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

2011

Department of the Treasury
Internal Revenue Service

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

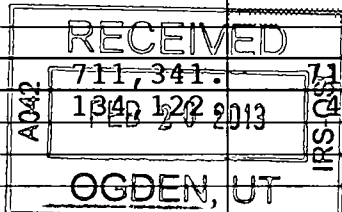
For calendar year 2011 or tax year beginning **OCT 1, 2011**, and ending **SEP 30, 2012**

Name of foundation JEPHSON EDUCATIONAL TRUST #2 P62441004		A Employer identification number 13-6777236
Number and street (or P O box number if mail is not delivered to street address) JPMORGAN CHASE BANK, NA 10 S DEARBORN	Room/suite 21 FL	B Telephone number (312) 732-1485
City or town, state, and ZIP code CHICAGO, IL 60603		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 10,779,148.	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

	Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	281,897.	281,897.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	429,444.			
	b Gross sales price for all assets on line 6a 2,979,988.				
	7 Capital gain net income (from Part IV, line 2)		429,444.		
	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	711,341.	711,341.		
	13 Compensation of officers, directors, trustees, etc				89,460.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees				
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 2	15,284.	2,736.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 3	2,380.	0.		2,380.
	24 Total operating and administrative expenses. Add lines 13 through 23	151,786.	47,398.		91,840.
	25 Contributions, gifts, grants paid	468,000.			468,000.
	26 Total expenses and disbursements. Add lines 24 and 25	619,786.	47,398.		559,840.
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	91,555.			
	b Net investment income (if negative, enter -0-)		663,943.		
	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 (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	354,088.	490,376.	490,376.
	3 Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 4	4,303,137.	4,049,010.	4,690,347.
	c Investments - corporate bonds STMT 5	4,490,267.	4,290,779.	4,607,080.
11 Investments - land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other STMT 6	595,500.	1,004,500.	991,345.	
14 Land, buildings, and equipment basis ▶				
Less accumulated depreciation ▶				
15 Other assets (describe ▶)				
16 Total assets (to be completed by all filers)	9,742,992.	9,834,665.	10,779,148.	
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 ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
27 Capital stock, trust principal, or current funds	9,742,992.	9,834,665.		
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	0.	0.		
30 Total net assets or fund balances	9,742,992.	9,834,665.		
31 Total liabilities and net assets/fund balances	9,742,992.	9,834,665.		

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	9,742,992.
2 Enter amount from Part I, line 27a	2	91,555.
3 Other increases not included in line 2 (itemize) ▶ NON TAXABLE CASH DISTRIBUTIONS	3	118.
4 Add lines 1, 2, and 3	4	9,834,665.
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	9,834,665.

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 PUBLICLY TRADED SECURITIES			
b CAPITAL GAINS DIVIDENDS			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 2,906,993.		2,550,544.	356,449.
b 72,995.			72,995.
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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			356,449.
b			72,995.
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	429,444.
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	484,843.	11,427,742.	.042427
2009	486,035.	10,330,768.	.047047
2008	546,131.	9,287,852.	.058801
2007	520,041.	11,118,521.	.046772
2006	490,923.	11,772,031.	.041702

2 Total of line 1, column (d)	2	.236749
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	.047350
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	10,547,334.
5 Multiply line 4 by line 3	5	499,416.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	6,639.
7 Add lines 5 and 6	7	506,055.
8 Enter qualifying distributions from Part XII, line 4	8	559,840.

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)

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, tax under section 511, credits/payments, and total tax due. Total tax due is 1,265.00.

Table for line 6: Credits/Payments. Includes 6a (2011 estimated tax payments) 7,904.00, 6b (Exempt foreign organizations), 6c (Tax paid with application for extension), and 6d (Backup withholding).

Part VII-A Statements Regarding Activities

Table for Part VII-A with 10 rows of questions regarding political activities, unrelated business income, and substantial contributors. Includes 'Yes/No' columns and a 'N/A' entry for line 4b.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 11 X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A 13 X
14 The books are in care of JPMORGAN CHASE BANK, N.A. Telephone no 312-732-1485 Located at 10 S DEARBORN STREET, FL 21, CHICAGO, IL ZIP+4 60603
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year 15 N/A
16 At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country 16 Yes No X

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

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

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)? Organizations relying on a current notice regarding disaster assistance check here 1b X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? 1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? Yes X No
If "Yes," list the years N/A
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 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.) N/A 3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? 4b X

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

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

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

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

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

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

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here N/A

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). N/A

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.

(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
JPMORGAN CHASE BANK, NA 10 S DEARBORN ST. FL 21 CHICAGO, IL 60603	CO-TRUSTEE 5.00	100,926.	0.	0.
ROBERT B TAISEY, ESQ	CO-TRUSTEE 2.00	16,598.	0.	0.
JOHN F. PARKIN	CO-TRUSTEE 2.00	16,598.	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	10,110,037.
b	Average of monthly cash balances	1b	597,916.
c	Fair market value of all other assets	1c	0.
d	Total (add lines 1a, b, and c)	1d	10,707,953.
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	10,707,953.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	160,619.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,547,334.
6	Minimum investment return. Enter 5% of line 5	6	527,367.

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	527,367.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	6,639.
b	Income tax for 2011 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	6,639.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	520,728.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	520,728.
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	520,728.

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	559,840.
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	559,840.
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	6,639.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	553,201.

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 ..				520,728.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			504,466.	
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 ▶ \$ 559,840.				
a Applied to 2010, but not more than line 2a			504,466.	
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				55,374.
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				465,354.
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		(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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 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				
ALICE LLOYD COLLEGE 100 PURPOSE ROAD PIPPA PASSES , KY 41844	NONE	PUBLIC CHARITY	GRANT: JUNE BUCHANAN SCHOOL	10,000.
AMERICAN COMPOSERS ORCHESTRA, INC 240 WEST 35TH ST. #405 NEW YORK, NY 10001	NONE	PUBLIC CHARITY	GRANT	15,000.
BACH CHOIR OF BETHLEHEM 423 HECKEWELDER PLACE BETHLEHEM, PA 18018	NONE	PUBLIC CHARITY	GRANT	10,000.
BOSTON CONSERVATORY 8 THE FENWAY BOSTON, MA 02215	NONE	PUBLIC CHARITY	GRANT	10,000.
BOSTON CONSERVATORY 8 THE FENWAY BOSTON, MA 02215	NONE	PUBLIC CHARITY	GRANT	25,000.
Total	SEE CONTINUATION SHEET(S)			468,000.
b Approved for future payment				
NONE				
Total				0.

Part XV Supplementary Information**3 Grants and Contributions Paid During the Year (Continuation)**

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
BLUE ROCK SCHOOL 110 DEMEREST MILL ROAD WEST NYACK, NY 10994	NONE	PUBLIC CHARITY	GRANT	5,000.
CARNEGIE HALL SOCIETY INC 881 SEVENTH AVE NEW YORK, NY 10019	NONE	PUBLIC CHARITY	GRANT	10,000.
CAMP HILL SPECIAL SCHOOL INC 1784 FAIRVIEW ROAD GLENMOORE, PA 19343	NONE	PUBLIC CHARITY	GRANT	5,000.
CARAMOOR CENTER FOR MUSIC AND THE ARTS INC 149 GIRDLE RIDGE ROAD KATONAH, NY 10536	NONE	PUBLIC CHARITY	GRANT	5,000.
CLARKE SCHOOL FOR THE DEAF 47 ROUND HILL ROAD NORTHAMPTON, MA 01060	NONE	PUBLIC CHARITY	GRANT	10,000.
CORNELL UNIVERSITY 341 PINE TREE ROAD ITHACA, NY 14850	NONE	PUBLIC CHARITY	GRANT; LAW SCHOOL	20,000.
CURTIS INSTITUTE OF MUSIC 1718 LOCUST STREET PHILADELPHIA, PA 19103	NONE	PUBLIC CHARITY	GRANT	5,000.
CAZENOVIA COLLEGE 95 ALBANY STREET CAZENOVIA, NY 13035	NONE	PUBLIC CHARITY	GRANT	110,000.
DE LA SALLE ACADEMY 202 WEST 79 TH STREET NEW YORK, NY 10025	NONE	PUBLIC CHARITY	GRANT	5,000.
JEWISH BRAILLE INSTITUTE INTERNATIONAL INC 110 EAST 30TH STREET NEW YORK, NY 10016	NONE	PUBLIC CHARITY	GRANT	2,500.
Total from continuation sheets				398,000.

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
LEARNING ALLY 20 ROSZEL ROAD PRINCETON, NJ 08540	NONE	PUBLIC CHARITY	GRANT	15,000.
LONG TRAIL SCHOOL, INC 1045 KIRBY HOLLOW ROAD DORSET, VT 05251	NONE	PUBLIC CHARITY	GRANT	15,000.
MANHATTAN SCHOOL OF MUSIC 120 CLAREMONT AVE NEW YORK, NY 10027	NONE	PUBLIC CHARITY	GRANT	13,500.
MARYMOUNT MANHATTAN COLLEGE 221 EAST 71 ST STREET NEW YORK, NY 10021	NONE	PUBLIC CHARITY	GRANT	10,000.
METROPOLITAN MUSEUM OF ART 1000 FIFTH AVE NEW YORK, NY 10028	NONE	PUBLIC CHARITY	GRANT	5,000.
METROPOLITAN OPERA ASSOCIATION, INC 30 LINCOLN CENTER PLAZA NEW YORK, NY 10023	NONE	PUBLIC CHARITY	GRANT	25,000.
MIDLAND ADULT SERVICES, INC P.O. BOX 5026 NORTH BRANCH, NJ 08876	NONE	PUBLIC CHARITY	GRANT	7,500.
MUSEUM OF MODERN ART 11 WEST 53 RD STREET NEW YORK, NY 10019	NONE	PUBLIC CHARITY	GRANT	10,000.
NAUMBURG ORCHESTRAL CONCERTS 50 GLENWOOD ROAD PLAINVIEW, NY 11803	NONE	PUBLIC CHARITY	GRANT	5,000.
NEW SCHOOL INC 66 WEST 12 TH STREET NEW YORK, NY 10011	NONE	PUBLIC CHARITY	GRANT: MANNES SCHOOL OF MUSIC	5,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
NEW WORLD SYMPHONY INC 500 17TH STREET MIAMI BEACH, FL 33139	NONE	PUBLIC CHARITY	GRANT	5,000.
NEW YORK PUBLIC LIBRARY 476 FIFTH AVE NEW YORK, NY 10018	NONE	PUBLIC CHARITY	GRANT	8,000.
ORCHESTRA OF ST LUKES 450 WEST 37TH STREET NO 502 NEW YORK, NY 10018	NONE	PUBLIC CHARITY	GRANT	7,500.
PEABODY INSTITUTE OF JOHNS HOPKINS UNIVERSITY 3910 KESWICK ROAD N4327B BALTIMORE, MD 21211	NONE	PUBLIC CHARITY	GRANT	5,000.
PREP FOR PREP 328 WEST 71 ST STREET NEW YORK, NY 10023	NONE	PUBLIC CHARITY	GRANT	7,500.
PHILHARMONIC SYMPHONY SOCIETY OF NEW YORK INC 10 LINCOLN CENTER PLAZA NEW YORK, NY 10023	NONE	PUBLIC CHARITY	GRANT	20,000.
ROCHESTER INSTITUTE OF TECHNOLOGY 7 LOMB MEMORIAL DRIVE ROCHESTER, NY 14623	NONE	PUBLIC CHARITY	GRANT	11,500.
ROCKEFELLER UNIVERSITY 1230 YORK AVENUE NEW YORK, NY 10065	NONE	PUBLIC CHARITY	GRANT	2,500.
THE SEEING EYE INC P.O. BOX 375 MORRISTOWN, NJ 07963	NONE	PUBLIC CHARITY	GRANT	10,000.
THIRD STREET MUSIC SCHOOL SETTLEMENT INC 235 EAT THIRD STREET NEW YORK, NY 10003	NONE	PUBLIC CHARITY	GRANT	10,000.
Total from continuation sheets				

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDENDS	256,607.	0.	256,607.
INTEREST	25,290.	0.	25,290.
LONG TERM CAPITAL GAIN DIVIDENDS	72,995.	72,995.	0.
TOTAL TO FM 990-PF, PART I, LN 4	354,892.	72,995.	281,897.

FORM 990-PF TAXES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAXES PAID	2,736.	2,736.		0.
FEDERAL EXCISE TAXES PAID	4,644.	0.		0.
ESTIMATED EXCISE TAXES	7,904.	0.		0.
TO FORM 990-PF, PG 1, LN 18	15,284.	2,736.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NEW YORK STATE ATTORNEY GENERAL FEE	2,250.	0.		2,250.
PUBLISH NEWSPAPER NOTICE	130.	0.		130.
TO FORM 990-PF, PG 1, LN 23	2,380.	0.		2,380.

FORM 990-PF		CORPORATE STOCK	STATEMENT	4
DESCRIPTION		BOOK VALUE	FAIR MARKET VALUE	
COMMON STOCK AND EQUITY MUTUAL FUNDS		4,049,010.	4,690,347.	
TOTAL TO FORM 990-PF, PART II, LINE 10B		4,049,010.	4,690,347.	

FORM 990-PF		CORPORATE BONDS	STATEMENT	5
DESCRIPTION		BOOK VALUE	FAIR MARKET VALUE	
FIXED INCOME MUTUAL FUNDS		4,290,779.	4,607,080.	
TOTAL TO FORM 990-PF, PART II, LINE 10C		4,290,779.	4,607,080.	

FORM 990-PF		OTHER INVESTMENTS	STATEMENT	6
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE	
ALTERNATIVE INVESTMENTS	COST	1,004,500.	991,345.	
TOTAL TO FORM 990-PF, PART II, LINE 13		1,004,500.	991,345.	

FORM 990-PF EXPLANATION CONCERNING PART VII-A, LINE 8B STATEMENT 7

EXPLANATION
NEW YORK



JEPHSON ED. TR#2 ACCT. P62441004
For the Period 7/1/12 to 9/30/12

Account Summary

PRINCIPAL

Asset Allocation	Beginning Market Value	Ending Market Value	Change In Value	Estimated Annual Income	Current Allocation
Equity	4,370,495.98	4,690,346.77	319,850.79	72,399.49	43%
Alternative Assets	766,509.29	991,345.17	224,835.88	27,361.98	9%
Cash & Fixed Income	5,345,909.75	5,095,563.35	(250,346.40)	151,387.32	48%
Market Value	\$10,482,915.02	\$10,777,255.29	\$294,340.27	\$251,148.79	100%

INCOME

Cash Position	Beginning Market Value	Ending Market Value	Change In Value
Cash Balance	(6,596.18)	1,891.34	8,487.52
Accruals	14,344.54	12,616.57	(1,727.97)
Market Value	\$7,748.36	\$14,507.91	\$6,759.55

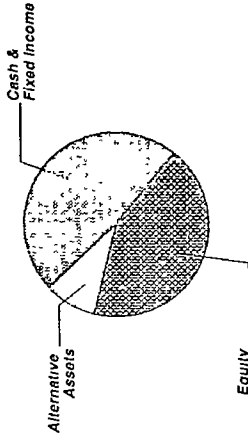
PRINCIPAL

Portfolio Activity	Current Period Value	Year-to-Date Value
Beginning Market Value	10,482,915.02	10,125,046.97
Withdrawals & Fees	(28,476.00)	(328,976.00)
Net Additions/Withdrawals	(\$28,476.00)	(\$328,976.00)
Income		57,880.73
Change In Investment Value	322,816.27	981,184.32
Ending Market Value	\$10,777,255.29	\$10,777,255.29
Accruals	--	--
Market Value with Accruals	--	--

INCOME

Current Period Value	Year-to-Date Value
(6,596.18)	10,639.44
(49,393.21)	(288,074.12)
(\$49,393.21)	(\$288,074.12)
57,880.73	279,326.02
\$1,891.34	\$1,891.34
12,616.57	12,616.57
\$14,507.91	\$14,507.91

Asset Allocation

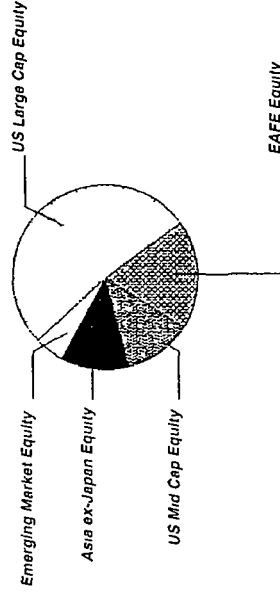




JEPHSON ED. TR#2 ACCT. P62441004
For the Period 7/1/12 to 9/30/12

Equity Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
US Large Cap Equity	2,521,155.85	2,514,873.80	(6,282.05)	23%
US Mid Cap Equity	521,605.15	551,216.38	29,611.23	5%
US Small Cap Equity	138,434.40	0.00	(138,434.40)	
EAFE Equity	626,415.22	914,925.24	288,510.02	8%
Asia ex-Japan Equity	375,094.57	513,122.19	138,027.62	5%
Emerging Market Equity	187,790.79	196,209.16	8,418.37	2%
Total Value	\$4,370,495.98	\$4,690,346.77	\$319,850.79	43%



Market Value/Cost	Current Period Value
Market Value	4,690,346.77
Tax Cost	4,049,010.37
Unrealized Gain/Loss	641,336.40
Estimated Annual Income	72,399.49
Accrued Dividends	3,095.27
Yield	1.54%

Equity Detail

J.P.Morgan



JEPHSON ED. TR#2 ACCT. P62441004
For the Period 7/1/12 to 9/30/12

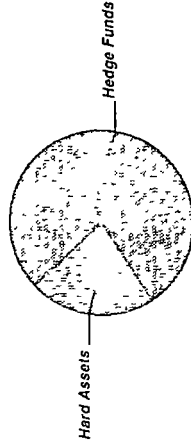
	Price	Quantity	Value	Adjusted Tax Cost Original Cost	Unrealized Gain/Loss	Est. Annual Inc Accrued Div	Yield
US Mid Cap Equity							
ISHARES RUSSELL MIDCAP INDEX FUND 464287-49-9 IWR	110.75	1,992,000	220,614.00	128,650.53	91,963.47	3,460.10	1.57%
JPM MID CAP EQUITY FD - SEL FUND 689 4812A1-26-6 VSNG X	32.93	10,039,550	330,602.38	330,000.00	602.38	4,407.36 237.03	1.33%
Total US Mid Cap Equity			\$551,216.38	\$458,650.53	\$92,565.85	\$7,867.46 \$237.03	1.43%
EAFE Equity							
ARTISAN INTL VALUE FUND - INV 04314H-88-1 ARTK X	28.72	6,218,925	178,607.53	140,050.19	38,557.34	87.06	0.05%
CULLEN INTERNATIONAL HIGH DIVIDEND FUND CL I 230001-70-3 CIHI X	9.75	27,939,698	272,412.06	278,000.00	(5,587.94)	8,409.84	3.09%
DODGE & COX INTERNATIONAL STOCK 256206-10-3 DODF X	32.45	14,296,014	463,905.65	486,416.07	(22,510.42)	10,850.67	2.34%
Total EAFE Equity			\$914,925.24	\$904,466.26	\$10,458.98	\$19,347.57	2.12%
Asia ex-Japan Equity							
COLUMBIA FDS SER TR II MASS ASIA PC JP R5 19763P-57-2 TAPP X	12.40	8,649,960	107,259.50	107,000.00	259.50	1,591.59	1.48%



JEPHSON ED. TR#2 ACCT P62441004
For the Period 7/1/12 to 9/30/12

Alternative Assets Summary

Asset Categories	Beginning Estimated Value	Ending Estimated Value	Change In Value	Current Allocation
Hedge Funds	766,509.29	778,109.45	11,600.16	7%
Hard Assets	0.00	213,235.72	213,235.72	2%
Total Value	\$766,509.29	\$991,345.17	\$224,835.88	9%



Alternative Assets as a percentage of your portfolio - 9 %

Alternative Assets Detail

Hedge Funds	Price	Quantity	Estimated Value	Cost
ARBITRAGE FUNDS - I CL I 03875R-20-5 ARBN X	13.05	15,243.902	198,932.92	200,000.00
EATON VANCE MUT FDS TR GB MACRO ABSOLUTE RTN I 277923-72-8 EIGM X	9.96	18,851.135	187,757.30	195,500.00

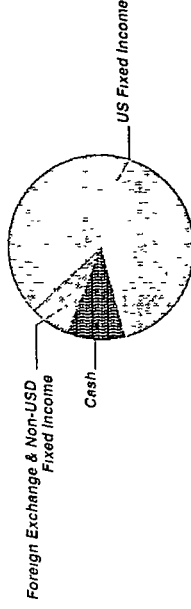


JEPHSON ED. TR#2 ACCT P62441004
For the Period 7/1/12 to 9/30/12

Cash & Fixed Income Summary

Asset Categories	Beginning Market Value	Ending Market Value	Change In Value	Current Allocation
Cash	378,290.67	488,483.47	110,192.80	5%
US Fixed Income	4,752,984.62	4,274,991.46	(477,993.16)	40%
Foreign Exchange & Non-USD Fixed Income	214,634.46	332,088.42	117,453.96	3%
Total Value	\$5,345,909.75	\$5,095,563.35	(\$250,346.40)	48%

Market Value/Cost	Current Period Value
Market Value	5,095,563.35
Tax Cost	4,779,262.85
Unrealized Gain/Loss	316,300.50
Estimated Annual Income	151,387.32
Accrued Interest	8,921.65
Yield	2.97%



Cash & Fixed Income as a percentage of your portfolio - 48 %

SUMMARY BY MATURITY

Cash & Fixed Income	Market Value	% of Bond Portfolio
0-6 months ¹	5,095,563.35	100%

¹ The years indicate the number of years until the bond is scheduled to mature based on the statement end date. Some bonds may be called, or paid in full, before their stated maturity.

SUMMARY BY TYPE

Cash & Fixed Income	Market Value	% of Bond Portfolio
Cash	488,483.47	9%
International Bonds	444,048.98	8%
Mutual Funds	4,163,030.90	83%
Total Value	\$5,095,563.35	100%



JEPHSON ED. TR#2 ACCT P62441004
For the Period 7/1/12 to 9/30/12

	Price	Quantity	Value	Adjusted Tax Cost Original Cost	Unrealized Gain/Loss	Est. Annual Income Accrued Interest	Yield
US Fixed Income							
VANGUARD FI SECS F INTR TRM CP PT FUND 71 922031-88-5	10.46	29,691.21	310,570.07	250,000.00	60,570.07	11,698.33	3.77%
Total US Fixed Income			\$4,274,991.46	\$3,969,779.38	\$305,212.08	\$147,289.28 \$8,909.82	3.44%
Foreign Exchange & Non-USD Fixed Income							
JPM INTL CURRENCY INCOME FD 4812A3-29-6	11.22	9,511.11	106,714.67	107,000.00	(285.33)	608.71	0.57%
DREYFUS LAUREL EMG MKT DEBT LOC C-1 261980-49-4	14.90	15,125.76	225,373.75	214,000.00	11,373.75	3,342.79	1.48%
Total Foreign Exchange & Non-USD Fixed Income			\$332,088.42	\$321,000.00	\$11,088.42	\$3,951.50	1.19%



JEPHSON ED. TR#2 ACCT P62441004
For the Period 7/1/12 to 9/30/12

Portfolio Activity Detail

INFLOWS & OUTFLOWS

Settle Date	Type	Selection Method	Description	Quantity Cost	Per Unit Amount	PRINCIPAL Amount	INCOME Amount
7/2	Div Domestic		JPM MID CAP EQUITY FD - SEL FUND 689 @ 0 05406 PER SHARE (ID: 4812A1-26-6)	10,039 550	0 054		542 74
7/2	Interest Income		DEPOSIT SWEEP INTEREST FOR JUNE @ .03% RATE ON NET AVG COLLECTED BALANCE OF \$732,469.01 AS OF 07/01/12				18 01
7/2	Div Domestic		JPM STR INC OPP FD FUND 3844 @ 0 037 PER SHARE (ID 4812A4-35-1)	18,626 510	0 037		689 18
7/2	Div Domestic		JPM CORE BOND FD - SEL FUND 3720 @ 0 028 PER SHARE (ID 4812C0-38-1)	119,490,793	0 028		3,345 74
7/2	Div Domestic		JPM HIGH YIELD FD - SEL FUND 3580 @ 0 042 PER SHARE (ID 4812C0-80-3)	71,359,991	0 042		2,997 12
7/2	Div Domestic		JPM SHORT DURATION BOND FD - SEL FUND 3133 @ 0 011 PER SHARE (ID 4812C1-33-0)	140,256 259	0 011		1,542 82
7/2	Div Domestic		ISHARES RUSSELL MIDCAP INDEX FUND @ 0 439937 PER SHARE (ID: 464287-49-9)	1,992 000	0 44		876 35
7/2	Div Domestic		ISHARES RUSSELL 1000 VALUE INDEX FUND @ 0 377703 PER SHARE (ID 464287-59-8)	3,800 000	0 378		1,435.27
7/2	Div Domestic		ISHARES RUSSELL 2000 INDEX FUND @ 0.377165 PER SHARE (ID: 464287-65-5)	1,740,000	0 377		656 27
7/2	Div Domestic		EATON VANCE FLOATING RATE I 06/29/12 INCOME DIVIDEND @ 0 033 PER SHARE AS OF 06/29/12 (ID 277911-49-1)	36,117 381	0 033		1,192.00
7/2	Div Domestic		EATON VANCE MUT FDS TR GLOBAL MACRO - I 06/29/12 INCOME DIVIDEND @ 0 032 PER SHARE AS OF 06/29/12 (ID: 277923-72-8)	18,851 135	0 032		599 45



JEPHSON ED. TR#2 ACCT P62441004
For the Period 7/1/12 to 9/30/12

INFLOWS & OUTFLOWS

Settle Date	Type Selection Method	Description	Quantity Cost	Per Unit Amount	PRINCIPAL Amount	INCOME Amount
7/10	Misc Disbursement	PAID NYS DEPARTMENT OF LAW NYAG FILING FEE FYE 09/30/2009 FOR THE ACCOUNT OF JEPHSON EDUCATIONAL TRUST #2 REG #02-85-44 TREASURERS CHECK NO 2440740			(750 00)	
7/10	Misc Disbursement	PAID NYS DEPARTMENT OF LAW NYAG FILING FEE FYE 09/30/2010 FOR THE ACCOUNT OF JEPHSON EDUCATIONAL TRUST #2 REG #02-85-44 TREASURERS CHECK NO 2440741			(750 00)	
7/31	Div Domestic	SPDR S&P 500 ETF TRUST @ 0 68826 PER SHARE (ID 79462F-10-3)	3,667 000	0 688		2,523 85
7/31	Fees & Commissions	JPMORGAN CHASE TRUST FEE FOR THE PERIOD 07-01-2012 TO 07-31-2012 ON ADJUSTED MV \$10,104,624 35 INC \$8,443 79 PRORATED BASE FEE · \$187 50				(8,443 79)
7/31	Div Domestic	CULLEN HIGH DIVIDEND EQUITY FUND 07/31/12 INCOME DIVIDEND @ 0 019 PER SHARE (ID 230001-40-6)	29,727 926	0 019		572 56
8/1	Div Domestic	JPM STR INC OPP FD FUND 3844 @ 0 038 PER SHARE (ID 4812A4-35-1)	18,626 510	0 038		707 81
8/1	Interest Income	DEPOSIT SWEEP INTEREST FOR JULY @ 03% RATE ON NET AVG COLLECTED BALANCE OF \$451,253 30 AS OF 08/01/12				11 47
8/1	Div Domestic	JPM CORE BOND FD - SEL FUND 3720 @ 0 03 PER SHARE (ID: 4812C0-38-1)	119,490 793	0 03		3,584.72
8/1	Div Domestic	JPM HIGH YIELD FD - SEL FUND 3580 @ 0 044 PER SHARE (ID 4812C0-80-3)	71,359 991	0 044		3,139 84
8/1	Div Domestic	JPM SHORT DURATION BOND FD - SEL FUND 3133 @ 0 012 PER SHARE (ID 4812C1-33-0)	140,256 259	0 012		1,683 08