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Form **990-PF**

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust

Treated as a Private Foundation

OMB No 1545-0052

2012

Open to Public Inspection

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 2012 or tax year beginning

, 2012, and ending

, 20

Name of foundation KESSLER FAMILY FOUNDATION		A Employer identification number 04-3213614
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number (see instructions) () -
120 CASA BENDITA		
City or town, state, and ZIP code PALM BEACH, FL 33480-3602		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization. <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 37,899,394.		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)		

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	112,382.	112,382.		
	4 Dividends and interest from securities	813,381.	813,381.		ATCH 1
	5a Gross rents				
	b Net rental income or (loss)	-82,779.			
	6a Net gain or (loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a	3,286,400.			
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)	155,088.	155,088.			
11 Other income (attach schedule)	998,072.	1,080,851.			
12 Total. Add lines 1 through 11					
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	5,000.			5,000.
	b Accounting fees (attach schedule)	51,606.	51,136.		
	c Other professional fees (attach schedule)				
	17 Interest	40,500.			500.
	18 Taxes (attach schedule) (see instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications	166,187.			166,187.
	23 Other expenses (attach schedule)	263,293.	51,136.		171,687.
	24 Total operating and administrative expenses. Add lines 13 through 23	150,124.			150,124.
	25 Contributions, gifts, grants paid	413,417.	51,136.	0	321,811.
26 Total expenses and disbursements. Add lines 24 and 25					
27 Subtract line 26 from line 12.	584,655.				
a Excess of revenue over expenses and disbursements		1,029,715.			
b Net investment income (if negative, enter -0-)					
c Adjusted net income (if negative, enter -0-)					

JSA For Paperwork Reduction Act Notice, see instructions.

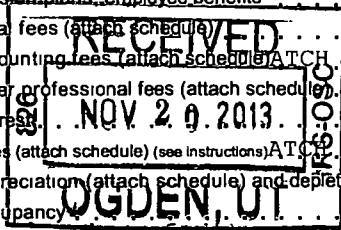
*ATCH 3

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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	792,249.	4,129,191.	4,129,191.	
	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) *		* 4,417,546.	ATCH 6	
		Less allowance for doubtful accounts	8,000,000.	4,417,546.	1,932,146.	
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U.S. and state government obligations (attach schedule) **	2,545,108.	2,451,490.	2,917,482.	
	b	Investments - corporate stock (attach schedule) ATCH 8	8,496,805.	8,998,099.	10,236,426.	
	c	Investments - corporate bonds (attach schedule)				
	11	Investments - land, buildings, and equipment basis				
	Less accumulated depreciation (attach schedule)					
12	Investments - mortgage loans					
13	Investments - other (attach schedule) ATCH 9	17,594,072.	17,555,022.	18,684,149.		
14	Land, buildings, and equipment basis					
	Less accumulated depreciation (attach schedule)					
15	Other assets (describe)					
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	37,428,234.	37,551,348.	37,899,394.		
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	Total liabilities (add lines 17 through 22)	0	0			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted	37,428,234.	37,551,348.		
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see instructions)	37,428,234.	37,551,348.		
	31	Total liabilities and net assets/fund balances (see instructions)	37,428,234.	37,551,348.		

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	37,428,234.
2	Enter amount from Part I, line 27a	2	584,655.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	38,012,889.
5	Decreases not included in line 2 (itemize) ATCH 10	5	461,541.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	37,551,348.

**ATCH 7

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE					
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					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
a					
b					
c					
d					
e					
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	-82,779.	
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	0	

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))
2011	380,393.	33,412,490.	0.011385
2010	371,586.	29,693,690.	0.012514
2009	1,764,376.	28,083,161.	0.062827
2008	2,734,526.	33,396,695.	0.081880
2007	3,032,510.	33,845,720.	0.089598
2 Total of line 1, column (d)			2 0.258204
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 0.051641
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 36,247,347.
5 Multiply line 4 by line 3			5 1,871,849.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 10,297.
7 Add lines 5 and 6			7 1,882,146.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.			8 321,811.

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

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary - see instructions)		1	20,594.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	20,594.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	20,594.
6 Credits/Payments			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	28,826.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	40,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	68,826.	
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	48,232.	
11 Enter the amount of line 10 to be. Credited to 2013 estimated tax <input type="checkbox"/> 48,232. Refunded <input type="checkbox"/> <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		X
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> MA, <input type="checkbox"/>		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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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 <input type="checkbox"/> N/A				
14	The books are in care of <input type="checkbox"/> SHARON JACQUET Telephone no <input type="checkbox"/> 212-888-3400			
Located at <input type="checkbox"/> JP MORGAN, 270 PARK AVENUE, 28TH FL NEW YORK, NY ZIP+4 <input type="checkbox"/> 10017				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/>			
and enter the amount of tax-exempt interest received or accrued during the year <input type="checkbox"/> 15				
16	At any time during calendar year 2012, 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
See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country <input type="checkbox"/>				

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly)		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? <input type="checkbox"/>	1b	
Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>		
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 2012? <input type="checkbox"/>	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years <input type="checkbox"/>		
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) <input type="checkbox"/>	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 <input type="checkbox"/>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2012 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 2012) <input type="checkbox"/>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/>	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 2012? <input type="checkbox"/>	4b	X

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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 ☒ NoOrganizations 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
ATCH 11		0	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				

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

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
ATCH 12		42,986.

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

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 (see instructions)

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 NONE

Total. Add lines 1 through 3 ▶

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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	36,017,218.
b	Average of monthly cash balances	1b	782,119.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	36,799,337.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	36,799,337.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	551,990.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	36,247,347.
6	Minimum investment return. Enter 5% of line 5	6	1,812,367.

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	1,812,367.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	20,594.
b	Income tax for 2012 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	20,594.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,791,773.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,791,773.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,791,773.

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	321,811.
b	Program-related investments - total from Part IX-B	1b	
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	321,811.
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 (see instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	321,811.

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				1,791,773.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only				
b Total for prior years 20 10 , 20 09 , 20 08				
3 Excess distributions carryover, if any, to 2012				
a From 2007				1,101,184.
b From 2008				1,077,583.
c From 2009				370,439.
d From 2010				
e From 2011				
f Total of lines 3a through e	2,549,206.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 321,811.				
a Applied to 2011, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see instructions).				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2012 distributable amount				321,811.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 . (If an amount appears in column (d), the same amount must be shown in column (a))	1,469,962.			1,469,962.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,079,244.			
b Prior years' undistributed income Subtract line 4b from line 2b				
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				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	1,079,244.			
10 Analysis of line 9				
a Excess from 2008				708,805.
b Excess from 2009				370,439.
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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 2012, 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)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

	Tax year				(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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)(ii)					
(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))

ATTACHMENT 13

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 or e-mail 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**

Grants and Contributions Paid or Due		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
Recipient					
Name and address (home or business)					
a Paid during the year					
ATCH 14					
Total				3a	150,124.
b Approved for future payment					
Total				3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	112,382.	
4 Dividends and interest from securities			14	813,381.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property .					
7 Other investment income			41	155,088.	
8 Gain or (loss) from sales of assets other than inventory			18	-82,779.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory . .					
11 Other revenue a _____					
b _____					
c _____					
d _____					
e _____					
12 Subtotal. Add columns (b), (d), and (e)				998,072.	
13 Total. Add line 12, columns (b), (d), and (e)				998,072.	

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

[illegible]

1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

[illegible]

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**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

11/13/13

► Trusted

Title

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

**Paid
Preparer
Use Only**

Print/Type preparer's name

CHARLES E. SHIRLEY

Preparer's signature

Charles Shyer
ECOOPERS LLP

Date	11/
------	-----

11/12/2013

Check <input type="checkbox"/> if self-employed

PTIN

P00642482

Firm's name ► PRICEWATERHOUSECOOPERS LLP

Firm's EIN ► 13-4008324

Firm's address	▶ 125 HIGH STREET BOSTON, MA
----------------	---------------------------------

02110

Phone no 617-530-4417

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No 1545-1709

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

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

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

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

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

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

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

Enter filer's identifying number, see instructions

**Type or
print**File by the
due date for
filing your
return. See
instructions

Name of exempt organization or other filer, see instructions

Employer identification number (EIN) or

KESSLER FAMILY FOUNDATION

04-3213614

Number, street, and room or suite no. If a P.O. box, see instructions

Social security number (SSN)

120 CASA BENDITA

City, town or post office, state, and ZIP code. For a foreign address, see instructions

PALM BEACH, FL 33480-3602

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

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720- (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ► SHARON JACQUET

Telephone No. ► 212 888-3400

FAX No. ►

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

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 20 13, to file the exempt organization return for the organization named above. The extension is for the organization's return for.
- ☒ X calendar year 2012 or
- ☐ tax year beginning _____, 20____, and ending _____, 20____.

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$	29,774.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$	28,826.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$	40,000.

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

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

Form **8868** (Rev. 1-2013)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box. ☒ **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1)

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

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions		Enter filer's identifying number, see instructions	
	KESSLER FAMILY FOUNDATION		Employer identification number (EIN) or	
	Number, street, and room or suite no. If a P.O. box, see instructions		04-3213614	
	120 CASA BENDITA		Social security number (SSN)	
City, town or post office, state, and ZIP code. For a foreign address, see instructions		PALM BEACH, FL 33480-3602		

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

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

- The books are in the care of ☒ SHARON JACQUET

Telephone No ☒ 212 888-3400FAX No ☐

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

- I request an additional 3-month extension of time until 11/15, 2013.
- For calendar year 2012, or other tax year beginning 20, and ending 20.
- If the tax year entered in line 5 is for less than 12 months, check reason. ☐ Initial return ☐ Final return
☐ Change in accounting period
- State in detail why you need the extension ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$	68,826.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$	68,826.
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c \$	0

Signature and Verification must be completed for Part II only.

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

Signature ☒Title ☒

CPA

Date ☒

7/30/13

Form 8868 (Rev 1-2013)

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL CAPITAL GAIN DISTRIBUTIONS					134,004.	
		ISHARES COMMODITY INDEX TRUST					-1.	
		ISHARES COMMODITY INDEX TRUST					-1,269.	
293,421.		JP MORGAN #4008 - SEE STMT 349,417.					VARIOUS -55,996.	VARIOUS
2,142,745.		JP MORGAN #4008 - SEE STMT 2,328,217.					VARIOUS -185,472.	VARIOUS
147,674.		JP MORGAN #2005 - SEE STMT 166,834.					VARIOUS -19,160.	VARIOUS
568,556.		JP MORGAN #2005 - SEE STMT 523,441.					VARIOUS 45,115.	VARIOUS
TOTAL GAIN (LOSS)							<u>-82,779.</u>	

ATTACHMENT 1

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

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
JP MORGAN A16214008	628,956.	628,956.
JP MORGAN A33762005	75,940.	75,940.
JP MORGAN Q56788005	108,485.	108,485.
TOTAL	<u>813,381.</u>	<u>813,381.</u>

ATTACHMENT 2

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
PRICEWATERHOUSECOOPERS LLP	5,000.			5,000.
TOTALS	<u>5,000.</u>			<u>5,000.</u>

ATTACHMENT 3FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
JP MORGAN MANAGEMENT FEES	42,986.	42,986.
ISHARES COMMODITY INDEX TRUST	7,680.	7,680.
OTHER PROFESSIONAL FEES	940.	470.
TOTALS	<u>51,606.</u>	<u>51,136.</u>

ATTACHMENT 4

FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>CHARITABLE PURPOSES</u>
MA FILING FEE	500.	500.
FEDERAL INCOME TAXES	40,000.	
TOTALS	<u>40,500.</u>	<u>500.</u>

ATTACHMENT 5

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	CHARITABLE PURPOSES
CHARITABLE EVENT EXPENSES	166,187.	166,187.
TOTALS	<u>166,187.</u>	<u>166,187.</u>

ATTACHMENT 6FORM 990PF, PART II - OTHER NOTES AND LOANS RECEIVABLE

BORROWER: SIPC CLAIM

BEGINNING BALANCE DUE 8,000,000.

ENDING BALANCE DUE 4,417,546.ENDING FAIR MARKET VALUE 1,932,146.TOTAL BEGINNING OTHER NOTES AND LOANS RECEIVABLE 8,000,000.TOTAL ENDING BOOK - OTHER NOTES AND LOANS RECEIVABLE 4,417,546.TOTAL ENDING FMV - OTHER NOTES AND LOANS RECEIVABLE 1,932,146.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

<u>DESCRIPTION</u>	<u>ATTACHMENT 7</u>	
	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
ISHARES BARCLAYS TIPS BOND FD	2,451,490.	2,917,482.
US OBLIGATIONS TOTAL	<u>2,451,490.</u>	<u>2,917,482.</u>

ATTACHMENT 8

FORM 990PF, PART II - CORPORATE STOCK

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE ATTACHED	8,998,099.	10,236,426.
TOTALS	<u>8,998,099.</u>	<u>10,236,426.</u>

FORM 990PF, PART II - OTHER INVESTMENTS

ATTACHMENT 9

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SEE ATTACHED	17,555,022.	18,684,149.
TOTALS	<u>17,555,022.</u>	<u>18,684,149.</u>

ATTACHMENT 10FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES

<u>DESCRIPTION</u>	<u>AMOUNT</u>
DIFFERENCE IN FMV TO COST	24,241.
RETURN OF CAPITAL REPORTED IN PRIOR YEAR	437,300.
TOTAL	<u>461,541.</u>

KESSLER FAMILY FOUNDATION

04-3213614

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

ATTACHMENT 11

TITLE AND AVERAGE HOURS PER
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

HOWARD J. KESSLER
120 CASA BENDITA
PALM BEACH, FL 33480-3602

TRUSTEE

0

0

0

PATRICIA M. KESSLER
120 CASA BENDITA
PALM BEACH, FL 33480-3602

TRUSTEE

0

0

0

GRAND TOTALS

990PF, PART VIII- COMPENSATION OF THE FIVE HIGHEST PAID PROFESSIONALSATTACHMENT 12

<u>NAME AND ADDRESS</u>	<u>TYPE OF SERVICE</u>	<u>COMPENSATION</u>
JP MORGAN 270 PARK AVENUE, 28TH FLOOR NEW YORK, NY INVESTMENT MANAGEMENT		42,986.
TOTAL COMPENSATION		<u>42,986.</u>

ATTACHMENT 13

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

HOWARD J. KESSLER
PATRICIA M. KESSLER

FORM 990PE, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 1A

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

RECIPIENT NAME AND ADDRESS

SEE ATTACHED LIST

NA

PUBLIC

150,124.

TOTAL CONTRIBUTIONS PAID

150,124.

Kessler Family Foundation
US Form 990-PF
Part 1- Line 25 - Charitable Gifts, Grants Paid
December 31, 2012
04-3213614

American Human Assoc	2,000
Boston Symphony	500
Community Coalition	1,000
Crohns and Colitis	1,000
Fords Theatre Society	1,000
Harlem Childrens Zone	500
HOW	8,000
Int'l Society of Palm Beach	1,000
Int'l Society of Palm Beach	5,000
Israel Cancer Assoc	1,000
Jdrf Walk	50
Kravis Center	100
LIFE	10,000
Lighthouse Intl	2,500
MS Society	1,000
Mt Carmel Holy Rosary School	3,000
NMSS	875
Operation Homefront of FL	1,000
Palm Beach Atlantic Univ	1,500
Palm Beach Country Club Fund	1,000
Palm Beach Island Cats	1,000
Palm Beach Zoo	475
Par 3 Foundation	65,000
Peggy Adams Animal Rescue League	1,000
Pine Crest School	2,075
PMK American Red Cross	5,329
Preservation Fund of Palm Beach	4,800
RFK Center	10,000
Royal Poinciana Chapel	1,000
St Judes Research Hosp	1,000
St. Baldrick's Fdn	300
Temple Israel	500
The Last Gasp	500
The Lords Place	2,500
White Apron.Org	12,620
	<hr/>
	150,124

**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.
▶ Information about Schedule D (Form 1041) and its separate instructions is at
www.irs.gov/form1041.

OMB No 1545-0092

2012

Name of estate or trust

KESSLER FAMILY FOUNDATION

Employer identification number

04-3213614

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	1b	-75,157.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back	5	-75,157.

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					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	-141,626.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	134,004.
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back	12	-7,622.

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

Schedule D (Form 1041) 2012

Part III Summary of Parts I and II**Caution: Read the instructions before completing this part.**

	(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		-75,157.
14 Net long-term gain or (loss):			
a Total for year	14a		-7,622.
b Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c 28% rate gain	14c		
15 Total net gain or (loss). Combine lines 13 and 14a ▶	15		-82,779.

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

16 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:	16	(3,000.)
a The loss on line 15, column (3) or b \$3,000		

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.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19 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)	19		
20 Add lines 18 and 19	20		
21 If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . . ▶	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-	22		
23 Subtract line 22 from line 17. If zero or less, enter -0-	23		
24 Enter the smaller of the amount on line 17 or \$2,400	24		
25 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	25		
26 Subtract line 25 from line 24	26		
27 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	27		
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29 Subtract line 28 from line 27	29		
30 Multiply line 29 by 15% (15)		30	
31 Figure the tax on the amount on line 23. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		31	
32 Add lines 30 and 31		32	
33 Figure the tax on the amount on line 17. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		33	
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)		34	

Schedule D (Form 1041) 2012

Department of the Treasury
Internal Revenue Service

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.

► Information about Schedule D (Form 1041) and its separate instructions is at www.irs.gov/form1041.

OMB No 1545-0092

2012

Name of estate or trust

KESSLER FAMILY FOUNDATION

Employer identification number

04-3213614

[illegible]

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b	-75,157.
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For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D-1 (Form 1041) 2012

JSA
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Employer identification number

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 ISHARES COMMODITY INDEX TRUST					-1,269.
JP MORGAN #4008 - SEE STMT	VARIOUS	VARIOUS	2,142,745.	2,328,217.	-185,472.
JP MORGAN #2005 - SEE STMT	VARIOUS	VARIOUS	568,556.	523,441.	45,115.
6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b					-141,626.

Description	Quantity	Date Acquired	Date Sold	Proceeds	Cost Basis	Short Term	Long Term
						Realized Gain Loss USD (2)	Realized Gain Loss USD (2)
KELLOGG CO	216	6/1/2011	1/31/2012	10,671	12,235	(1,564)	-
KELLOGG CO	288	3/15/2011	1/31/2012	14,227	15,585	(1,357)	-
KELLOGG CO	176	8/22/2011	2/1/2012	8,722	9,271	(549)	-
KELLOGG CO	79	3/15/2011	2/1/2012	3,915	4,275	(360)	-
KELLOGG CO	104	3/15/2011	2/1/2012	5,180	5,628	(448)	-
KELLOGG CO	18	8/22/2011	2/2/2012	911	948	(37)	-
KELLOGG CO	160	1/10/2011	2/2/2012	8,100	8,179	-	(79)
KELLOGG CO	58	1/10/2011	2/2/2012	2,932	2,960	-	(27)
KELLOGG CO	497	1/10/2011	2/2/2012	25,127	25,405	-	(278)
KELLOGG CO	50	1/10/2011	2/2/2012	2,503	2,552	-	(48)
KELLOGG CO	202	1/10/2011	2/2/2012	10,246	10,308	-	(62)
ISHARES BARCLAYS TIPS BOND FUND	500	3/5/2010	2/10/2012	59,244	52,010	-	7,235
PIMCO TOTAL RETURN FUND	18001.8	12/6/2006	2/10/2012	200,000	190,279	-	9,721
PIMCO TOTAL RETURN FUND	45004.5	12/6/2006	2/22/2012	500,000	475,698	-	24,302
INTEL CORP	358	6/1/2011	4/24/2012	9,843	7,976	1,867	-
PEOPLE'S UNITED FINANCIAL INC	28	1/10/2011	4/24/2012	345	393	-	(48)
PEOPLE'S UNITED FINANCIAL INC	119	1/10/2011	4/24/2012	1,473	1,672	-	(200)
PEOPLE'S UNITED FINANCIAL INC	1	1/10/2011	4/24/2012	12	14	-	(2)
PEOPLE'S UNITED FINANCIAL INC	453	1/10/2011	4/24/2012	5,611	6,366	-	(755)
PEOPLE'S UNITED FINANCIAL INC	11	1/10/2011	4/25/2012	137	155	-	(17)
PEOPLE'S UNITED FINANCIAL INC	92	1/10/2011	4/25/2012	1,140	1,293	-	(152)
PEOPLE'S UNITED FINANCIAL INC	189	1/10/2011	4/25/2012	2,352	2,656	-	(304)
PEOPLE'S UNITED FINANCIAL INC	67	1/10/2011	4/26/2012	833	941	-	(108)
PEOPLE'S UNITED FINANCIAL INC	94	1/10/2011	4/26/2012	1,172	1,321	-	(149)
PEOPLE'S UNITED FINANCIAL INC	5	1/10/2011	4/26/2012	62	70	-	(8)
PEOPLE'S UNITED FINANCIAL INC	533	1/10/2011	4/26/2012	6,646	7,490	-	(843)
PEOPLE'S UNITED FINANCIAL INC	35	1/10/2011	4/26/2012	437	492	-	(55)
PEOPLE'S UNITED FINANCIAL INC	241	1/10/2011	4/26/2012	3,005	3,387	-	(381)
PEOPLE'S UNITED FINANCIAL INC	473	1/10/2011	4/27/2012	5,851	6,647	-	(796)
PEOPLE'S UNITED FINANCIAL INC	350	1/10/2011	4/27/2012	4,329	4,898	-	(569)
PEOPLE'S UNITED FINANCIAL INC	2	1/10/2011	4/27/2012	25	28	-	(3)
PEOPLE'S UNITED FINANCIAL INC	47	1/10/2011	4/30/2012	581	658	-	(76)
PEOPLE'S UNITED FINANCIAL INC	416	1/10/2011	4/30/2012	5,127	5,822	-	(695)
PEOPLE'S UNITED FINANCIAL INC	34	1/10/2011	4/30/2012	418	476	-	(57)
PEOPLE'S UNITED FINANCIAL INC	142	1/10/2011	5/1/2012	1,756	1,987	-	(232)
PEOPLE'S UNITED FINANCIAL INC	201	5/11/2011	5/1/2012	2,486	2,715	(228)	-
PEOPLE'S UNITED FINANCIAL INC	276	1/10/2011	5/1/2012	3,414	3,863	-	(448)
PEOPLE'S UNITED FINANCIAL INC	94	5/11/2011	5/1/2012	1,163	1,270	(107)	-
PEOPLE'S UNITED FINANCIAL INC	203	5/11/2011	5/1/2012	2,508	2,742	(234)	-
PEOPLE'S UNITED FINANCIAL INC	21	6/1/2011	5/1/2012	259	275	(15)	-
PEOPLE'S UNITED FINANCIAL INC	154	6/1/2011	5/1/2012	1,898	2,013	(115)	-
PEOPLE'S UNITED FINANCIAL INC	18	6/1/2011	5/1/2012	222	235	(13)	-
PEOPLE'S UNITED FINANCIAL INC	687	6/1/2011	5/2/2012	8,498	8,982	(484)	-
PEOPLE'S UNITED FINANCIAL INC	258	3/15/2011	5/2/2012	3,191	3,201	-	(9)
PEOPLE'S UNITED FINANCIAL INC	402	3/15/2011	5/2/2012	4,940	4,987	-	(47)
PEOPLE'S UNITED FINANCIAL INC	10	3/15/2011	5/3/2012	123	124	-	(1)
PEOPLE'S UNITED FINANCIAL INC	236	3/15/2011	5/3/2012	2,908	2,928	-	(20)
PEOPLE'S UNITED FINANCIAL INC	141	3/15/2011	5/4/2012	1,723	1,749	-	(26)
PEOPLE'S UNITED FINANCIAL INC	36	3/15/2011	5/4/2012	438	447	-	(9)
PEOPLE'S UNITED FINANCIAL INC	24	3/15/2011	5/7/2012	294	298	-	(4)
PEOPLE'S UNITED FINANCIAL INC	23	3/15/2011	5/7/2012	281	285	-	(4)
PEOPLE'S UNITED FINANCIAL INC	236	3/15/2011	5/7/2012	2,883	2,928	-	(45)
PEOPLE'S UNITED FINANCIAL INC	336	3/15/2011	5/7/2012	4,104	4,169	-	(64)
PEOPLE'S UNITED FINANCIAL INC	368	8/22/2011	5/7/2012	4,498	3,932	567	-
PEOPLE'S UNITED FINANCIAL INC	53	3/15/2011	5/7/2012	648	658	-	(10)
PEOPLE'S UNITED FINANCIAL INC	238	8/22/2011	5/8/2012	2,904	2,543	361	-
PHILLIPS 66	114 685	1/10/2011	5/8/2012	3,368	3,518	-	(149)
PHILLIPS 66	181 873	3/15/2011	5/8/2012	5,342	6,235	-	(894)
PHILLIPS 66	83 442	6/1/2011	5/8/2012	2,451	2,783	(332)	-
PHILLIPS 66	145 398	1/10/2011	5/8/2012	4,300	4,456	-	(156)
PHILLIPS 66	113 655	1/10/2011	5/8/2012	3,362	3,486	-	(124)
PHILLIPS 66	74 947	8/22/2011	5/8/2012	2,217	2,192	25	-
PEOPLE'S UNITED FINANCIAL INC	157	8/22/2011	5/10/2012	1,894	1,677	217	-
PEOPLE'S UNITED FINANCIAL INC	29	8/22/2011	5/10/2012	352	310	42	-
DREYFUS LAUREL EMG MKT DEBT LOC C-1	4918 531	8/19/2011	6/18/2012	67,876	74,417	(6,542)	-
DREYFUS LAUREL EMG MKT DEBT LOC C-1	11385 817	4/29/2011	6/18/2012	157,124	175,000	-	(17,876)
ISHARES BARCLAYS TIPS BOND FUND	400	3/5/2010	6/18/2012	48,245	41,608	-	6,637
IVY GLOBAL NATURAL RESOURCE-I	5007.511	1/13/2010	6/18/2012	78,468	100,000	-	(21,532)
IVY GLOBAL NATURAL RESOURCE-I	3195 569	2/18/2011	6/18/2012	50,075	75,000	-	(24,925)
IVY GLOBAL NATURAL RESOURCE-I	4264 392	5/27/2011	6/18/2012	66,823	100,000	-	(33,177)
IVY GLOBAL NATURAL RESOURCE-I	3340 757	7/1/2011	6/18/2012	52,350	75,000	(22,650)	-
IVY GLOBAL NATURAL RESOURCE-I	145.823	8/19/2011	6/18/2012	2,285	2,680	(395)	-
PIMCO TOTAL RETURN FUND	8857.396	12/6/2006	6/18/2012	100,000	93,623	-	6,377
ABBOTT LABORATORIES	196	6/1/2011	6/20/2012	12,287	10,195	-	2,092
ABBOTT LABORATORIES	77	1/10/2011	6/20/2012	4,829	3,715	-	1,114
ABBOTT LABORATORIES	32	6/1/2011	6/20/2012	2,007	1,664	-	342
ABBOTT LABORATORIES	206	8/22/2011	6/20/2012	12,919	10,209	2,710	-
ABBOTT LABORATORIES	72	1/10/2011	6/20/2012	4,509	3,474	-	1,035
ABBOTT LABORATORIES	218	1/10/2011	6/21/2012	13,637	10,517	-	3,120
ABBOTT LABORATORIES	57	1/10/2011	6/21/2012	3,566	2,733	-	833
ABBOTT LABORATORIES	139	1/10/2011	6/21/2012	8,688	6,664	-	2,024
ABBOTT LABORATORIES	95	1/10/2011	6/21/2012	5,911	4,554	-	1,356
ABBOTT LABORATORIES	366	1/10/2011	6/22/2012	22,801	17,546	-	5,255
ABBOTT LABORATORIES	498	3/15/2011	6/22/2012	31,025	23,711	-	7,314
TRANSAMERICA EMERGING MARKETS CLASS I2	11227.545	1/28/2011	6/29/2012	114,970	150,000	-	(35,030)
IVY GLOBAL NATURAL RESOURCE-I	10735.57	8/19/2011	7/13/2012	170,910	197,320	(26,410)	-

INTEL CORP	223	6/1/2011	7/17/2012	5,635	4,968	-	667
INTEL CORP	189	1/10/2011	7/17/2012	4,776	3,918	-	858
HARTFORD CAPITAL APPRECIATION FUND	6426 735	8/10/2009	7/20/2012	196,208	175,000	-	21,208
HARTFORD CAPITAL APPRECIATION FUND	3709 199	8/11/2009	7/20/2012	113,242	100,000	-	13,242
JPM TR I US LARGE CAP VAL PLUS - SEL FUND 1513	25252.525	11/17/2009	8/17/2012	257,323	300,000	-	(42,677)
MICROCHIP TECHNOLOGY INC	120	6/1/2011	9/7/2012	4155	4588	-	(433)
MICROCHIP TECHNOLOGY INC	464	6/1/2011	9/7/2012	16036	16645	-	(609)
MICROCHIP TECHNOLOGY INC	49	1/10/2011	9/10/2012	1670	1673	-	(3)
MICROCHIP TECHNOLOGY INC	228	1/10/2011	9/10/2012	7796	7799	-	(3)
MICROCHIP TECHNOLOGY INC	494	1/10/2011	9/10/2012	17047	18969	-	78
MICROCHIP TECHNOLOGY INC	383	3/15/2011	9/11/2012	13016	13071	-	(56)
MICROCHIP TECHNOLOGY INC	35	3/15/2011	9/12/2012	1189	1182	-	(3)
MICROCHIP TECHNOLOGY INC	313	3/15/2011	9/12/2012	10612	10660	-	(49)
MICROCHIP TECHNOLOGY INC	58	3/15/2011	9/13/2012	1968	1975	-	(8)
MICROCHIP TECHNOLOGY INC	345	7/12/2011	9/13/2012	11772	11402	-	369
MICROCHIP TECHNOLOGY INC	354	7/12/2011	9/14/2012	12192	10869	-	1,323
MICROCHIP TECHNOLOGY INC	143	8/22/2011	9/17/2012	4873	4287	-	605
INTEL CORP	30	1/10/2011	10/5/2012	680	622	-	58
INTEL CORP	482	1/10/2011	10/5/2012	10,967	9,993	-	974
INTEL CORP	111	1/10/2011	10/5/2012	2,525	2,295	-	230
INTEL CORP	713	1/10/2011	10/5/2012	16,217	14,782	-	1,434
INTEL CORP	278	1/10/2011	10/8/2012	6,246	5,748	-	498
INTEL CORP	273	1/10/2011	10/8/2012	6,134	5,645	-	490
INTEL CORP	124	1/10/2011	10/9/2012	2,717	2,564	-	153
INTEL CORP	25	3/15/2011	10/9/2012	548	504	-	43
INTEL CORP	306	3/30/2011	10/9/2012	6,705	6,220	-	485
INTEL CORP	851	3/15/2011	10/9/2012	18,653	17,169	-	1,484
INTEL CORP	36	3/15/2011	10/9/2012	790	726	-	64
INTEL CORP	37	4/6/2011	10/10/2012	808	736	-	72
INTEL CORP	159	3/15/2011	10/10/2012	3,473	3,208	-	265
INTEL CORP	291	4/6/2011	10/10/2012	6,357	5,787	-	570
INTEL CORP	68	8/22/2011	10/10/2012	1,486	1,324	-	161
INTEL CORP	458	8/22/2011	10/10/2012	9,963	8,918	-	1,045
RAYTHEON CO	198	6/14/2011	10/24/2012	10,992	9,685	-	1,307
RAYTHEON CO	67	6/14/2011	10/25/2012	3,718	3,277	-	441
RAYTHEON CO	373	6/14/2011	10/25/2012	20,747	18,245	-	2,501
RAYTHEON CO	29	6/16/2011	10/26/2012	1,616	1,409	-	208
RAYTHEON CO	140	6/14/2011	10/26/2012	7,803	6,848	-	955
RAYTHEON CO	27	6/16/2011	10/31/2012	1,523	1,312	-	211
RAYTHEON CO	65	6/16/2011	10/31/2012	3,676	3,158	-	519
RAYTHEON CO	22	6/15/2011	10/31/2012	1,244	1,068	-	176
RAYTHEON CO	87	6/15/2011	11/1/2012	4,976	4,225	-	751
RAYTHEON CO	62	6/15/2011	11/1/2012	3,543	3,011	-	532
RAYTHEON CO	76	6/15/2011	11/1/2012	4,354	3,691	-	662
RAYTHEON CO	101	6/15/2011	11/2/2012	5,782	4,905	-	876
RAYTHEON CO	147	6/15/2011	11/5/2012	8,302	7,139	-	1,163
RAYTHEON CO	255	6/15/2011	11/6/2012	14,669	12,385	-	2,284
RAYTHEON CO	17	6/15/2011	11/6/2012	972	826	-	146
RAYTHEON CO	139	6/16/2011	11/7/2012	7,680	6,741	-	939
RAYTHEON CO	6	6/15/2011	11/7/2012	332	291	-	40
RAYTHEON CO	93	6/16/2011	11/7/2012	5,142	4,510	-	632
RAYTHEON CO	1	6/16/2011	11/7/2012	56	49	-	7
RAYTHEON CO	8	6/16/2011	11/8/2012	443	387	-	56
RAYTHEON CO	25	6/16/2011	11/8/2012	1,385	1,212	-	172
RAYTHEON CO	213	8/22/2011	11/8/2012	11,797	8,554	-	3,243
CLIFFS NATURAL RESOURCES INC	28	9/14/2012	11/28/2012	819	1,287	(468)	-
CLIFFS NATURAL RESOURCES INC	56	9/14/2012	11/28/2012	1,646	2,573	(927)	-
CLIFFS NATURAL RESOURCES INC	16	9/14/2012	11/28/2012	473	735	(262)	-
CLIFFS NATURAL RESOURCES INC	26	9/14/2012	11/28/2012	758	1,195	(437)	-
CLIFFS NATURAL RESOURCES INC	14	9/14/2012	11/29/2012	411	643	(233)	-
CLIFFS NATURAL RESOURCES INC	1	9/10/2012	11/29/2012	29	41	(11)	-
CLIFFS NATURAL RESOURCES INC	125	9/10/2012	11/29/2012	3,666	5,224	(1,558)	-
CLIFFS NATURAL RESOURCES INC	114	9/10/2012	11/29/2012	3,344	4,615	(1,272)	-
CLIFFS NATURAL RESOURCES INC	62	9/10/2012	11/29/2012	1,800	2,510	(710)	-
CLIFFS NATURAL RESOURCES INC	32	9/10/2012	11/29/2012	933	1,296	(362)	-
CLIFFS NATURAL RESOURCES INC	365	9/7/2012	11/30/2012	10,560	14,364	(3,804)	-
CLIFFS NATURAL RESOURCES INC	87	9/10/2012	11/30/2012	2,517	3,522	(1,005)	-
CLIFFS NATURAL RESOURCES INC	162	9/7/2012	11/30/2012	4,656	6,280	(1,624)	-
CLIFFS NATURAL RESOURCES INC	109	9/7/2012	11/30/2012	3,133	4,267	(1,134)	-
CLIFFS NATURAL RESOURCES INC	30	9/7/2012	11/30/2012	862	1,181	(318)	-
CLIFFS NATURAL RESOURCES INC	61	9/7/2012	11/30/2012	1,762	2,365	(602)	-
CLIFFS NATURAL RESOURCES INC	125	9/7/2012	12/3/2012	3,582	4,845	(1,264)	-
CLIFFS NATURAL RESOURCES INC	59	9/7/2012	12/3/2012	1,691	2,277	(587)	-
CLIFFS NATURAL RESOURCES INC	1	10/25/2012	12/3/2012	29	39	(10)	-
CLIFFS NATURAL RESOURCES INC	2	10/25/2012	12/3/2012	57	77	(20)	-
CLIFFS NATURAL RESOURCES INC	35	9/7/2012	12/3/2012	998	1,351	(353)	-
CLIFFS NATURAL RESOURCES INC	46	10/25/2012	12/3/2012	1,312	1,771	(459)	-
CLIFFS NATURAL RESOURCES INC	51	10/25/2012	12/3/2012	1,462	1,963	(502)	-
CLIFFS NATURAL RESOURCES INC	120	10/25/2012	12/3/2012	3,439	4,620	(1,181)	-
HIGHBRIDGE DYNAMIC COMM STRG FD -SEL	4442 47	4/29/2011	12/21/2012	62,506	100,000	-	(37,494)
HIGHBRIDGE DYNAMIC COMM STRG FD -SEL	4875 67	5/27/2011	12/21/2012	68,601	100,000	-	(31,399)
HIGHBRIDGE DYNAMIC COMM STRG FD -SEL	2554 931	7/1/2011	12/21/2012	35,948	50,000	-	(14,052)
HIGHBRIDGE DYNAMIC COMM STRG FD -SEL	2414 293	8/19/2011	12/21/2012	33,969	50,000	-	(16,031)
Grand Total						(75,157)	(140,356)

All assets are publicly traded.

Kessler Family Foundation
US Form 990-PF
Part II - Balance Sheets
December 31, 2012

04-3213614

Description	BEGINNING OF YEAR		
	Quantity	Cost	FMV
Line 10a- US Govt Obligations			
ISHARES BARCLAYS TIPS BOND FUND	24,930	2,545,108	2,909,082
Line 10b- Corporate Stock Investments			
ABBOTT LABORATORIES	1,956	94,982	109,986
ANALOG DEVICES INC	2,324	79,358	83,153
AUTOMATIC DATA PROCESSING INC	1,979	96,901	106,886
CHEVRON CORP	1,066	101,165	113,422
COLGATE PALMOLIVE CO	1,173	93,425	108,373
COLUMBIA FDS SER TR II MASS ASIA PC JP R5	48,654	585,000	531,296
CONOCOPHILLIPS	1,429	98,956	104,131
DODGE & COX INTERNATIONAL STOCK	42,531	1,480,000	1,243,598
GENERAL MILLS INC	2,584	94,282	104,419
HARTFORD CAPITAL APPRECIATION FUND	10,136	275,000	282,016
HONEYWELL INTERNATIONAL INC	1,915	101,496	104,080
ILLINOIS TOOL WORKS INC	1,822	96,789	85,106
INTEL CORP	5,012	103,104	121,541
ISHARES RUSSELL MIDCAP INDEX FUND	3,648	280,094	359,036
ISHARES S&P MIDCAP 400 INDEX FUND	8,513	606,540	745,824
IVY GLOBAL NATURAL RESOURCE-I	26,690	550,000	463,332
JOHNSON & JOHNSON	1,658	102,467	108,732
JPM LARGE CAP GROWTH FD - SEL FUND 3118	33,114	650,000	710,635
JPM SMALL CAP GROWTH FD - SEL FUND 3138	20,513	160,000	227,077
JPM TR I US LARGE CAP VAL PLUS - SEL FUND 1513	25,253	300,000	230,556
KELLOGG CO	1,848	97,344	93,453
LOCKHEED MARTIN CORP	1,348	101,293	109,053
MANAGERS AMG FUNDS-TIMESSQUARE MID CAP GROWTH FUND	7,713	80,000	101,887
MANNING & NAPIER FUND INC EQUITY SERIES	24,329	455,000	423,089
MATTHEWS PACIFIC TIGER INSTL FUND	23,747	425,000	482,539
MC DONALDS CORP	1,287	98,687	129,125
MICROCHIP TECHNOLOGY INC	2,986	103,760	109,377
NEXTERA ENERGY INC	1,807	96,989	110,010
PEOPLE'S UNITED FINANCIAL INC	7,533	99,093	96,799
PEPSICO INC	1,559	102,009	103,440
PROCTER & GAMBLE CO	1,597	101,516	106,536
PROFESSIONALLY MANAGED PORTFOLIOS THE OSTERWEIS FUND	12,625	275,000	323,573
RAYTHEON CO	2,151	102,930	104,065
TRANSAMERICA FDS WMC EMRGMKTS12	11,228	150,000	111,490
VANGUARD MSCI EMERGING MARKETS ETF	5,659	248,615	216,230
		8,496,805	8,573,667
Line 13- Other Investments			
DOUBLELINE FDS TR TTL RTN BD I	31,532	350,000	347,793
DREYFUS/LAUREL FDS TR PRM EMRG MK I	61,396	875,000	807,976
EATON VANCE MUT FDS TR FLT RT CL I	114,857	1,000,000	1,011,888
FORD MOTOR CREDIT CO NOTES 7% OCT 1 2013 DTD 9/23/2003	500,000	541,875	530,165
HARBOR HIGH YIELD BOND FUND - INS	37,559	400,000	397,746
INTER AMERICAN DEVEL BK - CLP 6% JUN 03 2013 DTD 06/03/2008 HELD BY EUROCL	225,000,000	485,887	442,046
INTL BK RECON & DEVELOP - TRY 9% JAN 25 2013 DTD 01/25/2010 HELD BY EUROCL	625,000	483,645	330,602
J P MORGAN - BLACKROCK OPPORTUNISTIC RMBS LTD INCOME DISTRIBUTION 01-	557	500,000	527,687
JPM HIGH YIELD FD - SEL FUND 3580 6 80%	270,544	2,094,817	2,061,542
JPM SHORT DURATION BOND FD - SEL FUND 3133 0 92%	98,623	1,066,006	1,079,917
JPM STR INC OPP FD FUND 3844 3 21%	62,362	750,000	706,560
PIMCO LOW DURATION FUND	96,525	1,000,000	993,243
PIMCO TOTAL RETURN FUND	335,463	3,514,948	3,646,487
VANGUARD FI SECS F INTR TRM CP PT FUND 71	41,885	390,790	418,434
BLACKSTONE COMMERCIAL REAL ESTATE DEBT CLASS A (OFFSHORE)	1,500,000	909,964	908,882
HIGHBRIDGE DYNAMIC COMM STRG FD -SEL	14,287	300,000	244,743
ISHARES S&P GSCI COMMODITY-INDEXED TRUST	31,000	995,883	1,022,380
JPM US REAL ESTATE INCOME AND GROWTH FINANCE CORP (CAYMAN) UNIT BALAI	2,172,927	1,500,000	1,639,308
SPDR GOLD TRUST	3,630	445,341	551,724
		17,584,156	17,669,123
Accrued Income		9,917	87,703
		17,594,072	17,756,826

Description	END OF YEAR		
	Quantity	Cost	FMV
Line 10a- US Govt Obligations			
ISHARES BARCLAYS TIPS BOND FUND	24,030	2,451,490	2,917,482
Line 10b- Corporate Stock Investments			
ANALOG DEVICES INC	2,734	94,760	114,892
AUTOMATIC DATA PROCESSING INC	1,979	96,901	112,684
BAXTER INTERNATIONAL INC	1,979	102,549	131,920
BBH FD INC TAX EFFIC EQ N	33,992	575,000	589,784
BLACKROCK INC	590	111,390	121,959
CHARLES SCHWAB CORP 7% FEB 28 2049 DTD 01/26/2012	225,000	248,150	256,797
CHEVRON CORP	1,188	111,749	126,091
COLGATE PALMOLIVE CO	1,173	93,425	122,625
COLUMBIA FDS SER TR II MASS ASIA PC JP R5	48,654	585,000	635,901
CONOCOPHILLIPS	2,004	107,435	118,212
DODGE & COX INTERNATIONAL STOCK	45,442	1,580,000	1,574,109
GENERAL MILLS INC	2,584	94,292	104,445
HONEYWELL INTERNATIONAL INC	1,915	101,496	121,545
ILLINOIS TOOL WORKS INC	1,822	96,789	110,796
ISHARES CORE S&P MID-CAP ETF	11,013	847,058	1,120,022
ISHARES RUSSELL MIDCAP INDEX FUND	3,648	290,094	412,589
JOHNSON & JOHNSON	1,658	102,467	116,226
JPM LARGE CAP GROWTH FD - SEL FUND 3118	39,401	800,000	943,656
JPM SMALL CAP GROWTH FD - INSTL FUND 3907	20,285	160,000	235,098
LOCKHEED MARTIN CORP	1,348	101,293	124,407
MANAGERS AMG FUNDS-TIMESSQUARE MID CAP GROWTH FUND	7,713	80,000	114,890
MANNING & NAPIER FUND INC EQUITY SERIES	24,329	455,000	417,007
MATTHEWS PACIFIC TIGER INSTL FUND	23,747	425,000	579,865
MC DONALDS CORP	1,403	108,716	123,759
NEXTERA ENERGY INC	1,807	96,989	125,026
PEPSICO INC	1,774	116,817	121,395
PNC FINANCIAL SERVICES 6 3/4% DEC 31 2049 DTD 07/27/2011	230,000	245,813	260,530
PROCTER & GAMBLE CO	1,597	101,516	108,420
PROFESSIONALLY MANAGED PORTFOLIOS THE OSTERWEIS FUND	12,625	275,000	354,125
STAPLES INC	9,822	113,545	111,971
THE TRAVELERS COMPANIES INC	1,617	103,579	116,133
VANGUARD FTSE EMERGING MARKETS ETF	8,559	363,923	381,132
WALGREEN CO	3,548	118,231	131,311
XILINX CORP	2,773	96,122	99,443
		8,998,089	10,236,426
Line 13- Other Investments			
BLACKSTONE COMMERCIAL REAL ESTATE DEBT CLASS A (OFFSHORE	1,500,000	1,164,199	1,256,427
DOUBLELINE FDS TR TTL RTN BD I	64,969	725,000	736,098
DREYFUS LAUREL EMG MKT DEBT LOC C-1	45,092	625,583	691,711
EATON VANCE FLOATING RATE I	114,857	998,508	1,047,494
FORD MOTOR CREDIT CO NOTES 7% OCT 1 2013 DTD 9/23/2003	500,000	541,875	522,430
GS BREN GOLD NOTE 2/1/13 LNKD TO GOLDLNPM 1 6%LEV, 10%BUFFE	75,000	75,000	76,942
HARBOR HIGH YIELD BOND FUND - INS	37,559	400,000	417,277
INTER AMERICAN DEVEL BK - CLP 6% JUN 03 2013 DTD 06/03/2008 HEL	225,000,000	485,887	470,201
INTL BK RECON & DEVELOP - TRY 9% JAN 25 2013 DTD 01/25/2010 HEL	625,000	463,645	350,759
ISHARES S&P GSCI COMMODITY-INDEXED TRUST	31,000	995,883	1,016,490
J P MORGAN-BLACKROCK OPPORTUNISTIC RMBS LTD INCOME DISTI	524	500,000	620,574
JPM HIGH YIELD FD - SEL FUND 3580 5 26%	149,559	1,145,458	1,217,414
JPM HIGH YIELD FD - SEL FUND 3580 5 26%	120,984	949,359	984,811
JPM SHORT DURATION BOND FD - SEL FUND 3133 0 53%	98,623	1,066,006	1,083,882
JPM STR INC OPP FD FUND 3844 2 81%	62,362	750,000	737,741
JPM US REAL ESTATE INCOME AND GROWTH FINANCE CORP (CAYMA	2,135,150	1,500,000	1,736,765
PIMCO LOW DURATION FUND	96,525	1,000,000	1,014,479
PIMCO TOTAL RETURN FUND	263,600	2,755,348	2,962,881
SOUTHERN CAL EDISON 6 1/4% DEC 31 2049 DTD 01/17/2012	250,000	257,465	272,758
SPDR GOLD TRUST	3,630	445,341	588,133
UBS BREN BRENT CRUDE 06/27/13 LNKD TO CO1 1 76%LEV, 85% BARR	75,000	75,000	81,540
VANGUARD FI SECS F INTR TRM CP PT FUND 71	41,885	390,790	432,256
WACHOVIA CAPITAL TRUST III VAR RATE MAR 31 2049 DTD 2/1/2008	250,000	229,375	249,683
		17,538,723	18,568,704
Accrued Income		15,300	115,446
		17,555,022	18,684,149