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 , and ending

Name of foundation THE HIGH STAKES FOUNDATION	**A Employer identification number** 20-5815274
Number and street (or P O box number if mail is not delivered to street address) P.O. BOX 96 — Room/suite	**B** Telephone number 406-726-2030
City or town, state, and ZIP code ARLEE, MT 59821	**C** If exemption application is pending, check here ▶ [ ]
G Check all that apply: [ ] Initial return [ ] Initial return of a former public charity [ ] Final return [ ] Amended return [ ] Address change [ ] Name change	**D** 1. Foreign organizations, check here ▶ [ ] 2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]
H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation	**E** If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]
I Fair market value of all assets at end of year (*from Part II, col. (c), line 16*) ▶$ 1,717,339. — **J** Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) (*Part I, column (d) must be on cash basis.*)	**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	48,479.	48,479.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	5,702.			
	b Gross sales price for all assets on line 6a 740,280.				
	7 Capital gain net income (from Part IV, line 2)		5,702.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	54,181.	54,181.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	2,550.	0.		2,550.
	c Other professional fees STMT 3	120,641.	18,141.		102,500.
	17 Interest				
	18 Taxes STMT 4	1,371.	575.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	3,602.	0.		3,602.
	22 Printing and publications				
	23 Other expenses STMT 5	821.	0.		821.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	128,985.	18,716.		109,473.
	25 Contributions, gifts, grants paid	368,700.			368,700.
	26 **Total expenses and disbursements.** Add lines 24 and 25	497,685.	18,716.		478,173.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<443,504.>			
	b **Net investment income** (if negative, enter -0-)		35,465.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	104,658.	38,097.	38,097.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations	127,143.		
	b Investments - corporate stock STMT 6	838,177.	826,128.	826,128.
	c Investments - corporate bonds STMT 7	776,647.	724,757.	724,757.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 8	171,083.	128,357.	128,357.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	2,017,708.	1,717,339.	1,717,339.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ 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 ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	2,017,708.	1,717,339.	
	30 **Total net assets or fund balances**	2,017,708.	1,717,339.	
	31 **Total liabilities and net assets/fund balances**	2,017,708.	1,717,339.	

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	2,017,708.
2	Enter amount from Part I, line 27a	2	<443,504.>
3	Other increases not included in line 2 (itemize) ▶ NET UNREALIZED GAIN/(LOSS)	3	166,398.
4	Add lines 1, 2, and 3	4	1,740,602.
5	Decreases not included in line 2 (itemize) ▶ MISCELLANEOUS ADJUSTMENT	5	23,263.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,717,339.

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	SALE OF PUBLICLY TRADED SECURITIES	P		
b	CAPITAL GAINS DIVIDENDS			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	736,902.		734,578.	2,324.
b	3,378.			3,378.
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a				2,324.
b				3,378.
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** 5,702.

3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):
If gain, also enter in Part I, line 8, column (c).
If (loss), enter -0- in Part I, line 8 **3** N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see 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	639,396.	2,308,747.	.276945
2010	362,569.	2,470,136.	.146781
2009	538,003.	2,830,682.	.190061
2008	792,412.	3,070,975.	.258033
2007	0.	12,842.	.000000

2	**Total** of line 1, column (d)	2	.871820
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	.174364
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	1,949,386.
5	Multiply line 4 by line 3	5	339,903.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	355.
7	Add lines 5 and 6	7	340,258.
8	Enter qualifying distributions from Part XII, line 4	8	478,173.

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 ▶ [X] and enter 1% of Part I, line 27b		1	355.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	355.
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	355.
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		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	0.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☐ 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** SEE STATEMENT 9 ▶		9	355.
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 definition)?	1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
If "Yes," attach a detailed description of the activities.			
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
If "Yes," attach the statement required by General Instruction T.			
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year?	7	X	
If "Yes," complete Part II, col (c), and Part XV.			
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MT			
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)*

			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 ▶ WWW.HIGHSTAKESFOUNDATION.ORG

14 The books are in care of ▶ DAWN MCGEE/CHERIE GARCELON Telephone no. ▶ 406-726-2030

Located at ▶ P.O. BOX 96, ARLEE, MT ZIP+4 ▶ 59821

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 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.

				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)?	N/A	1b		
	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.)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ____, ____, ____, ____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 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.)*	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		4b		X

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

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

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

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

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

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

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

b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)? N/A | 5b | |

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b | |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		0.	0.	0.

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

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

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

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

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

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

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3 ▶	0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,860,249.
b	Average of monthly cash balances	1b	118,823.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	1,979,072.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,979,072.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	29,686.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,949,386.
6	**Minimum investment return.** Enter 5% of line 5	6	97,469.

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	97,469.
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a: 355.		
b	Income tax for 2012. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	355.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	97,114.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	97,114.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	97,114.

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	478,173.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	478,173.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	355.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	477,818.

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				97,114.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008 640,668.				
c From 2009 397,431.				
d From 2010 240,119.				
e From 2011 525,511.				
f Total of lines 3a through e	1,803,729.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 478,173.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				97,114.
e Remaining amount distributed out of corpus	381,059.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	2,184,788.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	2,184,788.			
10 Analysis of line 9:				
a Excess from 2008 640,668.				
b Excess from 2009 397,431.				
c Excess from 2010 240,119.				
d Excess from 2011 525,511.				
e Excess from 2012 381,059.				

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

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000). (See section 507(d)(2).)

MARY STRANAHAN

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:

MARY STRANAHAN, 406-726-2030
P.O. BOX 96, ARLEE, MT 59821

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

COMPLETED APPLICATION FORM AND GRANT PROPOSAL REQUEST.

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*				
ARLEE CDC P.O. BOX 452 ARLEE, MT 59821	NONE	PUBLIC CHARITY	GENERAL OPERATING	3,000.
BIG SKY YOUTH TRAINING CENTER 8 WEST PARK STREET, SUITE A BUTTE , MT 59701	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,500.
BITTER ROOT ECONOMIC DEVELOPMENT DISTRIC 200 WEST BROADWAY MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,000.
CENTER FOR RURAL AFFAIRS 114 WEST PINE STREET, SUITE 1 MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,000.
CLIMATE SOLUTIONS 219 LEGION WAY, ,SUITE 1 SEATTLE, WA 98501	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	368,700.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	48,479.	
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	5,702.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		54,181.	0.

13 **Total.** Add line 12, columns (b), (d), and (e) 13 54,181.

(See worksheet in line 13 instructions to verify calculations.)

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

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

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

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

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

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

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

▶ [signature] 11-12-13 ▶ PRESIDENT

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
KIM HUNWARDSEN, CPA	KIM HUNWARDSEN, C	11/11/13		P00484560
Firm's name ▶ EIDE BAILLY LLP			Firm's EIN ▶ 45-0250958	
Firm's address ▶ 800 NICOLLET MALL, STE. 1300 MINNEAPOLIS, MN 55402-7033			Phone no. 612-253-6500	

Form **990-PF** (2012)

223622
12-05-12

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
COMMUNITY FOOD & AGRICULTURE COALITION P.O. BOX 7025 MISSOULA, MT 59807	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,000.
FORWARD MONTANA 500 N. HIGGINS, SUITE 107 MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	20,000.
MADISON FARM TO WORK P.O. BOX 213 ENNIS, MT 59729	NONE	PUBLIC CHARITY	GENERAL OPERATING	5,000.
MISSOULA URBAN DEMONSTRATION PROJECT 629 PHILLIPS MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	20,000.
MISSOULA YOUTH HOMES P.O. BOX 7616 MISSOULA, MT 59807	NONE	PUBLIC CHARITY	GENERAL OPERATING	15,000.
MONTANA AUDUBON P.O. BOX 595 HELENA, MT 59624	NONE	PUBLIC CHARITY	GENERAL OPERATING	18,000.
MONTANA CONSERVATION VOTERS P.O. BOX 853 BILLINGS, MT 59103	NONE	PUBLIC CHARITY	GENERAL OPERATING	20,000.
MONTANA HUMAN RIGHTS NETWORK P.O. BOX 1509 HELENA, MT 59624	NONE	PUBLIC CHARITY	GENERAL OPERATING	25,000.
MONTANA LAND RELIANCE P.O. BOX 460 BIG FORK, MT 59911	NONE	PUBLIC CHARITY	GENERAL OPERATING	2,500.
MONTANA ORGANIZING PROJECT 208 E. MAIN STREET MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,000.
Total from continuation sheets				325,200.

223631
05-01-12

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
MONTANA WOMEN VOTE 725 WEST ALDER, #119 MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	15,000.
NATIONAL COALITION BUILDING INSTITUTE 1280 SOUTH 3RD WEST, SUITE A MISSOULA, MT 59801	NONE	PUBLIC CHARITY	GENERAL OPERATING	15,000.
NATIONAL WILDLIFE FEDERATION 240 N. HIGGENS, SUITE 2 MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	20,000.
NCAT P.O. BOX 3838 BUTTE, MT 59702	NONE	PUBLIC CHARITY	GENERAL OPERATING	15,000.
NORTH MISSOULA CDC 819 STODDARD MISSOULA, MT 59802	NONE	PUBLIC CHARITY	GENERAL OPERATING	20,000.
NORTHERN PLAINS RESOURCE COUNCIL 220 S. 27TH STREET, SUITE A BILLINGS, MT 59101	NONE	PUBLIC CHARITY	GENERAL OPERATING	15,000.
NORTHWEST ENERGY COALITION 811 1ST AVENUE, SUITE 805 SEATTLE, WA 98104	NONE	PUBLIC CHARITY	GENERAL OPERATING	10,000.
PARK COUNTY COMMUNITY FOUNDATION 103 1/2 S MAIN LIVINGSTON, MT 59047	NONE	PUBLIC CHARITY	GENERAL OPERATING	7,000.
PRIDE FOUNDATION P.O. BOX 7456 MISSOULA, MT 59807	NONE	PUBLIC CHARITY	GENERAL OPERATING	5,000.
ROCKY BOY HEALTH BOARD RR1 BOX 544 BOX ELDER, MT 59521	NONE	PUBLIC CHARITY	GENERAL OPERATING	5,000.
Total from continuation sheets				

Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
SUSTAINABLE LIVING SYSTEMS P.O. BOX 53 VICTOR, MT 59875	NONE	PUBLIC CHARITY	GENERAL OPERATING	5,000.
THE GIRLS WAY 1515 WYOMING, SUITE 100 MISSOULA, MT 59801	NONE	PUBLIC CHARITY	GENERAL OPERATING	6,700.
THE NATURE CONSERVANCY 32 SOUTH EWING HELENA, MT 59601	NONE	PUBLIC CHARITY	GENERAL OPERATING	25,000.
UNIVERSITY OF MONTANA 32 CAMPUS DRIVE MISSOULA, MT 59812	NONE	PUBLIC CHARITY	MOUNTAIN WEST NEWS	1,000.
WESTERN SUSTAINABILITY EXCHANGE P.O. BOX 1448 LIVINGSTON, MT 59047	NONE	PUBLIC CHARITY	GENERAL OPERATING	15,000.
Total from continuation sheets				

223631
05-01-12

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT 1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
CHARLES SCHWAB	51,857.	3,378.	48,479.
TOTAL TO FM 990-PF, PART I, LN 4	51,857.	3,378.	48,479.

FORM 990-PF	ACCOUNTING FEES			STATEMENT 2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,550.	0.		2,550.
TO FORM 990-PF, PG 1, LN 16B	2,550.	0.		2,550.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	18,141.	18,141.		0.
MANAGEMENT FEES	102,000.	0.		102,000.
PROFESSIONAL FEES	500.	0.		500.
TO FORM 990-PF, PG 1, LN 16C	120,641.	18,141.		102,500.

FORM 990-PF	TAXES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL EXCISE TAX	796.	0.		0.
FOREIGN TAX PAID	575.	575.		0.
TO FORM 990-PF, PG 1, LN 18	1,371.	575.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS	821.	0.		821.
TO FORM 990-PF, PG 1, LN 23	821.	0.		821.

FORM 990-PF	CORPORATE STOCK	STATEMENT 6
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CHARLES SCHWAB EQUITIES - SEE STMT	757,121.	757,121.
CHARLES SCHWAB EQUITY FUNDS - SEE STMT	69,007.	69,007.
TOTAL TO FORM 990-PF, PART II, LINE 10B	826,128.	826,128.

FORM 990-PF	CORPORATE BONDS	STATEMENT 7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CHARLES SCHWAB FIXED INCOME - SEE STMT	272,814.	272,814.
CHARLES SCHWAB BOND FUNDS - SEE STMT	451,943.	451,943.
TOTAL TO FORM 990-PF, PART II, LINE 10C	724,757.	724,757.

FORM 990-PF	OTHER INVESTMENTS		STATEMENT 8
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CHARLES SCHWAB OTHER INVESTMENTS - SEE STMT	FMV	126,170.	126,170.
ACCRUED INTEREST	FMV	2,187.	2,187.
TOTAL TO FORM 990-PF, PART II, LINE 13		128,357.	128,357.

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DAWN MCGEE P.O. BOX 96 ARLEE, MT 59821	PRESIDENT/SECRETARY 1.00	0.	0.	0.
CHERIE GARCELON P.O. BOX 96 ARLEE, MT 59821	PROGRAM OFFICER/FINANCE MANAGER 1.00	0.	0.	0.
MARY STRANAHAN P.O. BOX 96 ARLEE, MT 59821	DIRECTOR 1.00	0.	0.	0.
MOLLY STRANAHAN P.O. BOX 96 ARLEE, MT 59821	DIRECTOR 1.00	0.	0.	0.
JOEL SOLOMON P.O. BOX 96 ARLEE, MT 59821	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

Income Summary	This Period Federally Tax-Exempt	This Period Federally Taxable	Year to Date Federally Tax-Exempt	Year to Date Federally Taxable
Money Funds Dividends	0.00	2.82	0.00	13.82
Cash Dividends	0.00	8,912.96	0.00	33,715.09
Total Capital Gains	0.00	3,377.86	0.00	3,377.86
Corporate Bond and Other Interest	0.00	700.83	0.00	9,241.39
Agency Security Interest	0.00	0.00	0.00	2,750.00
Total Income	**0.00**	**12,994.47**	**0.00**	**49,098.16**

Investment Detail - Cash and Money Market Funds [Sweep]

Cash	Market Value	% of Account Assets
Cash	167.80	<1%
Total Cash	**167.80**	**<1%**

Money Market Funds [Sweep]	Quantity	Market Price	Market Value	Current Yield	% of Account Assets
SCHWAB US TREAS MONEY FD: SWUXX	177,679.4800	1.0000	177,679.48	0.01%	10%
Total Money Market Funds [Sweep]			**177,679.48**		**10%**
Total Cash & Money Market [Sweep]			**177,847.28**		**10%**

Investment Detail - Fixed Income

Agency Securities	Par	Market Price	Market Value	% of Account Assets
FED HOME LN BK 1.5%13 NOTES DUE 01/16/13 CUSIP: 3133XW7L7 MOODY'S: Aaa S&P: AA+	100,000.0000	100.0545	100,054.50	5% *Accrued Interest: 687.50*
Total Agency Securities	100,000.0000		100,054.50	5%

Total Accrued Interest for Agency Securities: 687.50

Corporate Bonds	Par	Market Price	Market Value	% of Account Assets
CALVERT SOC INVT 1.25%13 ⊗ NOTES DUE 09/15/13 CUSIP: 13161EZB6 MOODY'S: N/R S&P: N/R	50,000.0000	100.0000	50,000.00	3% *Accrued Interest: 184.03*
CALVERT SOCIAL 0.75%14 ⊗ MED TRM NT DUE 09/15/14 CUSIP: 13161E3B1 MOODY'S: N/R S&P: N/R	25,000.0000	100.0000	25,000.00	1% *Accrued Interest: 53.13*
DELL INC 4.7%13 NOTES DUE 04/15/13 CALLABLE CUSIP: 24702RAD3 MOODY'S: A2 S&P: A-	25,000.0000	101.2392	25,309.80	1% *Accrued Interest: 248.06*
MEDTRONIC INC 4.5%14 NOTES DUE 03/15/14 CALLABLE CUSIP: 585055AP1 MOODY'S: A1 S&P: A+	50,000.0000	104.7051	52,352.55	3% *Accrued Interest: 662.50*

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

Investment Detail - Fixed Income (continued)

Corporate Bonds (continued)	Par	Market Price	Market Value	% of Account Assets
PEPSICO 4.65%13 NOTES DUE 02/15/13 CUSIP: 713448BG2 MOODY'S: Aa3 S&P: A-	20,000.0000	100.4859	20,097.18	1%
			Accrued Interest: 351.33	
Total Corporate Bonds	170,000.0000		172,759.53	9%
			Total Accrued Interest for Corporate Bonds: 1,499.05	
Total Fixed Income	270,000.0000		272,814.03	15%

Accrued Interest represents the interest that would be received if the fixed income investment was sold prior to the coupon payment

Investment Detail - Equities

Equities	Quantity	Market Price	Market Value	% of Account Assets
APPLE INC SYMBOL: AAPL	200.0000	532.1729	106,434.58	6%
BANK OF HAWAII CORP SYMBOL: BOH	500.0000	44.0500	22,025.00	1%
CANADIAN NATL RY CO F SYMBOL: CNI	400.0000	91.0100	36,404.00	2%
DEVON ENERGY CP NEW SYMBOL: DVN	200.0000	52.0400	10,408.00	<1%
EBAY INC SYMBOL: EBAY	800 0000	50.9977	40,798.16	2%

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

SIPC

Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets
EMERSON ELECTRIC CO SYMBOL: EMR	350.0000	52.9600	18,536.00	<1%
GILEAD SCIENCES INC SYMBOL: GILD	600.0000	73.4500	44,070.00	2%
GOOGLE INC CLASS A SYMBOL: GOOG	150.0000	707.3800	106,107.00	6%
HEINZ H J CO SYMBOL: HNZ	930.0000	57.6800	53,642.40	3%
INTEL CORP SYMBOL: INTC	2,250.0000	20.6200	46,395.00	3%
JOHNSON & JOHNSON SYMBOL: JNJ	295.0000	70.1000	20,679.50	1%
KON PHILIPS ELEC NV NEWF SPONSORED NY SH 1 NY SH REPS 1 ORD SYMBOL: PHG	909.0000	26.5400	24,124.86	1%
MEDTRONIC INC SYMBOL: MDT	630.0000	41.0200	25,842.60	1%
NORTHWEST NATURAL GAS CO SYMBOL: NWN	500.0000	44.2000	22,100.00	1%
NOVO-NORDISK A-S ADR F 1 ADR REP 1 ORD SYMBOL: NVO	100.0000	163.2100	16,321.00	<1%

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement

Investment Detail - Equities (continued)

Equities (continued)	Quantity	Market Price	Market Value	% of Account Assets
NUCOR CORP SYMBOL: NUE	500.0000	43.1600	21,580.00	1%
SASOL LIMITED SPON ADR F SPONSORED ADR 1 ADR REP 1 ORD SYMBOL: SSL	300.0000	43.2900	12,987.00	<1%
STARBUCKS CORP SYMBOL: SBUX	300.0000	53.6300	16,089.00	<1%
SVB FINANCIAL GROUP INC SYMBOL: SIVB	500.0000	55.9700	27,985.00	2%
SYSCO CORPORATION SYMBOL: SYY	630.0000	31.6600	19,945.80	1%
TELECOM CP NEW ZLD ADR F SPONSORED ADR 1 ADR REPS 5 ORD SYMBOL: NZTCY	3,000.0000	9.2600	27,780.00	1%
UNITED PARCEL SERVICE B CLASS B SYMBOL: UPS	500.0000	73.7300	36,865.00	2%
Total Equities	**14,544.0000**		**757,119.90**	**41%**

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

SIPC

Investment Detail - Mutual Funds

Bond Funds	Quantity	Market Price	Market Value	% of Account Assets
CRA QUALIFIED ♀ INVESTMENT INSTL SYMBOL: CRANX	6,995.6760	11.1500	78,001.79	4%
VANGUARD INFLATION ♀ PROTECTED SECURITIES FD SYMBOL: VIPSX	20,151.0590	14.5300	292,794.89	16%
VANGUARD S/T FEDERAL FD ♀ INVESTOR SHR SYMBOL: VSGBX	7,513.5660	10.8000	81,146.51	4%
Total Bond Funds	34,660.3010		451,943.19	24%

Equity Funds	Quantity	Market Price	Market Value	% of Account Assets
PORTFOLIO 21 CL I ♀ SYMBOL: PORIX	2,061.7690	33.4700	69,007.41	4%
Total Equity Funds	2,061.7690		69,007.41	4%

Total Mutual Funds	36,722.0700		520,950.60	28%

Please see "Endnotes for Your Account" section for an explanation of the endnote codes and symbols on this statement.

Investment Detail - Other Assets

Other Assets	Quantity	Market Price	Market Value	% of Account Assets
H C P INC REIT SYMBOL: HCP	1,000 0000	45.1600	45,160.00	2%
SPDR GOLD TRUST SPDR GOLD SHARES SYMBOL: GLD	500.0000	162.0204	81,010.20	4%
Total Other Assets	1,500.0000		126,170.20	7%

Total Investment Detail	1,854,902.01
Total Account Value	1,854,902.01

Transaction Detail - Purchases & Sales

Fixed Income Activity

Settle Date	Trade Date	Transaction	Description	Par	Unit Price	Total Amount
12/11/12	12/11/12	Redemption	VERIZON COMMUN 4.35XXX ** CALLED **DUE 02/15/13: 92343VAJ3	(50,000.0000)		
12/11/12	12/11/12	Redemption	VERIZON COMMUN 4.35XXX ** CALLED **DUE 02/15/13: 92343VAJ3			50,356.00
Total Fixed Income Activity						50,356.00