMOUNT OF GRANT PAID ..... 2,500.

RECIPIENT NAME:

JESSELYN RADACK - HUGH M.  
HEFNER FIRST AMENDMENT AWARD

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024-1815

RELATIONSHIP:

SEE ATTACHED EXPLANATION

AMOUNT OF GRANT PAID ..... 2,500.

=====

RECIPIENT NAME:

STANLEY SHEINBAUM - HUGH M.  
HEFNER FIRST AMENDMENT AWARD

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024-1815

RELATIONSHIP:

SEE ATTACHED EXPLANATION

AMOUNT OF GRANT PAID ..... 5,000.

RECIPIENT NAME:

NAT'L LABOR DAY ORG. NETWORK - HUGH  
M. HEFNER FIRST AMENDMENT AWARD

ADDRESS:

10236 CHARING CROSS ROAD  
LOS ANGELES, CA 90024-1815

RELATIONSHIP:

SEE ATTACHED EXPLANATION

AMOUNT OF GRANT PAID ..... 5,000.

TOTAL GRANTS PAID:

102,494.

=====

FEDERAL FOOTNOTES

=====

FIRST MADE IN 1980, THE HUGH M. HEFNER FIRST AMENDMENT AWARD IS GRANTED PERIODICALLY TO INDIVIDUALS AND INSTITUTIONS IN RECOGNITION OF PAST CONTRIBUTIONS TO THE PROTECTION AND ENHANCEMENT OF RIGHTS UNDER THE FIRST AMENDMENT TO THE U.S. CONSTITUTION. FOR MORE INFORMATION REGARDING THE SELECTION PROCESS AND THE SPECIFIC ACHIEVEMENTS OF GRANT RECIPIENTS, PLEASE VISIT [HTTP://HMFFOUNDATION.ORG](http://hmfoundation.org). FIVE INDIVIDUALS AND ONE INSTITUTION EACH RECEIVED GRANTS (RANGING FROM \$2,500 TO \$5,000) DURING THE PERIOD FROM JULY1, 2011 THROUGH JUNE 30, 2012.

**SCHEDULE D  
(Form 1041)**

Department of the Treasury  
Internal Revenue Service

**Capital Gains and Losses**

▶ Attach to Form 1041, Form 5227, or Form 990-T. See the instructions for Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

**2011**

Name of estate or trust

HUGH M. HEFNER FOUNDATION 23-19173

Employer identification number

36-6108843

Note: Form 5227 filers need to complete only Parts I and II.

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b . . . . .	<b>1b</b>	-1,545.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824 . . . . .	<b>2</b>	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>3</b>	
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2010 Capital Loss Carryover Worksheet . . . . .	<b>4</b>	( )
5 <b>Net short-term gain or (loss).</b> Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back . . . . . ▶	<b>5</b>	-1,545.

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS					14,711.

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b . . . . .	<b>6b</b>	25,233.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824 . . . . .	<b>7</b>	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts . . . . .	<b>8</b>	
9 Capital gain distributions . . . . .	<b>9</b>	
10 Gain from Form 4797, Part I . . . . .	<b>10</b>	
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2010 Capital Loss Carryover Worksheet . . . . .	<b>11</b>	( )
12 <b>Net long-term gain or (loss).</b> Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back . . . . . ▶	<b>12</b>	39,944.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2011

<b>Part III Summary of Parts I and II</b>		(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
<b>Caution: Read the instructions before completing this part.</b>				
<b>13</b>	<b>Net short-term gain or (loss)</b> . . . . .	<b>13</b>		-1,545.
<b>14</b>	<b>Net long-term gain or (loss):</b>			
a	Total for year . . . . .	<b>14a</b>		39,944.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.) . . . . .	<b>14b</b>		
c	28% rate gain . . . . .	<b>14c</b>		4,668.
<b>15</b>	<b>Total net gain or (loss).</b> Combine lines 13 and 14a . . . . . ▶	<b>15</b>		38,399.

**Note:** If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary

**Part IV Capital Loss Limitation**

<b>16</b>	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of: a The loss on line 15, column (3) or b \$3,000 . . . . .	<b>16</b>	( )
-----------	---	-----------	-----

**Note:** If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** in the instructions to figure your capital loss carryover

**Part V Tax Computation Using Maximum Capital Gains Rates**

**Form 1041 filers.** Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

**Caution:** Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

**Form 990-T trusts.** Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

<b>17</b>	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34) . . . . .	<b>17</b>		
<b>18</b>	Enter the smaller of line 14a or 15 in column (2) but not less than zero . . . . .	<b>18</b>		
<b>19</b>	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T) . . . . .	<b>19</b>		
<b>20</b>	Add lines 18 and 19 . . . . .	<b>20</b>		
<b>21</b>	If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0- . . . ▶	<b>21</b>		
<b>22</b>	Subtract line 21 from line 20. If zero or less, enter -0- . . . . .	<b>22</b>		
<b>23</b>	Subtract line 22 from line 17. If zero or less, enter -0- . . . . .	<b>23</b>		
<b>24</b>	Enter the smaller of the amount on line 17 or \$2,300 . . . . .	<b>24</b>		
<b>25</b>	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box. <input type="checkbox"/> No. Enter the amount from line 23 . . . . .	<b>25</b>		
<b>26</b>	Subtract line 25 from line 24 . . . . .	<b>26</b>		
<b>27</b>	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22 . . . . .	<b>27</b>		
<b>28</b>	Enter the amount from line 26 (If line 26 is blank, enter -0-) . . . . .	<b>28</b>		
<b>29</b>	Subtract line 28 from line 27 . . . . .	<b>29</b>		
<b>30</b>	Multiply line 29 by 15% (.15) . . . . .	<b>30</b>		
<b>31</b>	Figure the tax on the amount on line 23. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	<b>31</b>		
<b>32</b>	Add lines 30 and 31 . . . . .	<b>32</b>		
<b>33</b>	Figure the tax on the amount on line 17. Use the 2011 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041) . . . . .	<b>33</b>		
<b>34</b>	<b>Tax on all taxable income.</b> Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36) . . . . .	<b>34</b>		

Continuation Sheet for Schedule D  
(Form 1041)

2011

Department of the Treasury  
Internal Revenue Service

▶ See instructions for Schedule D (Form 1041).  
▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

Name of estate or trust: HUGH M. HEFNER FOUNDATION 23-19173  
Employer identification number: 36-6108843

**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a 45. MFC ISHARES TR BARCLAY PROTECTED SECS FD	01/05/2011	10/06/2011	5,184.00	4,898.00	286.00
3.96591 MFB NORTHN MID CAP	03/05/2012	05/18/2012	48.00	51.00	-3.00
18.03409 MFB NORTHN MID CA FD	03/05/2012	05/18/2012	217.00	232.00	-15.00 *
30. MFB NORTHN MID CAP IND	03/05/2012	06/01/2012	357.00	401.00	-44.00
60. MFB NORTHN MULTIMGR SM	06/30/2011	10/05/2011	529.00	656.00	-127.00
45. MFB NORTHN MULTIMGR SM	06/30/2011	10/14/2011	428.00	492.00	-64.00
625. MFB NORTHN MULTIMGR S	06/30/2011	11/07/2011	6,194.00	6,838.00	-644.00
255. MFB NORTHN MULTIMGR S	06/30/2011	12/23/2011	2,254.00	2,790.00	-536.00
90. MFB NORTHN MULTIMGR SM	06/30/2011	01/09/2012	797.00	985.00	-188.00
95. MFB NORTHN MULTIMGR SM	06/30/2011	01/09/2012	842.00	1,039.00	-197.00
70. MFB NORTHN MULTIMGR SM	06/30/2011	02/23/2012	684.00	766.00	-82.00
430. MFB NORTHN MULTIMGR S	06/30/2011	03/05/2012	4,094.00	4,704.00	-610.00
45. MFB NORTHN MULTIMGR SM	06/30/2011	05/18/2012	398.00	492.00	-94.00 *
34.07944 MFB NORTHN MULTIM FD	06/30/2011	06/01/2012	296.00	392.00	-96.00
28.92056 MFB NORTHN MULTIM FD	06/30/2011	06/01/2012	252.00	323.00	-71.00 *
87.32 MFB NORTHN MULTIMGR	12/30/2011	03/05/2012	1,058.00	954.00	104.00
12. MFB NORTHN MULTIMGR MI	05/08/2012	05/18/2012	134.00	143.00	-9.00
.07 MFB NORTHN MULTIMGR MI	05/08/2012	06/01/2012	1.00	1.00	
16.93 MFB NORTHN MULTIMGR	12/30/2011	06/01/2012	186.00	185.00	1.00
51. MFB NORTHN FUNDS EMERG EQTY EQTY INDEX FD	03/05/2012	05/18/2012	518.00	607.00	-89.00 *
37.24913 MFB NORTHN FUNDS MKTS EQTY EQTY INDEX FD	03/05/2012	06/01/2012	372.00	463.00	-91.00 *
30.75087 MFB NORTHN FUNDS MKTS EQTY EQTY INDEX FD	03/05/2012	06/01/2012	308.00	396.00	-88.00
2538.23 MFB NORTHN HI YIEL	12/30/2011	03/05/2012	18,605.00	17,865.00	740.00
49. MFB NORTHN FDS SMALL C	03/05/2012	05/18/2012	405.00	434.00	-29.00 *

1b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 1b . . . . .



Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

HUGH M. HEFNER FOUNDATION 23-19173

36-6108843

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 sh. 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 43. MFC ISHARES TR BARCLAY PROTECTED SECS FD	05/19/2010	09/23/2011	4,944.00	4,580.00	364.00
4. MFC ISHARES TR BARCLAYS PROTECTED SECS FD	05/19/2010	09/29/2011	459.00	426.00	33.00
338. MFC ISHARES TR BARCLA FD PROTECTED SECS FD	05/19/2010	10/06/2011	38,937.00	35,997.00	2,940.00
105. MFB NORTHN INTL EQTY	05/19/2010	10/05/2011	928.00	931.00	-3.00
85. MFB NORTHN INTL EQTY I	05/19/2010	10/14/2011	819.00	754.00	65.00
1415. MFB NORTHN INTL EQTY	05/19/2010	11/07/2011	13,598.00	12,551.00	1,047.00
165. MFB NORTHN INTL EQTY	05/19/2010	01/09/2012	1,477.00	1,464.00	13.00
150. MFB NORTHN INTL EQTY	05/19/2010	01/09/2012	1,343.00	1,331.00	12.00
115. MFB NORTHN INTL EQTY	02/22/2011	02/23/2012	1,145.00	1,259.00	-114.00 *
160. MFB NORTHN INTL EQTY	02/22/2011	05/18/2012	1,400.00	1,752.00	-352.00 *
206.00051 MFB NORTHN INTL FD	03/05/2011	06/01/2012	1,741.00	2,354.00	-613.00 *
5.99949 MFB NORTHN INTL EQ	03/05/2011	06/01/2012	51.00	65.00	-14.00
35. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	05/27/2009	10/05/2011	527.00	447.00	80.00
20. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	05/27/2009	10/14/2011	328.00	256.00	72.00
25. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	11/05/2010	11/07/2011	428.00	494.00	-66.00
95. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	12/01/2010	12/23/2011	1,471.00	1,879.00	-408.00
65. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	12/01/2010	01/09/2012	999.00	1,206.00	-207.00
60. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	12/01/2010	01/09/2012	922.00	1,113.00	-191.00
29.9549 MFB NORTHN FDS MUL GLOBAL REALESTATE FD	12/21/2010	02/23/2012	513.00	529.00	-16.00 *
15.0451 MFB NORTHN FDS MUL GLOBAL REALESTATE FD	12/21/2010	02/23/2012	258.00	262.00	-4.00
43. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	01/01/2011	05/18/2012	697.00	758.00	-61.00 *
57. MFB NORTHN FDS MULTI-M GLOBAL REALESTATE FD	01/01/2011	06/01/2012	919.00	1,052.00	-133.00 *
75. MFB NORTHN FDS MULTI-M EMERGING MKTS EQTY FD	05/27/2009	10/05/2011	1,328.00	1,182.00	146.00
60. MFB NORTHN FDS MULTI-M EMERGING MKTS EQTY FD	05/27/2009	10/14/2011	1,168.00	946.00	222.00
280. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	11/05/2010	11/07/2011	5,684.00	6,765.00	-1,081.00

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . .

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

HUGH M. HEFNER FOUNDATION 23-19173

36-6108843

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 505. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	12/01/2010	12/23/2011	8,272.00	12,196.00	-3,924.00
135. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	12/01/2010	01/09/2012	2,229.00	3,260.00	-1,031.00
135. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	12/01/2010	01/09/2012	2,229.00	3,260.00	-1,031.00
105. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	12/01/2010	02/23/2012	1,970.00	2,536.00	-566.00
1130. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	01/05/2011	03/05/2012	21,289.00	23,083.00	-1,794.00
59. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	05/27/2009	05/18/2012	960.00	930.00	30.00
79. MFB NORTHN FDS MULTI-EMERGING MKTS EQTY FD	05/27/2009	06/01/2012	1,266.00	1,245.00	21.00
215. MFB NORTHERN FUNDS MU LARGE CAP FD	05/19/2010	10/05/2011	1,765.00	1,677.00	88.00
165. MFB NORTHERN FUNDS MU LARGE CAP FD	05/19/2010	10/14/2011	1,459.00	1,287.00	172.00
300. MFB NORTHERN FUNDS MU LARGE CAP FD	11/05/2010	12/23/2011	2,622.00	2,643.00	-21.00
435. MFB NORTHERN FUNDS MU LARGE CAP FD	01/05/2011	01/09/2012	3,867.00	3,901.00	-34.00
440. MFB NORTHERN FUNDS MU LARGE CAP FD	12/01/2010	01/09/2012	3,912.00	3,857.00	55.00
320. MFB NORTHERN FUNDS MU LARGE CAP FD	12/01/2010	02/23/2012	3,069.00	2,794.00	275.00
3085. MFB NORTHERN FUNDS MU LARGE CAP FD	12/01/2010	03/05/2012	29,709.00	24,472.00	5,237.00
75. MFB NORTHERN FUNDS MU LARGE CAP FD	05/19/2010	05/08/2012	714.00	585.00	129.00
185. MFB NORTHERN FUNDS MU LARGE CAP FD	05/19/2010	05/18/2012	1,659.00	1,443.00	216.00
255. MFB NORTHERN FUNDS MU LARGE CAP FD	05/19/2010	06/01/2012	2,257.00	1,989.00	268.00
2205. MFB NORTHERN FUNDS B	05/19/2010	09/23/2011	24,233.00	23,263.00	970.00
485. MFB NORTHERN FUNDS BD	05/19/2010	10/05/2011	5,301.00	5,117.00	184.00
360. MFB NORTHERN FUNDS BD	05/19/2010	10/14/2011	3,902.00	3,798.00	104.00
60. MFB NORTHERN FUNDS BD	05/19/2010	12/23/2011	650.00	633.00	17.00
1025. MFB NORTHERN FUNDS B	05/19/2010	01/09/2012	11,173.00	10,814.00	359.00
1055. MFB NORTHERN FUNDS B	05/19/2010	01/09/2012	11,500.00	11,130.00	370.00
770. MFB NORTHERN FUNDS BD	05/19/2010	02/23/2012	8,416.00	8,124.00	292.00
2358. MFB NORTHERN FUNDS B	05/19/2010	05/08/2012	25,914.00	24,877.00	1,037.00

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . .

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

HUGH M. HEFNER FOUNDATION 23-19173

36-6108843

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 562. MFB NORTHERN FUNDS BD	05/19/2010	05/18/2012	6,182.00	5,929.00	253.00
776. MFB NORTHERN FUNDS BD	05/19/2010	06/01/2012	8,590.00	8,187.00	403.00
175. MFB NORTHN MULTI-MANA EQTY FD FD	05/27/2009	10/05/2011	1,414.00	1,327.00	87.00
135. MFB NORTHN MULTI-MANA EQTY FD FD	05/27/2009	10/14/2011	1,187.00	1,023.00	164.00
2175. MFB NORTHN MULTI-MAN EQTY FD FD	11/05/2010	11/07/2011	19,423.00	18,177.00	1,246.00
265. MFB NORTHN MULTI-MANA EQTY FD FD	05/27/2009	01/09/2012	2,215.00	2,009.00	206.00
245. MFB NORTHN MULTI-MANA EQTY FD FD	05/27/2009	01/09/2012	2,048.00	1,857.00	191.00
190. MFB NORTHN MULTI-MANA EQTY FD FD	02/22/2011	02/23/2012	1,769.00	1,908.00	-139.00
960. MFB NORTHN MULTI-MANA EQTY FD FD	02/22/2011	03/05/2012	8,890.00	8,990.00	-100.00
139. MFB NORTHN MULTI-MANA EQTY FD FD	05/27/2009	05/18/2012	1,137.00	1,054.00	83.00
186. MFB NORTHN MULTI-MANA EQTY FD FD	05/27/2009	06/01/2012	1,481.00	1,410.00	71.00
50. MFB NORTHN MULTIMGR MI	04/26/2010	10/05/2011	509.00	541.00	-32.00
40. MFB NORTHN MULTIMGR MI	04/26/2010	10/14/2011	442.00	433.00	9.00
510. MFB NORTHN MULTIMGR M	11/05/2010	11/07/2011	5,921.00	5,571.00	350.00
55. MFB NORTHN MULTIMGR MI	12/01/2010	12/23/2011	606.00	619.00	-13.00
80. MFB NORTHN MULTIMGR MI	01/05/2011	01/09/2012	890.00	945.00	-55.00
80. MFB NORTHN MULTIMGR MI	01/05/2011	01/09/2012	890.00	941.00	-51.00
60. MFB NORTHN MULTIMGR MI	12/01/2010	02/23/2012	733.00	676.00	57.00
1577.68 MFB NORTHN MULTIMG	12/01/2010	03/05/2012	19,121.00	14,088.00	5,033.00
130. MFB NORTHN HI YIELD F	10/07/2009	10/05/2011	858.00	880.00	-22.00
100. MFB NORTHN HI YIELD F	10/07/2009	10/14/2011	682.00	677.00	5.00
265. MFB NORTHN HI YIELD F	11/05/2010	01/09/2012	1,879.00	1,972.00	-93.00
275. MFB NORTHN HI YIELD F	01/05/2011	01/09/2012	1,950.00	2,045.00	-95.00
183.08223 MFB NORTHN HI YI FD	01/05/2011	02/23/2012	1,336.00	1,329.00	7.00
16.91777 MFB NORTHN HI YIE FD	01/05/2011	02/23/2012	124.00	124.00	

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b . . . . .

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side

Employer identification number

HUGH M. HEFNER FOUNDATION 23-19173

36-6108843

**Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example: 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 5326.5 MFB NORTHN HI YIELD	01/16/2011	03/05/2012	39,043.00	34,949.00	4,094.00
190. MFB NORTHERN FDS STK	05/19/2010	10/05/2011	2,692.00	2,628.00	64.00
140. MFB NORTHERN FDS STK	05/19/2010	10/14/2011	2,125.00	1,936.00	189.00
385. MFB NORTHERN FDS STK	01/05/2011	01/09/2012	6,110.00	5,930.00	180.00
385. MFB NORTHERN FDS STK	12/01/2010	01/09/2012	6,110.00	5,843.00	267.00
280. MFB NORTHERN FDS STK	12/01/2010	02/23/2012	4,743.00	4,194.00	549.00
1090. MFB NORTHERN FDS STK	12/01/2010	03/05/2012	18,486.00	15,973.00	2,513.00
116. MFB NORTHERN FDS STK	05/19/2010	05/08/2012	1,964.00	1,604.00	360.00
194. MFB NORTHERN FDS STK	05/19/2010	05/18/2012	3,123.00	2,683.00	440.00
268. MFB NORTHERN FDS STK	05/19/2010	06/01/2012	4,261.00	3,706.00	555.00
50. PIMCO COMMODITY REALRE STRATEGY FUND	05/19/2010	10/05/2011	370.00	372.00	-2.00
35. PIMCO COMMODITY REALRE STRATEGY FUND	05/19/2010	10/14/2011	273.00	250.00	23.00
45. PIMCO COMMODITY REALRE STRATEGY FUND	11/05/2010	12/23/2011	333.00	414.00	-81.00
80. PIMCO COMMODITY REALRE STRATEGY FUND	11/05/2010	01/09/2012	535.00	735.00	-200.00
90. PIMCO COMMODITY REALRE STRATEGY FUND	12/02/2010	01/09/2012	602.00	813.00	-211.00
65. PIMCO COMMODITY REALRE STRATEGY FUND	12/02/2010	02/23/2012	461.00	578.00	-117.00 *
73. PIMCO COMMODITY REALRE STRATEGY FUND	12/13/2010	05/18/2012	474.00	643.00	-169.00 *
95. PIMCO COMMODITY REALRE STRATEGY FUND	12/13/2010	06/01/2012	579.00	825.00	-246.00 *
85. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	01/09/2012	856.00	915.00	-59.00
85. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	01/09/2012	856.00	915.00	-59.00
60. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	02/23/2012	655.00	646.00	9.00
45. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	03/05/2012	489.00	485.00	4.00
54. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	05/08/2012	575.00	582.00	-7.00
46. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	05/18/2012	473.00	495.00	-22.00
63. MFO PIMCO FDS EMERGING INSTLCL USD	12/02/2010	06/01/2012	630.00	679.00	-49.00
<b>6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b</b>					



# Foundation

30 JUN 12

Account number 2319173

Page 1 of 6

## ◆ Asset Detail - Base Currency

<u>Description / Asset ID</u>		Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Market	Unrealized gain/loss Translation	Total
<b>Equity Securities</b>								
<b>Equity funds</b>								
<b>Emerging Markets Region - USD</b>								
	MFB NORTN FDS MULTIMANAGER EMERGING MKTS EQTY FD CUSIP 665162483							
	2,763 210	17 08	0 00	47,195 62	44,738 63	2,456 99	0 00	2,456 99
<b>MFB NORTN FUNDS EMERGING MKTS EQTY INDEX FD CUSIP 665162582</b>								
	2,379 250	10 68	0 00	25,410 39	28,246 00	-2,835 61	0 00	-2,835 61
<b>Total USD</b>			0 00	72,606 01	72,984 63	-378 62	0 00	-378 62
<b>Total Emerging Markets Region</b>								
			0 00	72,606 01	72,984 63	-378 62	0 00	-378 62
<b>International Region - USD</b>								
	MFB NORTN INTL EQTY INDEX FD CUSIP 665130209							
	7,415 440	9 27	0 00	68,741 12	68,749 87	-8 75	0 00	-8 75
<b>MFB NORTN MULTIMANAGER INTL EQTY FD CUSIP 665162558</b>								
	6,472 120	8 54	0 00	55,271 90	-51,139 22	4,132 68	0 00	4,132 68
<b>Total USD</b>			0 00	124,013 02	119,889 09	4,123 93	0 00	4,123 93
<b>Total International Region</b>								
			0 00	124,013 02	119,889 09	4,123 93	0 00	4,123 93
<b>United States - USD</b>								
	MFB NORTN FDS MULTI MANAGER LARGE CAPFD CUSIP 665162517							
	8,897 880	9 30	0 00	82,750 28	73,037 89	9,712 39	0 00	9,712 39
<b>MFB NORTN FDS SMALL CAP INDEX FD CUSIP 665162723</b>								
	2,351 720	8 84	0 00	20,789 20	20,827 31	-38 11	0 00	-38 11

◆ Asset Detail - Base Currency

Description / Asset ID	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Market	Unrealized gain/loss Translation	Total
<b>Equity Securities</b>							
<b>Equity funds</b>							
<b>United States - USD</b>							
MFB NORTHERN FDS STK INDEX FD CUSIP 665162772							
9,328 470	16 89	0 00	157,524 07	134,357 75	23,166 32	0 00	23,166 32
MFB NORTHN MID CAP INDEX FD CUSIP 665130100							
1,049 380	12 52	0 00	13,138 23	13,525 42	-387 19	0 00	-387 19
MFB NORTHN MULT-MANAGER MID CAP FD CUSIP 665162574							
603 760	11 58	0 00	6,991 54	6,478 98	512 56	0 00	512 56
MFB NORTHN MULT-MANAGER SMALL CAP FD CUSIP 665162566							
2,194 150	9 48	0 00	20,800 54	21,325 93	-525 39	0 00	-525 39
Total USD		0 00	301,993 86	269,553 28	32,440 58	0 00	32,440 58
Total United States		0 00	301,993 86	269,553 28	32,440 58	0 00	32,440 58
Total Equity Funds		0 00	498,612.89	462,427.00	36,185.89	0 00	36,185.89
43,453.380		0 00	498,612.89	462,427.00	36,185.89	0 00	36,185.89
<b>Fixed Income Securities</b>							
<b>Corporate/government</b>							
<b>United States - USD</b>							
MFB NORTHERN FDS BD INDEX FD CUSIP 665162533							
27,027 600	11 01	0 00	297,573 87	288,965 12	8,608 75	0 00	8,608 75

# Foundation

Account number 2319173

30 JUN 12

Page 3 of 6

## ◆ Asset Detail - Base Currency

<u>Description / Asset ID</u>	<u>Exchange rate/</u> local market price	<u>Accrued</u> income/expense	<u>Market Value</u>	<u>Cost</u>	<u>Market</u>	<u>Unrealized gain/loss</u> Translation	<u>Total</u>
<b>Fixed Income Securities</b>							
<b>Corporate/government</b>							
<b>United States - USD</b>							
Issue Date 25 Aug 08							
MFO PIMCO FDS EMERGING LOCAL BD FD INSTLCL USD CUSIP 72201F516	10 51	0 00	23,263 04	23,413 49	-150 45	0 00	-150 45
Issue Date 29 Aug 08							
MFO PIMCO FDS PAC INVT MGMT SER HIGH YIELD FD INSTL CL CUSIP 693390841	9 28	0 00	62,287 73	62,635 85	-348 12	0 00	-348 12
Issue Date 29 Aug 08							
MFO VANGUARD FXD INC SECS FD INC INFLATION-PROTECTED SECS FD #119 CUSIP 922031669	14 60	0 00	49,206 38	47,402 13	1,804 25	0 00	1,804 25
Total USD		0 00	432,331 02	422,416 59	9,914 43	0 00	9,914 43
Total United States		0 00	432,331 02	422,416 59	9,914 43	0 00	9,914 43
<b>Total Corporate/Government</b>		<b>0 00</b>	<b>432,331.02</b>	<b>422,416 59</b>	<b>9,914 43</b>	<b>0 00</b>	<b>9,914.43</b>
<b>39,323.360</b>		<b>0 00</b>	<b>432,331.02</b>	<b>422,416.59</b>	<b>9,914.43</b>	<b>0 00</b>	<b>9,914.43</b>
<b>Total Fixed Income Securities</b>							
<b>39,323.360</b>		<b>0 00</b>	<b>432,331.02</b>	<b>422,416.59</b>	<b>9,914.43</b>	<b>0 00</b>	<b>9,914.43</b>
<b>Real Estate</b>							
<b>Real estate funds</b>							
<b>Global Region - USD</b>							

Real Estate

Real estate funds

Global Region - USD

Northern Trust

# Foundation

Account number 2319173

30 JUN 12

Page 4 of 6

## ◆ Asset Detail - Base Currency

Description / Asset ID	Investment Mgr ID	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Market	Unrealized gain/loss Translation	Total
<b>Real Estate</b>								
<b>Real estate funds</b>								
<b>Global Region - USD</b>								
MFB NORTHN FDS MULTIMANAGER GLOBAL REALESTATE FD CUSIP 665162475								
1,989,160		17.42	0.00	34,651.16	28,352.19	6,298.97	0.00	6,298.97
Total USD			0.00	34,651.16	28,352.19	6,298.97	0.00	6,298.97
Total Global Region			0.00	34,651.16	28,352.19	6,298.97	0.00	6,298.97
<b>Total Real Estate Funds</b>								
1,989,160			0.00	34,651.16	28,352.19	6,298.97	0.00	6,298.97
Total Real Estate			0.00	34,651.16	28,352.19	6,298.97	0.00	6,298.97

## Commodities

<b>Commodities</b>								
<b>Global Region - USD</b>								
MFC SPDR GOLD TR GOLD SHS CUSIP 78463V107								
328,000		155.19	0.00	50,902.32	40,625.84	10,276.48	0.00	10,276.48
Total USD			0.00	50,902.32	40,625.84	10,276.48	0.00	10,276.48
Total Global Region			0.00	50,902.32	40,625.84	10,276.48	0.00	10,276.48
<b>United States - USD</b>								
MFO PIMCO FDS PAC INVT MGMT SER COMMODITY REALRETURN STRATEGY FD INSTL CUSIP 722005667								
3,312,410		6.42	0.00	21,265.67	22,334.39	-1,068.72	0.00	-1,068.72
Total USD			0.00	21,265.67	22,334.39	-1,068.72	0.00	-1,068.72

## Northern Trust

\*Generated by Northern Trust from reviewed periodic data on 23 Oct 12 B003

◆ **Asset Detail - Base Currency**

<u>Description / Asset ID</u>	Exchange rate/ local market price	Accrued income/expense	Market Value	Cost	Market	Unrealized gain/loss Translation	Total
<b>Commodities</b>							
Total United States		0.00	21,265.67	22,334.39	-1,068.72	0.00	-1,068.72
<b>Total Commodities</b>		<b>0.00</b>	<b>72,167.99</b>	<b>62,960.23</b>	<b>9,207.76</b>	<b>0.00</b>	<b>9,207.76</b>
<b>Total Commodities</b>		<b>0.00</b>	<b>72,167.99</b>	<b>62,960.23</b>	<b>9,207.76</b>	<b>0.00</b>	<b>9,207.76</b>

**Cash and Short Term Investments**

<b>Short term</b>							
USD - United States dollar	1.00	0.57	58,966.88	58,966.88	0.00	0.00	0.00
<b>Total short term - all currencies</b>		<b>0.57</b>	<b>58,966.88</b>	<b>58,966.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total short term - all countries</b>		<b>0.57</b>	<b>58,966.88</b>	<b>58,966.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Short Term</b>		<b>0.57</b>	<b>58,966.88</b>	<b>58,966.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Cash and Short Term Investments</b>		<b>0.57</b>	<b>58,966.88</b>	<b>58,966.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>		<b>0.57</b>	<b>1,096,729.94</b>	<b>1,035,122.89</b>	<b>61,607.05</b>	<b>0.00</b>	<b>61,607.05</b>