Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , 2012, and ending , 20

Name of foundation: HIRSCH FAMILY FOUNDATION

A Employer identification number: 20-1225862

Number and street (or P O box number if mail is not delivered to street address): 3811 TURTLE CREEK BLVD

Room/suite: 250

B Telephone number (see instructions): (214) 245-5000

City or town, state, and ZIP code: DALLAS, TX 75219-4504

C If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 32,460,531.

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

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

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)*

	Line		(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 ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	30,048.	30,048.		ATCH 1
	4	Dividends and interest from securities	816,764.	816,764.		ATCH 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	43,212.			
	b	Gross sales price for all assets on line 6a 881,245.				
	7	Capital gain net income (from Part IV, line 2)		43,212.		
	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) (attach schedule)				
	11	Other income (attach schedule) ATCH 3	20,093.	20,093.		
	12	**Total** Add lines 1 through 11	910,117.	910,117.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	146,500.			146,500.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)				
	17	Interest ATCH 4	45,707.	45,707.		
	18	Taxes (attach schedule) (see instructions) ATCH 5	144,055.	2,411.		880.
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 6	164,553.	164,553.		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	500,815.	212,671.		147,380.
	25	Contributions, gifts, grants paid	2,401,350.			2,401,350.
	26	**Total expenses and disbursements** Add lines 24 and 25	2,902,165.	212,671.		2,548,730.
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-1,992,048.			
	b	**Net investment income** (if negative, enter -0-)		697,446.		
	c	**Adjusted net income** (if negative, enter -0-)				

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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	8,820,052.	3,971,959.	3,971,959.
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule)			
	b	Investments - corporate stock (attach schedule) ATCH 7	11,342,848.	16,947,780.	28,488,572.
	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)			
	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)	20,162,900.	20,919,739.	32,460,531.
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 ▶ ATCH 8)	949.		
	23	**Total liabilities** (add lines 17 through 22)	949.	0	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
	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	20,161,951.	20,919,739.	
	30	**Total net assets or fund balances** (see instructions)	20,161,951.	20,919,739.	
	31	**Total liabilities and net assets/fund balances** (see instructions)	20,162,900.	20,919,739.	

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	20,161,951.
2	Enter amount from Part I, line 27a	2	-1,992,048.
3	Other increases not included in line 2 (itemize) ▶ ATCH 9	3	2,986,632.
4	Add lines 1, 2, and 3	4	21,156,535.
5	Decreases not included in line 2 (itemize) ▶ ATCH 10	5	236,796.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	20,919,739.

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	43,212.
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	2,388,000.	28,101,449.	0.084978
2010	2,187,700.	25,863,642.	0.084586
2009	2,032,352.	20,521,485.	0.099035
2008	2,157,759.	17,024,919.	0.126741
2007	1,831,072.	25,621,449.	0.071466

2	**Total** of line 1, column (d)	2	0.466806
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	0.093361
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	31,440,363.
5	Multiply line 4 by line 3	5	2,935,304.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	6,974.
7	Add lines 5 and 6	7	2,942,278.
8	Enter qualifying distributions from Part XII, line 4	8	2,548,730.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 . . . Date of ruling or determination letter _______________ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	13,949.
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	13,949.
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	13,949.
6	Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012 — 6a		
b	Exempt foreign organizations - tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c: 14,160.		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	14,160.
8	Enter any **penalty** for underpayment of estimated tax Check here [X] if Form 2220 is attached	8	315.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	104.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ **Refunded** ▶	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?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ________ **(2)** On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TX,			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *(continued)*

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ MIKE NICOLAIS Telephone no ▶ 214-245-5000

Located at ▶ 3811 TURTLE CREEK BLVD, SUITE 250 DALLAS, TX ZIP+4 ▶ 75219-4487

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 |

		Line	Yes	No
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		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

		Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?	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? ☐ Yes ☒ No If "Yes," list the years ▶ ______, ______, ______, ______			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions)	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? SEE FOOTNOTE 2 & 3 ☒ Yes ☐ 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)*	3b		X
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 2012?	4b		X

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

			Yes	No
5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (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)?	**5b**		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No			
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		X
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No			
b	If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (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		146,500.	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
NONE		
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 NONE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3 ▶	

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	25,523,144.
b	Average of monthly cash balances	1b	6,396,006.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	31,919,150.
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	31,919,150.
4	Cash deemed held for charitable activities Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	478,787.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	31,440,363.
6	**Minimum investment return.** Enter 5% of line 5	6	1,572,018.

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	1,572,018.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	13,949.		
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	13,949.
3	Distributable amount before adjustments Subtract line 2c from line 1			3	1,558,069.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	1,558,069.
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	1,558,069.

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	2,548,730.
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	2,548,730.
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	2,548,730.

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				1,558,069.
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 ... 1,831,072.				
b From 2008 ... 2,157,759.				
c From 2009 ... 1,011,662.				
d From 2010 ... 931,686.				
e From 2011 ... 1,111,949.				
f **Total** of lines 3a through e	7,044,128.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 2,548,730.				
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				1,558,069.
e Remaining amount distributed out of corpus	990,661.			
5 Excess distributions carryover applied to 2012 (*If an amount appears in column (d), the same amount must be shown in column (a)*.)				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	8,034,789.			
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)	1,831,072.			
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	6,203,717.			
10 Analysis of line 9				
a Excess from 2008 ... 2,157,759.				
b Excess from 2009 ... 1,011,662.				
c Excess from 2010 ... 931,686.				
d Excess from 2011 ... 1,111,949.				
e Excess from 2012 ... 990,661.				

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)

	Tax year	Prior 3 years			
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
2a 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))

ATTACHMENT 12

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

ATTACHMENT 13

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

ATCH 14

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

ATCH 15

c Any submission deadlines

NONE

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

NONE

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*				
ATCH 16				
Total ▶ **3a**				2,401,350.
b *Approved for future payment*				
Total ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
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	30,048.	
4 Dividends and interest from securities			14	816,764.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	43,212.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b ATCH 17		20,093.			
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		20,093.		890,024.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 910,117.

(See worksheet in line 13 instructions to verify calculations)

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

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

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

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		
	(2) Other assets	1a(2)		
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		
	(3) Rental of facilities, equipment, or other assets	1b(3)		
	(4) Reimbursement arrangements	1b(4)		
	(5) Loans or loan guarantees	1b(5)		
	(6) Performance of services or membership or fundraising solicitations	1b(6)		
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
	N/A		N/A

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

b If "Yes," complete the following schedule

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

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

▶ CHRIS MCRORIE [signature] 11/14/2013 ▶ VICE PRESIDENT

Signature of officer or trustee | Date | 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	Preparer's signature	Date	Check ☐ if self-employed	PTIN
TRACEY S. SPIVEY	[signature]	12 Nov '13		P01248185

Firm's name ▶ MONTGOMERY COSCIA GREILICH LLP — Firm's EIN ▶ 75-2919818

Firm's address ▶ 2500 DALLAS PARKWAY, SUITE 300 PLANO, TX 75093 — Phone no 972-748-0300

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: HIRSCH FAMILY FOUNDATION

Employer identification number: 20-1225862

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	32,994.
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	32,994.

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	10,218.
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	
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	10,218.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041 **Schedule D (Form 1041) 2012**

JSA
2F1210 2 000

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			32,994.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			10,218.
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			43,212.

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

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? ☐ **Yes.** Skip lines 25 and 26, go to line 27 and check the "No" box ☐ **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? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **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-1 (Form 1041)

Department of the Treasury Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ 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: HIRSCH FAMILY FOUNDATION

Employer identification number: 20-1225862

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

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a REGAN CAPIAL - 6959					34,534.
DALRYMPLE GLOBAL K-1					-44.
HIGHLANDER PARTNERS HEALTHCARE FUND K-1					-2,785.
JP MORGAN - 9009 ST					1,251.
FIDELITY - 4515 ST					38.

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b . . . . 32,994.

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

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 MARTIN FLETCHER SALE					-47,812.
JP MORGAN - 9009 LT					38,591.
FIDELITY - 4515 LT					1,995.
DALRYMPLE GLOBAL K-1					-30,239.
HIGHLANDER CEA MGMT K-1					209.
HIGHLANDER PARTNERS HEALTHCARE FUND K-1					47,474.
6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b					10,218.

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)	
		MARTIN FLETCHER SALE PROPERTY TYPE: SECURITIES				D	VAR -47,812.	VAR
		JP MORGAN - 9009 LT PROPERTY TYPE: SECURITIES				D	VAR 38,591.	VAR
		FIDELITY - 4515 LT PROPERTY TYPE: SECURITIES				D	VAR 1,995.	VAR
		REGAN CAPIAL - 6959 PROPERTY TYPE: SECURITIES				D	VAR 34,534.	VAR
		DALRYMPLE GLOBAL K-1 PROPERTY TYPE: SECURITIES				D	VAR -44.	VAR
		DALRYMPLE GLOBAL K-1 PROPERTY TYPE: SECURITIES				D	VAR -30,239.	VAR
		HIGHLANDER CEA MGMT K-1 PROPERTY TYPE: SECURITIES				D	VAR 209.	VAR
		HIGHLANDER PARTNERS HEALTHCARE FUND K-1 PROPERTY TYPE: SECURITIES				D	VAR -2,785.	VAR
		HIGHLANDER PARTNERS HEALTHCARE FUND K-1 PROPERTY TYPE: SECURITIES				D	VAR 47,474.	VAR
		JP MORGAN - 9009 ST PROPERTY TYPE: SECURITIES				D	VAR 1,251.	VAR
		FIDELITY - 4515 ST PROPERTY TYPE: SECURITIES				D	VAR 38.	VAR
TOTAL GAIN(LOSS)							43,212.	

Form **8868**
(Rev January 2013)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

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

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

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

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

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

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

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions. HIRSCH FAMILY FOUNDATION	Employer identification number (EIN) or 20-1225862
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P.O box, see instructions 3811 TURTLE CREEK BLVD	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions DALLAS, TX 75219-4504	

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 ▶ MIKE NICOLAIS

Telephone No ▶ 214 245-5000 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 20 12 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	$ 14,160.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$ 0
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 14,160.

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

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

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

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

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

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions HIRSCH FAMILY FOUNDATION	Employer identification number (EIN) or 20-1225862
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions 3811 TURTLE CREEK BLVD	Social security number (SSN)
	City, town or post office, state, and ZIP code For a foreign address, see instructions DALLAS, TX 75219-4504	

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	[illegible]	[illegible]
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 ▶ MIKE NICOLAIS

Telephone No ▶ 214 245-5000 FAX No ▶

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

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

4 I request an additional 3-month extension of time until 11/15 , 20 13

5 For calendar year 2012 , or other tax year beginning ______ , 20 ___ , and ending ______ , 20 ___

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

7 State in detail why you need the extension WE RESPECTFULLY REQUEST ADDITIONAL TIME IN ORDER TO GATHER INFORMATION TO PROPERLY FILE THE 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	$ 0
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$ 0
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 ▶ Date ▶

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
BANK OF AMERICA - 6653	43.	43.
FIDELITY - 4515	173.	173.
FIDELITY - 3586	659.	659.
JP MORGAN - 3173	3,465.	3,465.
ACCRUED INTEREST	1,088.	1,088.
REGAN CAPITAL - 6959	24,609.	24,609.
JP MORGAN - 9009	11.	11.
TOTAL	30,048.	30,048.

ATTACHMENT 2

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
HPC HOLDINGS - INTEREST	48,174.	48,174.
HPC HOLDINGS - DIVIDEND	281,430.	281,430.
LUND - DIVIDEND	148,652.	148,652.
WHITE HORSE II LTD - DIVIDEND	107,161.	107,161.
HIGHLANDER PARTNERS HEALTCARE FUND - INT	9,911.	9,911.
HIGHLANDER PARTNERS HEALTCARE FUND - DIV	29,097.	29,097.
FIDELITY 3586 - DIVIDENDS	65,436.	65,436.
FIDELITY 4515 - DIVIDENDS	47,841.	47,841.
JP MORGAN - 9009	73,607.	73,607.
CHAMBERS ENERGY CAPITAL II - INTEREST	5,442.	5,442.
REGAN CAPITAL - 6959	13.	13.
TOTAL	816,764.	816,764.

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ORDINARY INCOME FROM HPC HOLDINGS	17,096.	17,096.
OTHER INCOME FROM DALRYMPLE K-1	1,443.	1,443.
ORDINARY INCOME FROM DALRYMPLE K-1	-55.	-55.
OTHER INCOME FROM CHAMBERS ENERGY K-1	986.	986.
OTHER INCOME	623.	623.
TOTALS	20,093.	20,093.

FORM 990PF, PART I - INTEREST EXPENSE

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
HPC HOLDINGS INV INT EXPENSE	40,650.	40,650.
REGAN ACCRUED INTEREST PAID	5,057.	5,057.
TOTALS	45,707.	45,707.

ATTACHMENT 5

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS
PAYROLL TAXES	880.
FIT - 2011	140,764.
FOREIGN TAXES	1,112.
FOREIGN TAXES FROM INVESTMENTS	1,299.
TOTALS	144,055.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
ADVISOR FEES	31,517.	31,517.
BANK FEE	245.	245.
PROFESSIONAL FEES	27,633.	27,633.
DALRYMPLE GLOBAL K-1 EXP	2,903.	2,903.
CHAMBERS ENERGY CAP K-1 EXP	40,174.	40,174.
HIGHLANDER PTNRS HCF K-1 EXP	60,581.	60,581.
VOGEL ALCOVE ADMIN EXP	1,500.	1,500.
TOTALS	164,553.	164,553.

ATTACHMENT 7

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
SECURITIES	16,947,780.	28,488,572.
TOTALS	16,947,780.	28,488,572.

ATTACHMENT 8

FORM 990PF, PART II - OTHER LIABILITIES

DESCRIPTION	ENDING BOOK VALUE
PAYROLL LIABILITIES	
TOTALS	

ATTACHMENT 9

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

DESCRIPTION		AMOUNT
UNREALIZED GAIN / LOSS		2,986,632.
	TOTAL	2,986,632.

ATTACHMENT 10

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

DESCRIPTION		AMOUNT
PRIOR PERIOD ADJUSTMENT - PY ROI		236,796.
	TOTAL	236,796.

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

ATTACHMENT 11

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
LAURENCE HIRSCH 3811 TURTLE CREEK BLVD 250 DALLAS, TX 75219-4504	DIRECTOR 2.00	0	0	0
SUSAN HIRSCH 3811 TURTLE CREEK BLVD 250 DALLAS, TX 75219-4504	DIRECTOR 2.00	0	0	0
DARIA LEE HIRSCH 3811 TURTLE CREEK BLVD 250 DALLAS, TX 75219-4504	DIRECTOR 10.00	106,000.	0	0
BRADFORD HIRSCH 3811 TURTLE CREEK BLVD 250 DALLAS, TX 75219-4504	DIRECTOR 10.00	40,500.	0	0
	GRAND TOTALS	146,500.	0	0

ATTACHMENT 12

FORM 990PF, PART XV - INFORMATION REGARDING FOUNDATION MANAGERS

LAURENCE HIRSCH
SUSAN HIRSCH

ATTACHMENT 13

FORM 990PF, PART XV - INFORMATION REGARDING MANAGERS OWNING 10% STOCK

LAURENCE HIRSCH
SUSAN HIRSCH

ATTACHMENT 14

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

RACHEL GALLINI
3811 TURTLE CREEK BLVD, STE 280
DALLAS, TX 75219
214-245-5000

ATTACHMENT 15

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS

REQUESTS FOR DONATIONS SHOULD BE REQUESTED IN A LETTER THAT SHOULD INCLUDE THE PURPOSE FOR THE DONATION, NAME, ADDRESS AND PHONE NUMBER.

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

ATTACHMENT 16

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
BOYS & GIRLS CLUBS OF AMERICA 1275 PEACHTREE ST NE ATLANTA, GA 30309	NONE 509(A)(2)	CREATES GREAT FUTURES FOR OUR NATION'S YOUNG PEOPLE	25,000
CENTER FOR EUROPEAN POLICY ANALYSIS 1225 19TH STREET NW, SUITE 450 WASHINGTON, DC 20036	NONE 509(A)(1)	FORUM FOR SCHOLARLY RESEARCH	650,000
COMMUNITIES IN SCHOOLS DALLAS REGION, INC 8700 N STEMMONS FWY, SUITE 125 DALLAS, TX 75247	NONE 509(A)(1)	ACADEMIC SERVICES TO STRUGGLING SCHOOLCHILDREN	60,000
DALLAS CHILDREN'S ADVOCACY CENTER 3611 SWISS AVENUE DALLAS, TX 75204	NONE 509(A)(1)	CHILD ABUSE VICTIMS IN DALLAS COUNTY	100,000
DALLAS HERITAGE VILLAGE AT OLD CITY PARK 1515 S HARWOOD DALLAS, TX 75215	NONE 509(A)(1)	GONE TO TEXAS--SUPPORTS CHILDREN PARTICIPATING IN SCHOOL PROGRAMS	6,000
GEORGIA O'KEEFFE MUSEUM 217 JOHNSON STREET SANTA FE, NM 87501	NONE 509(A)(1)	AMERICA'S ARTISTIC HERITAGE, SCHOLARSHIP, OUTREACH PROGRAMS	175,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
LIFT 800 7TH STREET, NW, SUITE 300 WASHINGTON, DC 20001	NONE 509(A)(1)	CONTRIBUTION	200,000
NATIONAL CENTER FOR LEARNING DISABILITIES 381 PARK AVENUE SO , SUITE 1401 NEW YORK, NY 10016	NONE 509(A)(1)	EDUCATIONAL SERVICES	100,000
NORTH TEXAS FOOD BANK 4500 S COCKRELL HILL ROAD DALLAS, TX 75236	NONE 509(A)(1)	HUNGER RELIEF	50,000
PLANNED PARENTHOOD OF NORTH TEXAS 7424 GREENVILLE AVE, SUITE 206 DALLAS, TX 75231	NONE 509(A)(2)	SEXUAL AND REPODUCTIVE HEALTH CARE ADVOCATE	10,000
ST MARKS SCHOOL OF TEXAS 10600 PRESTON ROAD DALLAS, TX 75230	NONE 509(A)(1)	EDUCATION	70,000
STATE FAIR OF TEXAS P O BOX 150009 DALLAS, TX 75315	NONE 509(A)(2)	LIVESTOCK DONATION	5,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE ARTS COMMUNITY ALLIANCE 1722 ROUTH STREET, SUITE 115 DALLAS, TX 75201	NONE 509(A)(2)	CONTRIBUTION	2,500
THE KENNEDY CENTER P O BOX 101510 ARLINGTON, VA 22210	NONE 509(A)(1)	CONTRIBUTION	133,000
SENIOR CITIZENS OF GREATER DALLAS, INC 3910 HARRY HINES BOULEVARD DALLAS, TX 75219	NONE 509(A)(1)	IMPROVE THE QUALITY OF LIFE FOR THE OLDER ADULT POPULATION	27,500
TROSA 1820 JAMES STREET DURHAM, NC 27707	NONE 509(A)(1)	RESIDENTIAL SUBSTANCE ABUSE RECOVERY PROGRAM	50,000
VICKERY MEADOW LEARNING CENTER 6329 RIDGECREST DALLAS, TX 75231	NONE 509(A)(1)	EARLY CHILDHOOD EDUCAION PROGRAMS	70,000
VOGEL ALCOVE 7557 RAMBLER ROAD, SUITE 262 DALLAS, TX 75231	NONE 509(A)(1)	AMBASSADORS OF HOPE AWARDS LUNCHEON	29,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
JEWISH FEDERATION OF TEXAS 100 SOUTH HOUSTON STREET DALLAS, TX 75202	NONE 509(A)(1)	CREATE A STONG IMPACT LOCALLY AND AROUND THE WORLD	25,000
ST JUDES CHILDRENS HOSPITAL 262 DANNY THOMAS PLACE MEMPHIS, TN 38105	NONE 509(A)(1)	RESEARCH AND MEDICAL ADVANCEMENT	10,000
DARYC 305 E MAIN STREET DURHAM, NC 27701	NONE 509(A)(1)	ADDRESSES TRUANCY, DROP-OUT PREVENTION AND GANG PREVENTION	100,000
NATIONAL WOMENS LAW CENTER 11 DUPONT CIRCLE, NW #800 WASHINGTON, DC 20036	NONE 509(A)(1)	BUILD CRITICAL PUBLIC AWARENESS AROUND KEY ISSUES AFFECTING LIVES OF WOMEN AND THEIR FAMILIES	50,000
TEMPLE EMANU-EL 8500 HILLCREST ROAD DALLAS, TX 75225	NONE 509(A)(1)	SUPPORT REFORM JEWISH CONGREGATION	10,000
AMERICAN HEART ASSOCIATION 7272 GREENVILLE AVE DALLAS, TX 75231	NONE 509(A)(1)	HEART AND STROKE RESEARCH	10,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
DALLAS CASA 2815 GASTON AVE DALLAS, TX 75226	NONE 509(A)(1)	ADVOCATES BEST INTEREST OF ABUSED AND NEGLECTED CHILDREN	5,000
SALESMANSHIP CLUB CHARITABLE GOLF OF DALLAS, INC 106 E TENTH STREET DALLAS, TX 75203	NONE 509(A)(1)	HELP WITH AT-RISK AND TROUBLED YOUTH	10,000
PARKLAND FOUNDATION 2777 N STEMMONS FREEWAY, SUITE 1700 DALLAS, TX 75207	NONE 509(A)(1)	BUILD NEW HOSPITAL	200,000
THE YMCA 601 N AKARD ST DALLAS, TX 75201	NONE 509(A)(1)	YOUTH DEVELOPMENT, HEALTHY LIVING, AND SOCIAL RESPONSIBILITY	10,000
DALLAS SUMMER MUSICALS, INC MUSIC HALL AT FAIR PARK PO BOX 710336 DALLAS, TX 75371-0336	NONE 509(A)(1)	SUPPORT FOR THE ARTS	50,000
LEUKEMIA & LYMPHOMA SOCIETY 401 HARRISON OAKS BLVD SUITE 200 CARY, NC 27513	NONE 509(A)(1)	CURE LEUKEMIA, LYMPHOMA, HODGKIN'S DISEASE AND MYELOMA AND IMPROVE QUALITY LIFE FOP PATIENTS	50,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE SANTA FE OPERA PO BOX 2408 SANTA FE, NM 87504-2408	NONE 509(A)(2)	SUPPORT FOR THE ARTS	10,000
ST JOHN'S COLLEGE 1160 CAMINO CRUZ BLANCA SANTA FE, NM 87505	NONE 509(A)(1)	SCHOLARSHIP FUND	1,000
TRUSTEES OF UNIVERSITY OF PENNSYLVANIA 3451 WALNUT STREET 433 FRANKLIN BUILDING PHILADELPHIA, PA 19104-6205	NONE 509(A)(1)	CONTRIBUTION REUNION FUND	10,000
VILLANOVA UNIVERSITY 800 LANCASTER AVENUE VILLANOVA, PA 19085	NONE 509(A)(1)	LAW ANNUAL FUND	50,000
CARE FOR ANIMALS PO BOX 7604 LITTLE ROCK, AR 72217	NONE 509(A)(1)	ANIMAL SUPPORT	1,000
CENTER FOR STRATEGIC & INTERNATIONAL STUDIES 1800 K STREET NW WASHINGTON DC, 20006	NONE 509(A)(1)	ANALYSIS AND POLICY IMPACT	5,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
THE DALLAS SYMPHONY ASSOCIATION 2301 FLORA STREET SUITE 500 DALLAS, TX 75201	NONE 509(A)(2)	SUPPORT FOR THE ARTS	5,000
AMERICAN CANCER SOCIETY PO BOX 22718 OKLAHOMA CITY, OK 73123	NONE 509(A)(1)	CANCER RESEARCH AND PATIENT SUPPORT	500
MAPLE LAWN ELEMENTARY SCHOOL - DISD 3700 ROSS AVENUE DALLAS, TX 75204	NONE 509(A)(1)	ACCELERATED READING PROGRAM	4,600
METHODIST HEALTH SYSTEM FOUNDATION 1441 NORTH BECKLEY AVENUE DALLAS, TX 75203	NONE 509(A)(1)	FOLSON LEADERSHIP GRANT OF PAYMENT CAPABILITY	10,000
TRAFFICK 911 PO BOX 11821 FORT WORTH, TX 76110	NONE 509(A)(1)	PREVENTING, RESCUING AND RESTORING VICTIMS OF DOMESTIC MINOR SEX TRAFFICKING	250
UT SOUTHWESTERN PO BOX 910888 DALLAS, TX 75391	NONE 509(A)(1)	RESEARCH AND MEDICAL ADVANCEMENT	1,000

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

ATTACHMENT 16 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
WOODROW WILSON CENTER FOR SCHOLARS 1300 PENNSYLVANIA AVE NW WASHINGTON, DC 20004	NONE 509(A)(1)	UNITE SCHOLARSHIP & DIALOGUE WITH POLICY GRANT	10,000
		TOTAL CONTRIBUTIONS PAID	2,401,350

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 17

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
PASS-THROUGH FROM PARTNERSHIP INVESTMENTS	310000	20,093.			
TOTALS		20,093.			

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 17

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
PASS-THROUGH FROM PARTNERSHIP INVESTMENTS	310000	20,093.			
TOTALS		20,093.			

FEDERAL FOOTNOTES

FOOTNOTE 1

PART VII-B, LINE 1 AND LINE 3B IN 2011, THE FOUNDATION REPORTED CERTAIN PRIOR-YEAR INVESTMENTS INADVERTENTLY VIOLATING THE SELF-DEALING RULES ON ITS 2009 FORM 4720, WHICH WAS EXAMINED BY THE IRS. THESE INVESTMENTS/VIOLATIONS HAVE BEEN CORRECTED AS OF DECEMBER 31, 2011. THE FOUNDATION ALSO AGREES WITH THE ADJUSTMENTS MADE BY THE EXAMINER IN THE AGREEMENT DATED OCTOBER 31ST, 2013 BY FILING FORM 870-E:WAIVER OF RESTRICTIONS ON ASSESSMENT AND COLLECTION OF DEFICIENCY AND ACCEPTANCE OF OVERASSESMENT.

FEDERAL FOOTNOTES

FOOTNOTE 2

THE HIRSCH FAMILY FOUNDATION AND HIGHLANDER PARTNERS, LP, CORRECTED THE LAST OF ITS PREVIOUSLY UNCORRECTED ACTS OF SELF-DEALING, THE PURCHASES OF PERFOMANCE CHEMICALS & INGREDIENTS STOCK THAT OCCURRED IN 2007 AND 2008. THE IRS REVENUE AGENT REPORT CONCERNING ITS EXAMINATION, WHICH THE FOUNDATION HAS AGREED TO, DETERMINED THAT SECTION 4941 EXCISE TAXES WERE DUE IN 2005, 2006, 2007, AND 2008, IN CONNECTION WITH ACTS OF SELF-DEALING OCCURRING IN THOSE YEARS, BUT THAT THOSE TAXES HAD BEEN PAID IN FULL. IT FURTHER ADJUSTED THE SECTION 4941 TAX FOR 2009, 2010, AND 2011 DOWNWARD BY REMOVING ANY ASSESSED TAX IN THOSE YEARS THAT WAS ATTRIBUTABLE TO THE 2007 AND 2008 PCI PURCHASES. THE IRS IS ISSUING A REFUND FOR THE EXCESS TAX PAID. CONSISTENT WITH THE RESULT OF THE IRS EXAMINATION, HIGHLANDER PARTNERS, LP, WHO MADE AN EXTENSION PAYMENT OF $91,911 IN MAY 2013 WHEN EXTENDING ITS 2012 FORM 4720, IS REQUESTING A REFUND FOR THE 2012 TAX PAID, WHICH WAS WHOLLY ATTRIBUTABLE TO THE 2007 AND 2008 PURCHASE OF PCI STOCK.

FEDERAL FOOTNOTES

FOOTNOTE 3

DURING 2012, THE FOUNDATION HELD INVESTMENTS IN CERTAIN PARENT HOLDING COMPANIES (PCI) THAT THEMSELVES HELD ACTIVE TRADES OR BUSINESSES. THE INVESTMENTS WERE ORIGINALLY DISCLOSED ON THE FOUNDATION'S 2009 FORM 4720. THE FOUNDATION BELIEVED THAT THESE HOLDINGS DID NOT RESULT IN ASSESSABLE EXCESS BUSINESS HOLDINGS TAX IN 2012, BOTH BECAUSE THESE PARENT ENTITIES DID NOT THEMSELVES QUALIFY AS ACTIVE BUSINESS ENTERPRISES, AND BECAUSE UNDER SECTION 4962 THE FOUNDATION HAD REASONABLE CAUSE FOR HOLDING THESE INVESTMENTS AND HAS CORRECTED THEM IN A MANNER DISCUSSED WITH AND APPROVED BY THE IRS.