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		A Employer identification number
SHIPLEY FOUNDATION, INC #0732594		23-7015570
Number and street (or P O box number if mail is not delivered to street address)	Room/suite	B Telephone number
NUTTER MCCLENNEN FISH LLP PO BOX 51400		(617)439-2276
City or town, state, and ZIP code		C If exemption application is pending, check here ▶ [ ]
BOSTON, MA 02205		

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)* ▶$ 178434583.

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 ▶ [ ]

ENVELOPE POSTMARK DATE NOV 1 5 2013

SCANNED NOV 2 5 2013

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).)

	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			N/A	
	2	Check ▶ [X] if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments	489.	489.		STATEMENT 1
	4	Dividends and interest from securities	4153899.	4153899.		STATEMENT 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	2470693.			
	b	Gross sales price for all assets on line 6a 17582886.				
	7	Capital gain net income (from Part IV, line 2)		2470693.		
	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	1209810.	1205229.		STATEMENT 3
	12	**Total.** Add lines 1 through 11	7834891.	7830310.		
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 STMT 4	67884.	50913.		16971.
	b	Accounting fees STMT 5	6000.	4500.		1500.
	c	Other professional fees STMT 6	356060.	267045.		89015.
	17	Interest				
	18	Taxes STMT 7	184184.	0.		0.
	19	Depreciation and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses STMT 8	1074710.	805273.		269437.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1688838.	1127731.		376923.
	25	Contributions, gifts, grants paid	3933333.			3933333.
	26	**Total expenses and disbursements.** Add lines 24 and 25	5622171.	1127731.		4310256.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	2212720.			
	b	**Net investment income** (if negative, enter -0-)		6702579.		
	c	**Adjusted net income** (if negative, enter -0-)			N/A	

19 9 14

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	940.	1243.	1243.
	2 Savings and temporary cash investments	9941626.	4388267.	4388267.
	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 STMT 10	1386000.	1386000.	1485203.
	b Investments - corporate stock STMT 11	43110942.	70273223.	76511655.
	c Investments - corporate bonds STMT 12	1405736.	1125964.	1214617.
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 13	50953315.	90913832.	94833598.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	106798559.	168088529.	178434583.
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 ▶ ☒ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	59077250.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	106798559.	109011279.	
	30 Total net assets or fund balances	106798559.	168088529.	
	31 Total liabilities and net assets/fund balances	106798559.	168088529.	

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	106798559.
2	Enter amount from Part I, line 27a	2	2212720.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 9	3	59077250.
4	Add lines 1, 2, and 3	4	168088529.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	168088529.

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				
b	SEE ATTACHED STATEMENTS			
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	17582886.		15112193.	2470693.

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				2470693.

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	2470693.
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	3117194.	95147677.	.032762
2010	1933598.	44947797.	.043019
2009	503925.	37689663.	.013370
2008	1348335.	24356741.	.055358
2007	211946.	14808716.	.014312

2	Total of line 1, column (d)	2	.158821
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	.031764
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	169732199.
5	Multiply line 4 by line 3	5	5391374.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	67026.
7	Add lines 5 and 6	7	5458400.
8	Enter qualifying distributions from Part XII, line 4	8	4310256.

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	134052.
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	134052.
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	134052.
6 Credits/Payments:				
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	100045.		
b Exempt foreign organizations - tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c	80000.		
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d			7	180045.
8 Enter any **penalty** for underpayment of estimated tax. Check here ☒ if Form 2220 is attached			8	1237.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	44756.
11 Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶ 44756. **Refunded** ▶			11	0.

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? SEE STATEMENT 14 *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? N/A	4b		
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) ▶ MA			
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 STMT 15	10	X	

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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 ▶ NUTTER, MCCLENNEN & FISH, LLP Telephone no. ▶ (617) 439-2000

Located at ▶ SEAPORT WEST, 155 SEAPORT BLVD., BOSTON, MA ZIP+4 ▶ 02210-2604

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

		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)?	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 16		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
NUTTER MCCLENNEN & FISH LLP 155 SEAPORT BLVD, BOSTON, MA 02210	PROFESSIONAL FEES	353060.
CHARLES SCHWAB	INVESTMENT EXPENS	103909.
NEPC LLC ONE MAIN STREET, CAMBRIDGE, MA 02142	INVESTMENT EXPENS	98580.
NUTTER MCCLENNEN & FISH LLP 155 SEAPORT BLVD, BOSTON, MA 02210	LEGAL FEES	67884.
NUTTER MCCLENNEN & FISH LLP 155 SEAPORT BLVD, BOSTON, MA 02210	TAX PREP FEE	6000.
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.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	166212045.
b	Average of monthly cash balances	1b	6104908.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	172316953.
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	172316953.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	2584754.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	169732199.
6	**Minimum investment return.** Enter 5% of line 5	6	8486610.

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	8486610.
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a: 134052.		
b	Income tax for 2012. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	134052.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	8352558.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	8352558.
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	8352558.

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	4310256.
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	4310256.
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	0.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	4310256.

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				8352558.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			2243321.	
b Total for prior years: ______ , ______ , ______		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 4310256.				
a Applied to 2011, but not more than line 2a			2243321.	
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				2066935.
e Remaining amount distributed out of corpus	0.			
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	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 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				6285623.
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	0.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

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

Check here ▶ [X] 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:

N/A

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

N/A

c Any submission deadlines:

N/A

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

N/A

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				
BOSTON UNIVERSITY ONE SHERBORN STREET BOSTON, MA 02215	N/A	PUBLIC	SHIPLEY PROFESSORSHIP	250000.
BOSTON UNIVERSITY ONE SHERBORN STREET BOSTON, MA 02215	N/A	PUBLIC	SHIPLEY FUND FOR EXCELLENCE	50000.
BOSTON UNIVERSITY ONE SHERBORN STREET BOSTON, MA 02215	N/A	PUBLIC	BEVERLY A. BROWN PROFESSORSHIP	2000000.
COLORADO STATE UNIVERSITY OVAL DRIVE FORT COLLINS, CO 80523	N/A	PUBLIC	SHIPLEY UNIVERSITY CHAIR IN COMPARATIVE ONCOLOGY	1000000.
NEWTON WELLESLEY HOSPITAL FOUNDATION 2014 WASHINGTON STREET NEWTON, MA 02462	N/A	PUBLIC	SHIPLEY MEDICAL SIMULATION CENTER	433333.
Total SEE CONTINUATION SHEET(S)			▶ 3a	3933333.
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	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(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			14	489.	
4 Dividends and interest from securities			14	4153899.	
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			14	1209810.	
8 Gain or (loss) from sales of assets other than inventory			18	2470693.	
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.		7834891.	0.

13 Total. Add line 12, columns (b), (d), and (e) 13 7834891.

(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

Julia Hatti Carentino 11/14/13 Clerk

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
Paul F. Rich Jr	Paul Rich	11/14/13		P00567473
Firm's name ▶ NUTTER MCCLENNEN & FISH LLP			Firm's EIN ▶ 04-2106505	
Firm's address ▶ SEAPORT WEST 155 SEAPORT BLVD. BOSTON, MA 02210-2604			Phone no. (617)439-2503	

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	TEMPLETON GLOBAL BD FD	P	VARIOUS	01/11/12
b	7000 INTEL CORP	P	06/13/04	04/11/12
c	3225 JOHNSON AND JOHNSON	P	01/25/93	01/19/12
d	8000 KRAFT FOODS INC	P	10/16/08	01/13/12
e	400 MEDTRONIC INC	P	05/11/07	05/17/12
f	4000 PFIZER INC	P	07/23/04	05/17/12
g	329798.6680 PIMCO ALL ASSET FD	P	03/17/11	09/18/12
h	9750 UNITED TECHNOLOGIES CORP	P	06/13/04	01/13/12
i	18600 WALGREEN CO	P	07/23/04	01/13/12
j	325000 GOLDMAN SACHS GROUP INC NOTES 5.7%	P	04/19/06	09/01/12
k	1841.5670 GRYPHON INTERNATIONAL	P	09/30/11	08/01/12
l	18261.7310 PIMCO ALL ASSET FUND	P	06/21/12	09/18/12
m	800 BAKER HUGHES INC	P	10/19/11	11/19/12
n	691 ENERGY TRANSFER PARTNERS LP	P	10/19/11	11/15/12
o	150 REGENERON PHARMACEUTICALS INC	P	10/18/11	11/30/12

	(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	59152.			59152.
b	195296.		204458.	-9162.
c	209621.		159179.	50442.
d	302550.		209483.	93067.
e	14891.		21228.	-6337.
f	90593.		130319.	-39726.
g	4218125.		3699810.	518315.
h	742005.		402577.	339428.
i	609200.		661713.	-52513.
j	325000.		324630.	370.
k	26824.		24980.	1844.
l	233568.		212461.	21107.
m	31952.		44892.	-12940.
n	29211.		23246.	5965.
o	26230.		9071.	17159.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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				59152.
b				-9162.
c				50442.
d				93067.
e				-6337.
f				-39726.
g				518315.
h				339428.
i				-52513.
j				370.
k				1844.
l				21107.
m				-12940.
n				5965.
o				17159.

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	
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	

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05-01-12

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	527.7849 ACCO BRANDS CORP	P	10/25/11	09/07/12
b	800 BILL BARRETT CORP	P	10/19/11	06/18/12
c	2900 BROOKS AUTOMATION INC	P	10/21/11	09/13/12
d	.1232 ENERGY TRANSFER PARTNERS LP	P	10/19/11	10/11/12
e	1300 BF GOODRICH CO	P	10/19/11	06/19/12
f	100 KANSAS CITY SOUTHERN	P	11/18/11	04/11/12
g	100.50 LAM RESEARCH CORP	P	10/28/11	06/08/12
h	166 LEVEL 3 COMMUNICATIONS INC	P	10/18/11	04/11/12
i	4300 LIN TV CORP	P	10/21/11	08/10/12
j	550 REGENERON	P	10/18/11	10/16/12
k	100 ROBERT HALF INT'L INC	P	10/27/11	04/11/12
l	100 SOTHEBY'S	P	10/31/11	04/16/12
m	795.6969 SUNCOKE ENERGY INC	P	01/17/12	10/11/12
n	SUNOCO INC	P	10/19/11	10/05/12
o	100 TW TELECOM INC	P	10/25/11	04/11/12

	(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	3430.		4848.	-1418.
b	13086.		31556.	-18470.
c	23125.		27243.	-4118.
d	5.		4.	1.
e	162484.		158903.	3581.
f	6987.		6600.	387.
g	4269.		4351.	-82.
h	4183.		4183.	0.
i	17744.		13100.	4644.
j	74129.		33654.	40475.
k	2885.		2726.	159.
l	3753.		3572.	181.
m	13343.		10392.	2951.
n	40854.		30477.	10377.
o	2123.		1783.	340.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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				-1418.
b				-18470.
c				-4118.
d				1.
e				3581.
f				387.
g				-82.
h				0.
i				4644.
j				40475.
k				159.
l				181.
m				2951.
n				10377.
o				340.

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	
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	

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	600 WHIRLPOOL CORP	P	10/25/11	01/20/12
b	4100 WINN DIXIE STORES INC	P	12/14/11	03/12/12
c	700 ORIENT EXPRESS HOTELS LTD	P	03/13/12	10/30/12
d	100 FOSTER WHEELER	P	10/31/11	05/22/12
e	2900 RADVISION LTD	P	11/10/11	05/25/12
f	100 ROYAL CARIBBEAN CRUISES LTD	P	10/25/11	04/19/12
g	3500 AMERICAN EXPRESS	P	06/13/04	12/14/12
h	2200 AMGEN INC	P	10/15/04	12/14/12
i	1000 INTERNATIONAL BUSINESS MACHINES	P	07/23/04	12/14/12
j	2600 PROCTER & GAMBLE CO	P	10/15/04	12/14/12
k	31900 SYSCO CORP	P	06/17/03	12/14/12
l	7575 WAL MART	P	06/17/03	12/14/12
m	6000 WELLS FARGO & COMPANY	P	10/15/04	12/14/12
n	250000 ABBOTT LABORATORIES INC NT 5.875%	P	06/19/06	12/10/12
o	DFA EMERGING MARKETS	P	VARIOUS	12/13/12

	(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	32619.		33620.	-1001.
b	38950.		22428.	16522.
c	8636.		7134.	1502.
d	2172.		2158.	14.
e	33959.		20223.	13736.
f	2857.		2889.	-32.
g	199166.		157351.	41815.
h	196746.		122267.	74479.
i	191901.		85466.	106435.
j	181968.		152914.	29054.
k	1014184.		1014426.	-242.
l	523822.		419654.	104168.
m	198504.		186563.	11941.
n	295235.		248960.	46275.
o	116235.			116235.

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				-1001.
b				16522.
c				1502.
d				14.
e				13736.
f				-32.
g				41815.
h				74479.
i				106435.
j				29054.
k				-242.
l				104168.
m				11941.
n				46275.
o				116235.

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	
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	

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	TEMPLETON GLOBAL BD FD	P	VARIOUS	12/17/12
b	1369.36 ABERDEEN EMERGING MARKETS	P	06/30/11	12/31/12
c	690.5050 GRYPHON	P	09/30/11	11/01/12
d	TEMPLETON GLOBAL BD FD	P	VARIOUS	12/17/12
e	POWERSHARES DB COMMODITY	P	VARIOUS	12/31/12
f	POWERSHARES DB COMMODITY	P	VARIOUS	12/31/12
g	ABERDEEN EMERGING MARKETS SMALL CO	P	VARIOUS	12/31/12
h	GRYPHON INTERNATIONAL EAFE GROWTH FD	P	VARIOUS	12/31/12
i	GRYPHON INTERNATIONAL EAFE GROWTH FD	P	VARIOUS	12/31/12
j	1747.00 VANGUARD TOTAL STOCK MKT	P	02/01/11	02/02/12
k	5372 CURRENCY SHARES JAPANESE YEN TR	P	10/05/11	02/02/12
l	3605 ISHARES IBOXX INVESTOP	P	10/05/11	10/03/12
m	23340 ISHARES MSCI HK IDX FD HONG KONG	P	10/05/11	02/02/12
n	25662 ISHARES MSCI HK INX FD HONG KONG	P	11/01/11	02/02/12
o	1409 PIMCO EXC TRADED FD ENHANCED	P	05/02/11	02/02/12

	(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	136268.			136268.
b	15372.		13857.	1515.
c	10525.		9455.	1070.
d	1363.			1363.
e	997.			997.
f			11094.	-11094.
g			195.	-195.
h			9391.	-9391.
i	54037.			54037.
j	119426.		117730.	1696.
k	442502.		439205.	3297.
l	438406.		401214.	37192.
m	394200.		331612.	62588.
n	433418.		420226.	13192.
o	141619.		142602.	-983.

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				136268.
b				1515.
c				1070.
d				1363.
e				997.
f				-11094.
g				-195.
h				-9391.
i				54037.
j				1696.
k				3297.
l				37192.
m				62588.
n				13192.
o				-983.

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	
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	

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	11243 POWERSHARES GLOBAL ETF	P	02/09/12	10/03/12
b	5968 VANGUARD TOTAL STK MKT	P	05/02/11	02/02/12
c	5329 SPDR BARCLAYS CAPITAL HIGH YIELD BD	P	02/09/12	10/03/12
d	3169 SPDR S&P 500 ETF TR	P	02/02/12	06/06/12
e	7310 ISHARES TR BARCLAYS	P	09/27/11	10/03/12
f	2702 PIMCO EXCH TRADED FD	P	11/18/10	02/02/12
g	6843 PIMCO EXCHANGE TRADED FD	P	05/02/11	10/03/12
h	1380 POWERSHARES QQQ TRUST SER 1	P	02/01/11	10/03/12
i	2036 SPDR GOLD TRUST	P	05/31/11	07/17/12
j	4510 VABGUARD MSCI EMERGING MKT ETF	P	05/31/11	12/06/12
k	13124 VANGUARD TOTAL STK MKT	P	02/01/11	02/02/12
l	SINGULAR GUFF DISTRESSED OPPORTUNITIES	P	VARIOUS	12/31/12
m	SINGULAR GUFF DISTRESSED OPPORTUNITIES	P	VARIOUS	12/31/12
n	SINGULAR GUFF BRIC OPPORTUNITIES	P	VARIOUS	12/31/12
o	SINGULAR GUFF BRIC OPPORTUNITIES	P	VARIOUS	12/31/12

	(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	214416.		210784.	3632.
b	407977.		421684.	-13707.
c	213161.		211015.	2146.
d	416443.		420476.	-4033.
e	1125486.		982871.	142615.
f	271578.		273226.	-1648.
g	480878.		385593.	95285.
h	95220.		78633.	16587.
i	313072.		296736.	16336.
j	193024.		221306.	-28282.
k	897166.		647872.	249294.
l	207.			207.
m	1047.			1047.
n	878.			878.
o	23970.			23970.

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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				3632.
b				-13707.
c				2146.
d				-4033.
e				142615.
f				-1648.
g				95285.
h				16587.
i				16336.
j				-28282.
k				249294.
l				207.
m				1047.
n				878.
o				23970.

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	
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	

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	WEST GULF INVESTMENT STRATEGIES	P	VARIOUS	12/31/12
b	WEST GULF INVESTMENT STRATEGIES	P	VARIOUS	12/31/12
c	WEST GULF INVESTMENT STRATEGIES	P	VARIOUS	12/31/12
d	WEST GULF INVESTMENT STRATEGIES	P	VARIOUS	12/31/12
e	CHARLES SCHWAB	P	VARIOUS	12/31/12
f	CHARLES SCHWAB	P	VARIOUS	12/31/12
g				
h				
i				
j				
k				
l				
m				
n				
o				

	(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			109633.	-109633.
b	202169.			202169.
c	390.			390.
d			18291.	-18291.
e	6933.			6933.
f	7166.			7166.
g				
h				
i				
j				
k				
l				
m				
n				
o				

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) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a				-109633.
b				202169.
c				390.
d				-18291.
e				6933.
f				7166.
g				
h				
i				
j				
k				
l				
m				
n				
o				

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	2470693.
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 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
TRUSTEES OF PRINCETON UNIVERSITY ONE NASSAU HALL PRINCETON, NJ 08544	N/A	PUBLIC	HELEN SHIPLEY HUNT FUND TO ENCOURAGE PRACTICAL ENGINEERING APPLICATIONS	200000.
Total from continuation sheets				200000.

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
FEDERATED GOV'T OBLIGATIONS FUND 0732594	456.
FEDERATED GOV'T OBLIGATIONS FUND 0753816	11.
FEDERATED GOV'T OBLIGATIONS FUND 0755177	22.
FEDERATED GOV'T OBLIGATIONS FUND 0755185	0.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	489.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
ABERDEEN EMERGING MARKETS	5653.	0.	5653.
CHARLES SCHWAB & CO #BN2938-2519	344245.	0.	344245.
CORPORATE INTEREST 0732594	70147.	0.	70147.
CORPORATE INTEREST 0755177	12442.	0.	12442.
DIVIDENDS 0732594	1073888.	0.	1073888.
DIVIDENDS 0753816	62295.	0.	62295.
DIVIDENDS 0755177	89388.	0.	89388.
DIVIDENDS 0755185	981191.	0.	981191.
GRYPHON	102471.	0.	102471.
LAZARD LTD	2848.	0.	2848.
POWERSHARES DB COMMODITY INDEX TRACKING FUND	350.	0.	350.
SIGULAR GUFF DIST OPPORTUNITY	22800.	0.	22800.
SIGULER GUFF BRIC OPPORTUNITIES FUND II LP	21061.	0.	21061.
US GOVT INTEREST 0732594	34125.	0.	34125.
WEST GULF INVEST STRATAGIES	845693.	0.	845693.
WEST GULF INVEST STRATAGIES-MUNI	458835.	0.	458835.
WEST GULF MUNICIPAL INTEREST	26467.	0.	26467.
TOTAL TO FM 990-PF, PART I, LN 4	4153899.	0.	4153899.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME
GRYPHON	-2105.	-2105.	
POWRERSHARES DB COMMODITY	19819.	19819.	
WEST GULF INV STRAT	-153311.	-153311.	
WEST GULF INV STRAT	-742.	-742.	
WEST GULF INV STRAT	1.	1.	
SINGULAR GUFF BRIC OPPORTUNITY	2393.	2393.	
SINGULAR GUFF DIST OPPPRTUNITY	-16.	-16.	
SIGULAR GUFF DIST OPPPRTUNITY	9.	9.	
SIGULAR GUFF DIST OPPPRTUNITY	479.	479.	
SIGULAR GUFF DIST OPPPRTUNITY	45911.	45911.	
SIGULAR GUFF BRIC OPPORTUNITY	6081.	6081.	
ABERDEEN EMERGING MARKETS SM CO	25604.	25604.	
WEST GULF INV STRAT	26095.	26095.	
WEST GULF INV STRAT	-22662.	-22662.	
WEST GULF INV STRAT	238669.	238669.	
WEST GULF INV STRAT DED ROYALTY	-9597.	-9597.	
SECTION 59(E)(2) EXP WEST GULF	-18191.	-18191.	
WEST GULF INV STRAT	1046792.	1046792.	
REFUND	4581.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	1209810.	1205229.	

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NUTTER MCCLENNEN & FISH LLP	67884.	50913.		16971.
TO FM 990-PF, PG 1, LN 16A	67884.	50913.		16971.

FORM 990-PF | ACCOUNTING FEES | STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NUTTER MCCLENNEN & FISH LLP	6000.	4500.		1500.
TO FORM 990-PF, PG 1, LN 16B	6000.	4500.		1500.

FORM 990-PF | OTHER PROFESSIONAL FEES | STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
NUTTER MCCLENNEN & FISH LLP	356060.	267045.		89015.
TO FORM 990-PF, PG 1, LN 16C	356060.	267045.		89015.

FORM 990-PF | TAXES | STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX WITHHELD (DIVIDENDS)	5633.	0.		0.
FOREIGN TAX PD GRYPHON	17666.	0.		0.
FED EXCISE TAX	131000.	0.		0.
FOREIGN TAX PD CHARLES SCHWAB	3929.	0.		0.
FOREIGN TAX PD SINGULAR GUFF BRIC	1385.	0.		0.
FOREIGN TAXES SINGULAR GUFF D	2.	0.		0.
WEST GULF FOREIGN TAXES PD	23630.	0.		0.
FOREIGN TAX PD ABERDEEN	544.	0.		0.
CT CORPORATION FEE	365.	0.		0.
STATE OF DELAWARE	30.	0.		0.
TO FORM 990-PF, PG 1, LN 18	184184.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEES	1015.	0.		1015.
SIGULER GUFF BRIC OPP FUND II LP	76178.	57134.		19044.
POWERSHARES DB COMMODITY INDEX TRACKING FUND	4583.	3437.		1146.
CHARLES SCHWAB & CO. BN 2938-2519 FEES	103393.	77545.		25848.
GRYPHON	2900.	2175.		725.
LAZARD	2865.	2149.		716.
SINGULAR GUFF DIST OPPORTUNITY	31554.	23666.		7888.
WEST GULF INV STRAT	390854.	293141.		97713.
GRYPHON MANAGEMENT FEE	37349.	28012.		9337.
INVESTMENT MANAGEMENT EXPENSES	98580.	73935.		24645.
WEST GULF INV STRAT	325439.	244079.		81360.
TO FORM 990-PF, PG 1, LN 23	1074710.	805273.		269437.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 9

DESCRIPTION	AMOUNT
ADJ. DUE TO MERGER OF CHARLES SHIPLEY FOUNDATION WITH SHIPLEY FOUNDATION	59077250.
TOTAL TO FORM 990-PF, PART III, LINE 3	59077250.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 10

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
SCHEDULE ATTACHED	X		1386000.	1485203.
TOTAL U.S. GOVERNMENT OBLIGATIONS			1386000.	1485203.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			1386000.	1485203.

FORM 990-PF CORPORATE STOCK STATEMENT 11

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SCHEDULE ATTACHED	70273223.	76511655.
TOTAL TO FORM 990-PF, PART II, LINE 10B	70273223.	76511655.

FORM 990-PF CORPORATE BONDS STATEMENT 12

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SCHEDULE ATTACHED	1125964.	1214617.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1125964.	1214617.

FORM 990-PF OTHER INVESTMENTS STATEMENT 13

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SIGULER GUFF-BRIC OPPORTUNITIES FUND II LP	COST	2399922.	2690777.
WINDWARD DIVERSFIED GROWTH FUND	COST	12695311.	14839448.
GEOLOGIC RESOURCE FUND LTD.	COST	3000000.	4352524.
CLOUGH OFFSHORE FUND LTD SER 33	COST	6254986.	5533738.
WEST GULF INVEST STRATEGIES	COST	53952818.	53751376.
GRYPHON INTERNATIONAL EAFE GROWTH FD	COST	4494044.	5174463.

LAZARD LTD	COST	31058.	38792.
POWER SHARE	COST	544027.	533838.
SINGULAR GUFF DIST OPPORTUNITY	COST	2159768.	2262950.
ABERDEEN EMERGING FD	COST	5381898.	5655692.
TOTAL TO FORM 990-PF, PART II, LINE 13		90913832.	94833598.

FORM 990-PF STATEMENT OF ACTIVITIES NOT PREVIOUSLY REPORTED STATEMENT 14
PART VII-A, LINE 2

EXPLANATION

EFFECTIVE AS OF NOVEMBER 30, 2012, CHARLES R. SHIPLEY, JR., FOUNDATION, INC. (TAX ID #04-2664446) MERGED WITH AND INTO SHIPLEY FOUNDATION, INC. (A SECTION 501(C)(3) EXEMPT PRIVATE FOUNDATION) PURSUANT TO TREAS. REG. 1.507-(3)(A)(1), (2) AND REV. RUL. 2002-28, SHIPLEY FOUNDATION, INC. IS A SUCCESSOR TO CHARLES R. SHIPLEY, JR., FOUNDATION INC.

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS STATEMENT 15
PART VII-A, LINE 10

NAME OF CONTRIBUTOR	ADDRESS
LUCIA H. SHIPLEY CRUT 0637348	SEAPORT WEST, 155 SEAPORT BLVD BOSTON, MA 02208
CHARLES R. SHIPLEY, JR. CRUT 0637355	SEAPORT WEST, 155 SEAPORT BLVD BOSTON, MA 02208
LUCIA H. SHIPLEY 1993 REV IND OF TR 0346130	SEAPORT WEST, 155 SEAPORT BLVD BOSTON, MA 02208
LUCIA H. SHIPLEY IRA 5532643	SEAPORT WEST, 155 SEAPORT BLVD BOSTON, MA 02208
LUCIA H. SHIPLEY 1993 REV TR 0249053	SEAPORT WEST, 155 SEAPORT BLVD BOSTON, MA 02208
CHARLES R. SHIPLEY, JR. IRA	SEAPORT WEST, 155 SEAPORT BLVD BOSTON, MA 02208

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 16

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
RICHARD C. SHIPLEY 3813 WEST GULF DRIVE SANIBEL, FL 33957	PRESIDENT 5.00	0.	0.	0.
THOMAS P. JALKUT NUTTER,MCCLENNEN&FISH,LLP POBOX 51400 BOSTON, MA 02205	TREASURER 5.00	0.	0.	0.
RICHARD C. SHIPLEY 3813 WEST GULF DRIVE SANIBEL, FL 33957	DIRECTOR 5.00	0.	0.	0.
JULIA S. COSENTINO NUTTER,MCCLENNEN&FISH,LLP POBOX 51400 BOSTON, MA 02205	CLERK 5.00	0.	0.	0.
THOMAS P. JALKUT NUTTER,MCCLENNEN&FISH,LLP POBOX 51400 BOSTON, MA 02205	DIRECTOR 5.00	0.	0.	0.
JULIA S. COSENTINO NUTTER,MCCLENNEN&FISH,LLP POBOX 51400 BOSTON, MA 02205	DIRECTOR 5.00	0.	0.	0.
KAREN L. SHIPLEY 1000 ISLAND BLVD, #3103 AVENTURA, FL 33160	DIRECTOR 5.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

- 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 File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions SHIPLEY FOUNDATION, INC #0732594	Employer identification number (EIN) or 23-7015570
	Number, street, and room or suite no If a P.O. box, see instructions. NUTTER MCCLENNEN FISH LLP PO BOX 51400	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions BOSTON, MA 02205	

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

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

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

- The books are in the care of ▶ NUTTER, MCCLENNEN & FISH, LLP SEAPORT WEST, 155 SEAPORT BLVD. - BOSTON, MA 02210-2604

Telephone No. ▶ (617) 439-2000 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 NOVEMBER 15, 2013.

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

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 ADDITIONAL INFORMATION REQUIRED TO FILE A COMPLETE AND ACCURATE RETURN

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	**8a**	$ 180045.
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**	$ 180045.
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 ▶

223842
01-21-13

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
Principal Cash		$250 00	$250 00			0 00%		
Income Cash		$250.00	$250 00			0 00%		
	Total Cash	$500 00	$500 00			0 00%		
010 Common Stock								
020 Oil & Gas								
XOM	EXXON MOBIL CORPORATION							
30231G102	$86.5500	12/31/2012			$40.74		$0 5700	
					100.00%	3 02%	$0 5700	
	10,832 0000	$937,509 62	$441,342.50	$496,167 12	100 00%	3 02%	$24,696 96	
							$24,696 96	2 63%
	Total.	$937,509 62	$441,342 50	$496,167.12		3 02%	$24,696 96	
060 Metals & Mining								
GLD	SPDR GOLD TRUST							
78463V107	$162 0204	12/31/2012			$84.37		0 00%	
					100.00%	12 51%	0 00%	
	24,000.0000	$3,888,489 60	$2,024,840.12	$1,863,649 48	100.00%	12 51%	$0.00	
							$0.00	0.00%
	Total:	$3,888,489 60	$2,024,840.12	$1,863,649.48		12 51%	$0 00	
110 Electrical Equipment								
EMR	EMERSON ELECTRIC CO							
291011104	$52 9600	12/31/2012			$30.48		$0.4000	
					56 43%	3 29%	$0.4000	
	19,300.0000	$1,022,128.00	$588,296 75	$433,831 25	56.43%	3 29%	$30,880 00	
							$30,880 00	3 02%
GE	GENERAL ELECTRIC CO							
369604103	$20 9900	12/31/2012			$31 72		$0 1900	
					43.57%	2 54%	$0 1900	
	37,600 0000	$789,224 00	$1,192,661 93	($403,437.93)	43 57%	2 54%	$28,576 00	
							$28,576 00	3 62%

	Total:	$1,811,352 00	$1,780,958 68	$30,393.32		5.83%	$59,456 00		
130 Machinery									
DHR	DANAHER CORP								
235851102	$55 9000	12/31/2012			$31 49		$0 0250		
					100 00%	3 21%	$0.0250		
	17,850.0000	$997,815.00	$562,059 90	$435,755.10	100.00%	3.21%	$1,785 00		
							$1,785.00	0 18%	
	Total:	$997,815 00	$562,059.90	$435,755.10		3.21%	$1,785 00		
160 Air Freight & Couriers									
FDX	FEDEX CORP								
31428X106	$91.7200	12/31/2012			$84.07		$0.1400		
					100.00%	2.02%	$0 1400		
	6,850 0000	$628,282.00	$575,887 19	$52,394.81	100.00%	2 02%	$3,836 00		
							$3,836.00	0.61%	
	Total	$628,282.00	$575,887 19	$52,394 81		2 02%	$3,836.00		
260 Hotels Restaurants & Leisure									
MCD	MCDONALD'S CORP								
580135101	$88 2100	12/31/2012			$100 26	$0.3750	$0 7700		
					100.00%	1 66%			
						$0 3750	$0 7700		
	5,850 0000	$516,028 50	$586,495 92	($70,467 42)	100 00%	1.66%	$18,018 00		
							$18,018 00	3 49%	
	Total	$516,028 50	$586,495 92	($70,467 42)		1.66%	$18,018 00		
280 Retail Distributors									
WMT	WAL-MART STORES, INC								
931142103	$68 2300	12/31/2012			$50 64		$0 3975		
					100 00%	2 41%	$0 3975		
	11,000 0000	$750,530 01	$557,031 17	$193,498 84	100 00%	2 41%	$17,490 00		
							$17,490 00	2 33%	
	Total.	$750,530 01	$557,031.17	$193,498 84		2.41%	$17,490 01		
330 Beverages									

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est. Income	Units Pledged Yield at Mkt
PEP	PEPSICO INC.							
713448108	$68 4300	12/31/2012			$48 91		$0 5375	
					100 00%	3 28%	$0.5375	
	14,900.0000	$1,019,607 01	$728,732 17	$290,874.84	100 00%	3 28%	$32,035.00	
							$32,035 00	3 14%
	Total.	$1,019,607.01	$728,732 17	$290,874 84		3 28%	$32,035.01	
360	Household Products							
PG	PROCTER & GAMBLE CO							
742718109	$67 8900	12/31/2012			$48 13		$0 5620	
					100.00%	2.62%	$0.5620	
	12,000 0000	$814,680 00	$577,550 36	$237,129 64	100 00%	2 62%	$26,976.00	
							$26,976 00	3 31%
	Total	$814,680 00	$577,550.36	$237,129.64		2 62%	$26,976 00	
380	Health Care Equip & Supplies							
ABT	ABBOTT LABORATORIES							
002824100	$65 5000	12/31/2012			$46.27		$0 5100	
					24 91%	2 76%	$0 5100	
	13,100.0000	$858,050 00	$606,073.74	$251,976 26	24.91%	2 76%	$26,724.00	
							$26,724 00	3.11%
AMGN	AMGEN INC							
031162100	$86.2000	12/31/2012			$54 92		$0 3600	
					23.52%	2 61%	$0 3600	
	9,400 0000	$810,280 00	$516,207 75	$294,072.25	23 52%	2 61%	$13,536.00	
							$13,536 00	1 67%
MDT	MEDTRONIC INC							
585055106	$41.0200	12/31/2012			$46 65		$0 2600	
					25 36%	2 81%	$0 2600	
	21,302 0000	$873,808 04	$993,729.93	($119,921 89)	25 36%	2 81%	$22,154 08	
							$22,154 08	2 54%

PFE	PFIZER INC							
717081103	$25.0793	12/31/2012			$24.44		$0 2200	
					26 21%	2 90%	$0 2200	
	36,000.0000	$902,854.80	$879,940.29	$22,914 51	26.21%	2.90%	$31,680.00	
							$31,680 00	3 51%
	Total.	$3,444,992 84	$2,995,951.71	$449,041 13		11 08%	$94,094 08	
420 Banks								
STT	STATE STREET CORP							
857477103	$47.0100	12/31/2012			$55.21		$0 2400	
					51 83%	2 93%	$0 2400	
	19,400 0000	$911,994.00	$1,071,107.20	($159,113.20)	51 83%	2 93%	$18,624.00	
							$18,624 00	2 04%
WFC	WELLS FARGO & COMPANY							
949746101	$34 1800	12/31/2012			$27 91		$0 2200	
					48.17%	2 73%	$0 2200	
	24,800 0000	$847,664 00	$692,176 10	$155,487 90	48 17%	2 73%	$21,824 00	
							$21,824.00	2 57%
	Total.	$1,759,658 00	$1,763,283 30	($3,625 30)		5 66%	$40,448 00	
430 Diversified Financials								
AXP	AMERICAN EXPRESS CO							
025816109	$57 4800	12/31/2012			$38 62		$0 2000	
					100 00%	2 96%	$0 2000	
	16,000.0000	$919,680 00	$617,841 62	$301,838 38	100 00%	2 96%	$12,800.00	
							$12,800 00	1 39%
	Total:	$919,680 00	$617,841.62	$301,838.38		2 96%	$12,800 00	
510 Electronic Equipment & Instruments								
CSCO	CISCO SYSTEMS, INC							
17275R102	$19.6494	12/31/2012			$20.28		$0 1400	
					15.12%	2 43%	$0 1400	
	38,500 0000	$756,501 90	$780,791 44	($24,289 54)	15 12%	2 43%	$21,560 00	
							$21,560 00	2 85%
EMC	EMC CORPORATION							

268648102	$25.3000	12/31/2012			$13 85		0.00%	
					18.30%	2 95%	0.00%	
	36,200 0000	$915,860 00	$501,225.20	$414,634.80	18.30%	2.95%	$0 00	
							$0 00	0 00%

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
912828MA5	U.S TREASURY NOTES 2 3/4% DUE 11/30/2016							
912828MA5	$108.6250	12/31/2012			$0 99		2 75%	
					51 20%	2.45%	2.75%	
	700,000 0000	$760,375 00	$689,718.81	$70,656 19	51 20%	2.45%	$19,250 00	
							$19,250.00	2 53%
	Total	$1,485,203 30	$1,386,000 14	$99,203.16		4.78%	$34,125 00	
500	Money Market Funds							
636	FEDERATED GOV'T OBLIGATION FUND #636							
60934N856	$1.0000	8/1/2005	$4,243,206.87	P r	$1 00		0 01%	
						13.69%	0.01%	
					100 00%			
	4,255,299 2600	$4,255,299.26	$12,092.39	$0.00	100.00%	13.69%	$425 57	
							$425.57	0 01%
	Total:	$4,255,299.26	$4,255,299 26	$0.00		13.69%	$425.57	

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est. Income	Units Pledged Yield at Mkt
Principal Cash		$250 00	$250 00			0.00%		
Income Cash		$493.19	$493.19			0.01%		
	Total Cash	$743 19	$743.19			0.01%		
010 Common Stock								
010 Energy Equipment & Services								
IO	ION GEOPHYSICAL CORP							
462044108	$6 5100	12/31/2012			$7.41		0 00%	
					100.00%	0.52%	0.00%	
	4,300.0000	$27,993 00	$31,856 06	($3,863 06)	100.00%	0 52%	$0 00	
							$0.00	0 00%
	Total	$27,993 00	$31,856.06	($3,863 06)		0.52%	$0 00	
020 Oil & Gas								
HP	HELMERICH & PAYNE INC.							
423452101	$56.0100	12/31/2012			$47.91		$0 0700	
					57.33%	1.89%	$0 0700	
	1,800.0000	$100,818 00	$86,241.11	$14,576 89	57.33%	1.89%	$504 00	
							$504 00	0 50%
RDC	ROWAN COMPANIES PLC							
G7665A101	$31.2700	12/31/2012			$33.13		0 00%	
					42 67%	1 40%	0.00%	
	2,400 0000	$75,048 00	$79,519 35	($4,471.35)	42.67%	1.40%	$0.00	
							$0 00	0 00%
	Total	$175,866.00	$165,760.46	$10,105.54		3 29%	$504.00	
030 Chemicals								
MOS	THE MOSAIC COMPANY							
61945C103	$56.6300	12/31/2012			$56 17		$0 2500	
					48 74%	2 33%	$0 2500	
	2,200 0000	$124,586.00	$123,569 65	$1,016 35	48 74%	2 33%	$2,200 00	
							$2,200 00	1 77%

VAL	VALSPAR CORP							
920355104	$62.4000	12/31/2012			$34.06		$0.2300	
					51 26%	2.45%	$0 2300	
	2,100 0000	$131,040 00	$71,530.68	$59,509.32	51 26%	2.45%	$1,932 00	
							$1,932.00	1 47%
	Total	$255,626.00	$195,100 33	$60,525.67		4 78%	$4,132.00	
060 Metals & Mining								
RTI	RTI INTL METALS, INC							
74973W107	$27 5600	12/31/2012			$25.27		0 00%	
					37 25%	1 03%	0 00%	
	2,000 0000	$55,120.00	$50,537.94	$4,582 06	37 25%	1.03%	$0.00	
							$0.00	0 00%
SWC	STILLWATER MINING CO							
86074Q102	$12 7800	12/31/2012			$9.20		0 00%	
					46.64%	1 29%	0 00%	
	5,400 0000	$69,012 00	$49,653.56	$19,358 44	46 64%	1.29%	$0 00	
							$0 00	0 00%
X	U S STEEL CORP							
912909108	$23.8500	12/31/2012			$23 15		$0 0500	
					16.12%	0 45%	$0.0500	
	1,000 0000	$23,850 00	$23,149 90	$700 10	16 12%	0 45%	$200.00	
							$200 00	0 84%
	Total	$147,982.00	$123,341 40	$24,640 60		2 77%	$200 00	
070 Paper & Forest Products								
MWV	MEADWESTVACO CORP							
583334107	$31 8700	12/31/2012			$24 35		$0 2500	
					100.00%	0 95%	$0 2500	
	1,600 0000	$50,992.00	$38,965 60	$12,026.40	100 00%	0.95%	$1,600 00	
							$1,600 00	3.14%
	Total	$50,992 00	$38,965 60	$12,026 40		0 95%	$1,600 00	
100 Construction & Engineering								
SHAW	SHAW GROUP INC							
820280105	$46 6100	12/31/2012			$20.29		0 00%	

				100 00%	1 31%	0 00%	
1,500 0000	$69,915 00	$30,428 04	$39,486 96	100 00%	1 31%	$0 00	
						$0 00	0.00%

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est. Income	Units Pledged Yield at Mkt
	Total·	$69,915 00	$30,428.04	$39,486 96		1 31%	$0.00	
110 Electrical Equipment								
CGNX	COGNEX CORP							
192422103	$36 7901	12/31/2012			$32 33		$0.1100	
					100 00%	0.83%	$0 1100	
	1,200 0000	$44,148 12	$38,798 70	$5,349 42	100.00%	0 83%	$528 00	
							$528 00	1 20%
	Total	$44,148 12	$38,798.70	$5,349.42		0 83%	$528 00	
120 Industrial Conglomerates								
PLL	PALL CORP							
696429307	$60 2600	12/31/2012			$49 51		$0 2500	
					100 00%	2 37%	$0.2500	
	2,100 0000	$126,546 00	$103,962 75	$22,583 25	100 00%	2 37%	$2,100 00	
							$2,100 00	1 66%
	Total	$126,546 00	$103,962.75	$22,583 25		2 37%	$2,100 00	
130 Machinery								
CMI	CUMMINS INC							
231021106	$108 3500	12/31/2012			$94 63		$0.5000	
					43 92%	3 04%	$0 5000	
	1,500 0000	$162,525 00	$141,946 34	$20,578 66	43.92%	3 04%	$3,000 00	
							$3,000 00	1 85%
MDR	MCDERMOTT INTL INC							
580037109	$11 0200	12/31/2012			$11 01		0.00%	
					7 45%	0.52%	0 00%	
	2,500.0000	$27,550 00	$27,517.50	$32 50	7.45%	0 52%	$0.00	
							$0 00	0 00%
PCP	PRECISION CASTPARTS CORP							
740189105	$189 4200	12/31/2012			$169 13		$0 0300	
					48 63%	3 37%	$0 0300	
	950.0000	$179,949 00	$160,673 51	$19,275 49	48 63%	3 37%	$114 00	

							$114 00	0 06%
	Total·	$370,024 00	$330,137 35	$39,886 65		6 92%	$3,114 00	
150 Commercial Services & Supplies								
BCO	THE BRINK'S COMPANY							
109696104	$28 5300	12/31/2012			$27.35		$0 1000	
					42 76%	0 67%	$0 1000	
	1,250.0000	$35,662.50	$34,188 55	$1,473.95	42 76%	0 67%	$500 00	
							$500 00	1 40%
RHI	ROBERT HALF INT'L INC							
770323103	$31 8200	12/31/2012			$25.53		$0.1500	
					57.24%	0 89%	$0 1500	
	1,500 0000	$47,730.00	$38,302.23	$9,427.77	57.24%	0 89%	$900.00	
							$900 00	1 89%
	Total.	$83,392 50	$72,490 78	$10,901.72		1 56%	$1,400 00	
190 Transportation - Road & Rail								
KSU	KANSAS CITY SOUTHERN							
485170302	$83 4800	12/31/2012			$62 17		$0 1950	
	1,300 0000	$108,524 00	$80,815 73	$27,708 27	100 00%	2 03%	$0.1950	
					100 00%	2 03%	.	
	Total	$108,524 00	$80,815 73	$27,708 27		2 03%		
250 Textiles & Apparel								
UFI	UNIFI INC							
904677200	$13 0100	12/31/2012			$8 88		0 00%	
					100.00%	0 61%	0 00%	
	2,500 0000	$32,525 00	$22,209 32	$10,315.68	100.00%	0.61%	$0 00	
							$0 00	0.00%
	Total	$32,525 00	$22,209 32	$10,315.68		0 61%	$0 00	
260 Hotels Restaurants & Leisure								
LVS	LAS VEGAS SANDS, INC.							
517834107	$46 1600	12/31/2012			$43 53		$0 2500	
	3,600 0000	$166,176.00	$156,701 30	$9,474 70	42 46%	3.11%	$0 2500	
					42 46%	3 11%		

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
MSG	THE MADISON SQUARE GARDEN CO							
$5826P100	$44 3500	12/31/2012			$24 54		0 00%	
					9 07%	0.66%	0 00%	
	800 0000	$35,480 00	$19,634 00	$15,846 00	9.07%	0 66%	$0 00	
							$0 00	0 00%
BID	SOTHEBY'S							
835898107	$33 6200	12/31/2012			$32.93	$0 4000	$0 1000	
	1,900 0000	$63,878 00	$62,569 16	$1,308.84	16 32%	1 20%		
						$0 4000	$0 1000	
					16.32%	1 20%		
RCL	ROYAL CARIBBEAN CRUISES, LTD							
V7780T103	$34 0000	12/31/2012			$26.97		$0.1200	
					32.15%	2.35%	$0.1200	
	3,700 0000	$125,800 00	$99,803.74	$25,996.26	32.15%	2 35%	$1,776 00	
							$1,776 00	1 41%
	Total	$391,334.00	$338,708.20	$52,625.80		7.32%	$1,776 00	
270 Media								
AMCX	AMC NETWORKS INC							
00164V103	$49 5000	12/31/2012			$33 23		0 00%	
					6.36%	0 74%	0 00%	
	800 0000	$39,600 00	$26,585 80	$13,014 20	6.36%	0 74%	$0 00	
							$0 00	0 00%
BLC	BELO CORP							
080555105	$7 6700	12/31/2012			$6 76		$0 0800	
					9 11%	1 06%	$0 0800	
	7,400 0000	$56,758 00	$50,050 40	$6,707 60	9 11%	1 06%	$2,368 00	
							$2,368 00	4 17%
CVC	CABLEVISION SYSTEMS CORP							
12686C109	$14 9400	12/31/2012			$16 94		$0.1500	
					11 75%	1 37%	$0 1500	

	4,900 0000	$73,206 00	$83,006 76	($9,800 76)	11 75%	1.37%	$2,940 00	
							$2,940 00	4 02%
DISCK	DISCOVERY COMMUNICATIONS, INC							
25470F302	$58 5000	12/31/2012			$39.48		0 00%	
					29 11%	3 39%	0.00%	
	3,100 0000	$181,350 00	$122,402 05	$58,947 95	29.11%	3 39%	$0 00	
							$0.00	0 00%
GCI	GANNETT CO INC							
364730101	$18 0100	12/31/2012			$12.17		$0 2000	
					19 37%	2.26%	$0 2000	
	6,700.0000	$120,667.00	$81,564.54	$39,102.46	19 37%	2 26%	$5,360 00	
							$5,360 00	4 44%
530322106	LIBERTY MEDIA CORP-LIBERTY CAPITAL							
530322106	$116.0100	12/31/2012			$76 60		0 00%	
					13 97%	1.63%	0 00%	
	750 0000	$87,007 50	$57,450 50	$29,557.00	13 97%	1.63%	$0 00	
							$0 00	0 00%
SBGI	SINCLAIR BROADCAST GROUP INC							
829226109	$12.6200	12/31/2012			$9 13		$0 1500	
					10 33%	1.20%	$0 1500	
	5,100 0000	$64,362 00	$46,560 28	$17,801 72	10 33%	1.20%	$3,060 00	
							$3,060 00	4 75%
	Total·	$622,950 50	$467,620 33	$155,330 17		11.66%	$13,728 00	
280 Retail Distributors								
SKS	SAKS HOLDINGS INC							
79377W108	$10 5100	12/31/2012			$10.46		0 00%	
					100 00%	0.77%	0.00%	
	3,900 0000	$40,989 00	$40,790.04	$198.96	100.00%	0 77%	$0 00	
							$0 00	0.00%
	Total	$40,989 00	$40,790 04	$198 96		0 77%	$0 00	
290 Internet & Catalog Retail								

IACI	IAC/INTERACTIVE CORP						
44919P508	$47 2420	12/31/2012			$41.09		$0.2400
	1,100 0000	$51,966 20	$45,202 00	$6,764 20	100 00%	0 97%	$0 2400
					100.00%	0 97%	
	Total	$51,966.20	$45,202 00	$6,764 20		0 97%	

380 Health Care Equip & Supplies

Portfolio Analysis

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IMGN	IMMUNOGEN, INC							
45253H101	$12 7500	12/31/2012			$13.46		0 00%	
					12 65%	0 50%	0 00%	
	2,100.0000	$26,775 00	$28,262 49	($1,487 49)	12 65%	0 50%	$0 00	
							$0 00	0 00%
ISIS	ISIS PHARMACEUTICALS INC							
464330109	$10 4400	12/31/2012			$7 79		0 00%	
					19 73%	0 78%	0 00%	
	4,000.0000	$41,760 00	$31,152 90	$10,607 10	19 73%	0.78%	$0 00	
							$0.00	0 00%
MYGN	MYRIAD GENETICS INC							
62855J104	$27.2500	12/31/2012			$20 05		0 00%	
					34 77%	1.38%	0 00%	
	2,700 0000	$73,575 00	$54,131 77	$19,443 23	34 77%	1 38%	$0 00	
							$0 00	0 00%
SGEN	SEATTLE GENETICS INC							
812578102	$23 1700	12/31/2012			$19 90		0 00%	
					32 85%	1.30%	0.00%	
	3,000 0000	$69,510 00	$59,712 40	$9,797 60	32.85%	1.30%	$0 00	
							$0.00	0 00%
	Total	$211,620 00	$173,259 56	$38,360 44		3.96%	$0 00	
410 Pharmaceuticals								
MDCO	THE MEDICINES COMPANY							
584688105	$23 9700	12/31/2012			$22 47		0 00%	
					6 69%	0.49%	0 00%	
	1,100 0000	$26,367 00	$24,720 64	$1,646 36	6 69%	0 49%	$0 00	
							$0.00	0 00%
ONXX	ONYX PHARMACHEUTICALS INC							
683399109	$75 5300	12/31/2012			$35 70		0 00%	

					32.57%	2 40%	0 00%	
	1,700 0000	$128,401 00	$60,696 84	$67,704.16	32.57%	2 40%	$0 00	
							$0.00	0 00%
REGN	REGENERON PHARMACEUTICALS, INC							
75886F107	$171 0700	12/31/2012			$59.29		0 00%	
					60 75%	4 48%	0.00%	
	1,400 0000	$239,498.00	$83,008.00	$156,490.00	60.75%	4.48%	$0.00	
							$0 00	0 00%
	Total	$394,266.00	$168,425.48	$225,840 52		7 38%	$0.00	
430 Diversified Financials								
JNS	JANUS CAPITAL GROUP, INC							
47102X105	$8 5200	12/31/2012			$7 68		$0 0600	
					23 97%	0 73%	$0 0600	
	4,600 0000	$39,192 00	$35,320 64	$3,871 36	23 97%	0 73%	$1,104 00	
							$1,104 00	2 82%
RJF	RAYMOND JAMES FINANCIAL INC							
754730109	$38 5300	12/31/2012			$29 35		$0 1400	
					37 70%	1 15%	$0.1400	
	1,600 0000	$61,648 00	$46,955 33	$14,692 67	37 70%	1 15%	$896.00	
							$896 00	1 45%
WDR	WADDELL & REED FINANCIAL, INC							
930059100	$34 8200	12/31/2012			$25.61		$0 2500	
					38 33%	1 17%	$0.2500	
	1,800 0000	$62,676 00	$46,099 80	$16,576 20	38.33%	1.17%	$1,800.00	
							$1,800 00	2 87%
	Total	$163,516 00	$128,375 77	$35,140 23		3 06%	$3,800 00	
480 Software								
SEAC	SEACHANGE INT'L INC							
811699107	$9 6700	12/31/2012			$8.16		0 00%	
					100.00%	1 03%	0.00%	
	5,700 0000	$55,119 00	$46,506.46	$8,612 54	100.00%	1 03%	$0.00	
							$0 00	0 00%

	Total·	$55,119 00	$46,506.46	$8,612 54		1 03%	$0 00	
490 Communications Equipment								
JDSU	JDS UNIPHASE CORP							
46612J507	$13 5000	12/31/2012			$13 02		0 00%	
					39 45%	0.73%	0 00%	
	2,900 0000	$39,150 00	$37,743.79	$1,406.21	39 45%	0 73%	$0 00	
							$0 00	0.00%

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est. Income	Units Pledged Yield at Mkt
LVLT	LEVEL 3 COMMUNICATIONS, INC.							
52729N308	$23.1100	12/31/2012			$22 38		0 00%	
					60 55%	1.12%	0 00%	
	2,600 0000	$60,086 00	$58,197 65	$1,888 35	60 55%	1.12%	$0 00	
							$0 00	0 00%
	Total·	$99,236 00	$95,941 44	$3,294 56		1 86%	$0 00	
510 Electronic Equipment & Instruments								
ATML	ATMEL CORP							
049513104	$6 5500	12/31/2012			$10 66		0.00%	
					11 99%	1 73%	0 00%	
	14,100 0000	$92,355 00	$150,260 80	($57,905.80)	11 99%	1.73%	$0 00	
							$0 00	0 00%
AVT	AVNET INC							
053807103	$30 6100	12/31/2012			$29 88		0.00%	
					10 34%	1.49%	0 00%	
	2,600 0000	$79,586 00	$77,676 04	$1,909.96	10.34%	1.49%	$0 00	
							$0 00	0 00%
HXL	HEXCEL CORP							
428291108	$26 9600	12/31/2012			$24.45		0 00%	
					9.80%	1 41%	0 00%	
	2,800 0000	$75,488 00	$68,466 43	$7,021 57	9 80%	1 41%	$0 00	
							$0 00	0.00%
LSI	LSI LOGIC CORP							
502161102	$7 0700	12/31/2012			$5 82		0 00%	
					7 62%	1 10%	0 00%	
	8,300 0000	$58,681 00	$48,282 19	$10,398 81	7 62%	1 10%	$0 00	
							$0 00	0 00%
LRCX	LAM RESEARCH CORP							
512807108	$36 1300	12/31/2012			$34 17		0 00%	

						20.11%	2 90%	0 00%	
	4,287 0000	$154,889 31	$146,478 32		$8,410 99	20 11%	2 90%	$0 00	
								$0 00	0 00%
RFMD	R F MICRO DEVICES, INC								
749941100	$4 4800	12/31/2012				$5 62		0 00%	
						6.52%	0 94%	0 00%	
	11,200 0000	$50,176 00	$62,889.58		($12,713 58)	6 52%	0.94%	$0.00	
								$0 00	0 00%
TRMB	TRIMBLE NAVIGATION LTD								
896239100	$59.7800	12/31/2012				$37 95		0.00%	
						22.51%	3 24%	0 00%	
	2,900.0000	$173,362 00	$110,043.48		$63,318 52	22.51%	3 24%	$0 00	
								$0 00	0.00%
TQNT	TRIQUINT SEMICONDUCTOR,INC								
89674K103	$4 8300	12/31/2012				$6 51		0 00%	
						4 89%	0 71%	0 00%	
	7,800 0000	$37,674 00	$50,816 46		($13,142 46)	4.89%	0 71%	$0 00	
								$0 00	0 00%
VSH	VISHAY INTERTECHNOLOGY, INC								
928298108	$10 6300	12/31/2012				$10 06		0 00%	
						6 21%	0 90%	0 00%	
	4,500 0000	$47,835 00	$45,275 05		$2,559 95	6 21%	0 90%	$0 00	
								$0 00	0 00%
	Total	$770,046 31	$760,188 35		$9,857 96		14.41%	$0 00	
520 Office Electronics									
DBD	DIEBOLD, INC								
253651103	$30.6100	12/31/2012				$31.34		$0 2850	
						100 00%	0 57%	$0 2850	
	1,000 0000	$30,610 00	$31,342 50		($732 50)	100.00%	0.57%	$1,140 00	
								$1,140 00	3 72%
	Total	$30,610 00	$31,342 50		($732 50)		0 57%	$1,140 00	

540 Diversified Telecomm. Services

04269Q100	ARRIS GROUP INC								
04269Q100	$14 9400	12/31/2012				$11 17		0.00%	
						31 82%	1.01%	0 00%	
	3,600 0000	$53,784 00	$40,226 85	$13,557 15		31 82%	1.01%	$0 00	
								$0 00	0 00%
NIHD	NII HOLDINGS INC - CLASS B								
62913F201	$7 1300	12/31/2012				$16.43		0 00%	
						13 92%	0.44%	0 00%	
	3,300 0000	$23,529.00	$54,232.20	($30,703 20)		13.92%	0 44%	$0.00	
								$0 00	0 00%

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
TWTC	TW TELECOM INC							
87311L104	$25 4700	12/31/2012			$17 56		0 00%	
					54 25%	1 72%	0 00%	
	3,600 0000	$91,692 00	$63,216.78	$28,475 22	54 25%	1 72%	$0 00	
							$0 00	0 00%
	Total·	$169,005 00	$157,675 83	$11,329 17		3 16%	$0 00	
550 Wireless Telecomm Services								
CBB	CINCINNATI BELL INC							
171871106	$5 4800	12/31/2012			$3.10		0 00%	
					59.52%	2 07%	0 00%	
	20,200 0000	$110,696 00	$62,574.06	$48,121 94	59 52%	2 07%	$0.00	
							$0 00	0 00%
HLIT	HARMONIC INC							
413160102	$5 0700	12/31/2012			$4.66		0.00%	
					21.54%	0 75%	0 00%	
	7,900 0000	$40,053 00	$36,845 67	$3,207 33	21 54%	0 75%	$0 00	
							$0 00	0 00%
USM	UNITED STATES CELLULAR CORP							
911684108	$35 2400	12/31/2012			$41 44		0.00%	
					18 95%	0 66%	0 00%	
	1,000 0000	$35,240 00	$41,435 04	($6,195 04)	18 95%	0 66%	$0.00	
							$0 00	0 00%
	Total	$185,989 00	$140,854 77	$45,134.23		3 48%	$0 00	
580 Multi-Utilities								
TDS	TELEPHONE & DATA SYSTEMS, INC							
879433829	$22 1400	12/31/2012			$23 92		$0 1225	
					100 00%	0 66%	$0 1225	
	1,600 0000	$35,424 00	$38,273 12	($2,849 12)	100.00%	0 66%	$784 00	
							$784 00	2 21%

	Total.	$35,424 00	$38,273 12	($2,849.12)		0 66%	$784 00	
030 Foreign Stock								
LAZ	LAZARD LTD							
G54050102	$29 8400	12/31/2012			$24 56		$0 2000	
					100 00%	0 73%	$0.2000	
	1,300.0000	$38,792 00	$30,758.00	$6,861.99	100 00%	0 73%	$1,040 00	
							$1,040 00	2 68%
	Total·	$38,792 00	$30,758 00	$6,861 99		0 73%	$1,040 00	
010 Energy Equipment & Services								
NOA	NORTH AMERICAN ENERGY PARTNERS INC							
656844107	$3 4000	12/31/2012			$5.71		1 00%	
					100 00%	0.29%	1 00%	
	4,500 0000	$15,300 00	$25,713 98	($10,413.98)	100 00%	0 29%	$45 00	
							$45 00	0 29%
	Total	$15,300.00	$25,713 98	($10,413 98)		0 29%	$45 00	
060 Metals & Mining								
CCJ	CAMECO CORP							
13321L108	$19 7200	12/31/2012			$20 02		$0 1016	
	5,300 0000	$104,516 00	$106,122.75	($1,606 75)	100 00%	1 96%	$0 1016	
					100 00%	1 96%		
	Total	$104,516 00	$106,122 75	($1,606 75)		1 96%		
080 Aerospace & Defense								
CAE	CAE INC							
124765108	$10.1500	12/31/2012			$10 48		$0 0503	
					100.00%	1 08%	$0 0503	
	5,700 0000	$57,855 00	$59,728 00	($1,873 00)	100.00%	1.08%	$1,147 30	
							$1,147.30	1 98%
	Total	$57,855.00	$59,728 00	($1,873.00)		1 08%	$1,147 30	
100 Construction & Engineering								

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
FWLT	FOSTER WHEELER AG							
H27178104	$24 3200	12/31/2012			$20.77		0 00%	
					100 00%	2 32%	0 00%	
	5,100 0000	$124,032 00	$105,927 84	$18,104 16	100 00%	2 32%	$0 00	
							$0 00	0 00%
	Total.	$124,032.00	$105,927 84	$18,104 16		2 32%	$0 00	
260	Hotels Restaurants & Leisure							
OEH	ORIENT EXPRESS HOTELS LTD							
G67743107	$11 6900	12/31/2012			$8.92		0.00%	
					100.00%	2 08%	0.00%	
	9,500 0000	$111,055 00	$84,707 78	$26,347.22	100 00%	2 08%	$0.00	
							$0 00	0 00%
	Total	$111,055 00	$84,707 78	$26,347.22		2.08%	$0 00	
480	Software							
INXN	INTERXION HOLDING NV							
N47279109	$23 7600	12/31/2012			$12.88		0.00%	
					100 00%	0 80%	0 00%	
	1,800.0000	$42,768 00	$23,191.02	$19,576.98	100 00%	0 80%	$0 00	
							$0 00	0 00%
	Total	$42,768 00	$23,191 02	$19,576 98		0 80%	$0 00	
500	Money Market Funds							
636	FEDERATED GOV'T OBLIGATION FUND #636							
60934N856	$1 0000	8/1/2005	$102,266 84	Princ	$1.00		0 01%	
				Inc		2 49%	0 01%	
					100.00%			
	132,967 5400	$132,967 54	$30,700.70	$0 00	100 00%	2 49%	$13 30	
							$13 30	0 01%
	Total	$132,967 54	$132,967 54	$0 00		2 49%	$13 30	

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
Principal Cash		$0 00	$0 00			0 00%		
Income Cash		$0.07	$0 07			0.00%		
	Total Cash	$0.07	$0 07			0.00%		
040	Equity Mutual Funds							
LVOYX	LORD ABBETT VALUE OPPORTUNITY FUND - CLASS I SHARES							
54400A506	$16.8500	12/31/2012			$15 12		0 00%	
					100 00%	3 40%	0 00%	
	285,486 5490	$4,810,448 35	$4,315,954 37	$494,493 98	100 00%	3 40%	$0 00	
							$0.00	0.00%
	Total.	$4,810,448.35	$4,315,954 37	$494,493.98		3.40%	$0 00	
100	International Equity Mutual Funds							
DFEVX	DFA EMERGING MARKETS VALUE FUND #95							
233203587	$29 8400	12/31/2012			$33 23		$0 1650	
	203,854 1990	$6,083,009.29	$6,774,280 82	($691,271 53)	54 52%	4 30%	$0 1650	
					54 52%	4.30%		
LGMSX	LEGG MASON BATTERYMARCH EMERGING MARKETS TRUST							
52465U862	$21 2300	12/31/2012			$23 45		$0 3341	
					45 48%	3.59%	$0 3341	
	239,023 5330	$5,074,469 61	$5,605,290 93	($530,821 32)	45 48%	3 59%	$159,715 52	
							$159,715 52	3 15%
	Total	$11,157,478 90	$12,379,571 75	($1,222,092 85)		7 89%	$159,715 52	
305	Fixed Income Mutual Fund							
PAUIX	PIMCO ALL ASSET ALL AUTHORITY FUND							
72200Q182	$11 0900	12/31/2012			$10 97	$0 5800	$0 3498	
					43 59%	9 63%		
						$0 5800	$0 3498	
	1,228,084 2600	$13,619,454 46	$13,470,507 20	$148,947 26	43 59%	9 63%	$1,718,384 62	

							$1,718,384 62	12 62%
PELBX	PIMCO EMERGING LOCAL BOND FUND							
72201F516	$10 9800	12/31/2012			$10 98		$0 0447	
					21.05%	4 65%	$0 0447	
	598,885 4960	$6,575,762.76	$6,573,596 78	$2,165 98	21.05%	4.65%	$321,242 18	
							$321,242.18	4 89%
TGBAX	TEMPLETON GLOBAL BOND FUND							
880208400	$13.3400	12/31/2012			$13 68		$0.0429	
					35.36%	7 81%	$0 0429	
	828,096 7510	$11,046,810 65	$11,332,179 72	($285,369 07)	35.36%	7 81%	$426,304 21	
							$426,304 21	3 86%
	Total·	$31,242,027 87	$31,376,283 70	($134,255.83)		22 08%	$2,465,931 04	
700	Other Assets							
003009111	ABERDEEN EMERGING MARKETS SMALLER COMPANIES FUND							
003009111	$11 6409	12/31/2012			$10 12		0 00%	
					7 12%	4 00%	0 00%	
	485,847 2000	$5,655,692 31	$5,382,442 00	$739,335.72	7 12%	4 00%	$0 00	
							$0 00	0 00%
1893001C6	CLOUGH OFFSHORE FUND, LTD - CLASS A, SERIES 1							
1893001C6	$241 2185	12/31/2012			$272 66		0 00%	
					6 97%	3 91%	0.00%	
	22,940 7664	$5,533,737.81	$6,254,985 66	($721,247.85)	6.97%	3 91%	$0 00	
							$0 00	0.00%
3719911C3	GEOLOGIC RESOURCE FUND, LTD - SERIES A/2							
3719911C3	$695 1811	12/31/2012			$479 16		0 00%	
					5 48%	3.08%	0 00%	
	6,260.9936	$4,352,524.34	$3,000,000.00	$1,352,524.34	5.48%	3 08%	$0 00	
							$0 00	0 00%

Portfolio Analysis

Symbol CUSIP	Issuer/Issue Market Price Units Held	Price Date Market Value	Cost Basis	Rating Gain/Loss	Cost per Share % Industry Type	Earnings Per Share % Portfolio	Income Rate Managed Est Income	Units Pledged Yield at Mkt
4005001A1	GRYPHON INTERNATIONAL - EAFE GROWTH FUND							
4005001A1	$16 2306	12/31/2012			$13 69		0 00%	
					6 52%	3 66%	0 00%	
	318,809 5430	$5,174,463 15	$4,494,044 00	$808,898 12	6 52%	3 66%	$0 00	
							$0 00	0 00%
8266251B7	SIGULER GUFF - BRIC OPPORTUNITIES FUND II, LP							
8266251B7	$2,690,777 0000	12/31/2012			$2,476,050 86		0 00%	
					3.39%	1 90%	0 00%	
	1 0000	$2,690,777 00	$2,399,922 00	$214,726 14	3 39%	1 90%	$0 00	
							$0 00	0 00%
8266251C2	SIGULER GUFF - DISTRESSED OPPORTUNITIES FUND IV, LP							
8266251C2	$2,262,950 0000	12/31/2012			$2,165,000 00		0 00%	
					2 85%	1 60%	0 00%	
	1 0000	$2,262,950 00	$2,159,768 00	$97,950 00	2 85%	1 60%	$0 00	
							$0 00	0 00%
9528551G3	WEST GULF INVESTMENT STRATEGIES, LLP							
9528551G3	$53,751,375 6700	11/30/2012			$48,687,273 17		0 00%	
					67 68%	37 99%	0 00%	
	1 0000	$53,751,375 67	$53,952,818 00	$5,064,102 50	67 68%	37 99%	$0 00	
							$0 00	0 00%
	Total	$79,421,520 28	$77,643,979 66	$7,556,288 97		56 14%	$0 00	
702	Miscellaneous							
9738201A8	WINDHAVEN INVESTMENT MANAGEMENT INC							
9738201A8	$14,839,448 2400	12/31/2012			$12,000,000 00		0 00%	
					100 00%	10 49%	0 00%	
	1 0000	$14,839,448 24	$12,834,364 61	$2,839,448 24	100 00%	10 49%	$0 00	
							$0 00	0 00%

Total	$14,839,448 24	$12,834,364 61	$2,839,448 24	10 49%	$0 00

AGREEMENT OF MERGER

Agreement of merger dated September 26, 2012, pursuant to Section 10 of Chapter 180 of the Massachusetts General Laws and among the Lucia H. Shipley Foundation, Inc. ("LHS") and the Charles R. Shipley, Jr. Foundation, Inc. ("CRS"), both Massachusetts nonprofit corporations.

WHEREAS, LHS and CRS desire to merger into a single corporation;

WHEREAS, LHS and CRS desire LHS to be the surviving entity;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

1. On the effective date of the merger (as hereinafter defined), CRS shall be merged with and into LHS, the surviving corporation, and the separate existence of CRS shall cease.

2. The purposes of the surviving corporation shall be as follows:

   Carrying out any religious, charitable, scientific, testing for public safety, literary and educational purposes, and preventing cruelty to children or animals within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or the corresponding provision of any subsequent law, including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code. Subject to the foregoing, the corporation may carry out any charitable purpose which is permitted to be carried out by a corporation organized under Chapter 180 of the General Laws of Massachusetts.

3. The terms and conditions of the merger are as follows:

   Upon the effective date of the merger of CRS into LHS

   a. The name of the surviving corporation shall be Shipley Foundation, Inc.;

   b. The Articles of Merger, as set forth on Schedule A hereto, shall be adopted as the Articles of Organization of the surviving corporation;

   c. The By-Laws of Shipley Foundation, Inc., as set forth on Schedule B hereto, shall be adopted as the By-Laws of the surviving corporation; and

   d. The directors and officers of the surviving corporation shall be as set forth on Schedule C hereto.

4. The effective date of the merger shall be the later of (a) November 30, 2012 or (b) the date of filing the Articles of Merger with the Massachusetts Secretary of State pursuant to the applicable provisions of the laws of the Commonwealth of Massachusetts.

WITNESS the execution hereof under seal as of the day and year first above written.

LUCIA H. SHIPLEY FOUNDATION, INC.	CHARLES R. SHIPLEY, JR. FOUNDATION, INC.
By: ______________	By: ______________
Name: Richard C. Shipley	Name: Richard C. Shipley
Title: President	Title: President
By: ______________	By: ______________
Name: Thomas P. Jalkut	Name: Thomas P. Jalkut
Title: Treasurer	Title: Treasurer

SCHEDULE A

SHIPLEY FOUNDATION, INC.

CERTIFICATE OF MERGER AS OF NOVEMBER 30, 2012

(S) FEDERAL IDENTIFICATION NO. 23-7015570

FEDERAL IDENTIFICATION NO. 04-2664446 (M)

Fee: $35.00

Examiner

The Commonwealth of Massachusetts

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

ARTICLES OF *~~CONSOLIDATION~~ / *MERGER

(General Laws, Chapter 180, Section 10)
Domestic and Domestic Corporations

*~~Consolidation~~ / *merger of Lucia H. Shipley Foundation, Inc.

and

042664446 Charles R. Shipley, Jr. Foundation, Inc.,

the constituent corporations, into

Lucia H. Shipley Foundation, Inc. 237015570,

*one of the constituent corporations / *~~a new corporation~~.

The undersigned officers of each of the constituent corporations certify under the penalties of perjury as follows:

1. The agreement of *~~consolidation~~ / *merger was duly adopted in accordance and compliance with the requirements of General Laws, Chapter 180, Section 10.

2. That if any of the constituent corporations constitutes a public charity, then the resulting or surviving corporation shall be a public charity.

3. The resulting or surviving corporation shall furnish a copy of the agreement of *~~consolidation~~ / *merger to any of its members or to any person who was a stockholder or member of any constituent corporation upon written request and without charge.

4. The effective date of the *~~consolidation~~ / *merger determined pursuant to the agreement of *~~consolidation~~ / *merger shall be the date approved and filed by the Secretary of the Commonwealth. If a *later* effective date is desired, specify such date which shall not be more than *thirty days* after the date of filing:

C ☐
P ☐
M ☐
R.A. ☐

5. (For a merger)
(a) The following amendments to the Articles of Organization of the *surviving* corporation have been effected pursuant to the agreement of merger:

See Continuation Sheet A for amendments to Articles I, II and IV.

9
P.C.

**Delete the inapplicable word.*

18010m 4/5/00

Continuation Sheet A
to
Articles of Merger
of
SHIPLEY FOUNDATION, INC.

Article I

The exact name of the corporation is:

Shipley Foundation, Inc.

Article II

The purpose of the corporation is to engage in the following activities:

Carrying out any religious, charitable, scientific, testing for public safety, literary and educational purposes, and for the purpose of presenting cruelty to children or animals within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or the corresponding provision of any subsequent law, including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code. Subject to the foregoing, the corporation may carry out any charitable purpose which is permitted to be carried out by a corporation organized under Chapter 180 of the General Laws of Massachusetts.

Article IV

The Corporation shall have the following powers in furtherance of its corporate purposes:

(a) The Corporation shall have perpetual succession in its corporate name.

(b) The corporation may sue and be sued.

(c) The corporation may have a seal, which it may alter at pleasure.

(d) The corporation may elect or appoint directors, officers, employees, trustees or other agents, fix their compensation and define their duties and obligations.

(e) The Corporation may make donations, irrespective of corporate benefit, for the public welfare or for community fund, hospital, charitable, religious, educational, scientific, civic or similar purposes; provided that, as long as the Corporation is entitled to exemption from Federal income tax under Section 501(c)(3) of the Code, it shall make no contribution for other than religious, charitable, scientific, testing for public safety, literary or educational purposes or for the prevention of cruelty to children or animals.

(f) The Corporation may purchase, receive, take by grant, gift, devise, bequest or otherwise, lease or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with real or personal property or any interest therein, wherever situated.

(g) The Corporation may sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage, pledge, encumber or create a security interest in, all or any of its property or any interest therein, wherever situated.

(h) The Corporation may purchase, take, receive, subscribe for or otherwise acquire, own, hold, vote, employ, sell, lend, lease, exchange, transfer or otherwise dispose of, mortgage, pledge, use and otherwise deal in and with, bonds and other obligations, shares, or other securities or interests issued by others, whether engaged in similar or different business, governmental or other activities.

(i) The Corporation may make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the Corporation may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage, pledge or encumbrance of, or security interest in, all or any of its property or any interest therein, wherever situated.

(j) The Corporation may lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested.

(k) The Corporation may do business, carry on its operations, and have offices and exercise the powers granted by Chapter 180 of the Massachusetts General Laws as now in force or as hereafter amended, in any jurisdiction within or without the United States, although the Corporation shall not be operated for the primary purpose of carrying on for profit a trade or business unrelated to its tax exempt purposes.

(l) The Corporation may pay pensions, establish and carry out pension, profit-sharing, and other retirement, incentive and benefit plans, trusts and provisions for any and all of its employees, including employees who serve as its officers or directors, and for any or all of the directors, officers, and employees of any corporation or other entity fifty (50%) percent or more of the shares of which outstanding and entitled to vote on the election of directors or comparable equity interests are owned, directly or indirectly, by the Corporation.

(m) The Corporation may solicit and receive contributions from any and all sources and may receive and hold in trust or otherwise funds received by gift or bequest.

(n) The Corporation may be an incorporator of other corporations of any type or kind. The Corporation may be a partner in any business enterprise which it would have power to conduct by itself.

(o) The directors may make, amend or repeal the By-laws in whole or in part.

(p) The Corporation may have and exercise all powers necessary or convenient to effect any and all of the purposes for which the Corporation is formed, provided that no such power shall be exercised in a manner inconsistent with Chapter 180 of the General Laws of the Commonwealth.

(q) To the extent permitted by the By-laws, meetings of the directors of the Corporation may be held anywhere in the United States.

(r) To the extent permitted by the By-laws, no person shall be disqualified from holding any office in, or contracting or transacting business with, the Corporation by reason of any personal interest or interest as a stockholder, director, officer, member, trustee or beneficiary or any other corporation, association, trust, partnership, firm or entity.

(s) An officer or director of the Corporation shall not be personally liable to the Corporation for monetary damages for breach of fiduciary duty as an officer or director notwithstanding any provision of law imposing such liability except for liability: (i) for any breach of the officer's or director's duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which the officer or director derived an improper personal benefit. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any officer or director occurring prior to such amendment or repeal.

(t) No part of the net earnings or the assets of the Corporation shall inure to the benefit of, or be distributable to, any officer or director of the Corporation or any private individual for any purpose other than those purposes as set forth herein, except that the Corporation may pay reasonable compensation for services rendered and make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall be the carrying on of propaganda or otherwise attempting to influence legislation except to the extent that the Corporation makes expenditures for purposes of influencing legislation in conformity with the requirement of Section 501(h) of the Code; and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office. The Corporation intends to be entitled to exemption from Federal income tax under Section 501(c)(3) of the Code and intends to be a private foundation under Section 509(a) of the Code.

(u) Except as may be otherwise required or permitted by law, the Corporation may at any time authorize a petition for its dissolution to be filed with Supreme Judicial Court of The Commonwealth of Massachusetts pursuant to Section 11A of Chapter 180 of the Massachusetts General Laws by the affirmative vote of a majority of the directors to the Corporation then in office; provided, however, that in the event of any liquidation, dissolution, termination, or winding up of the Corporation (whether voluntary, involuntary or by operation of law), the property or assets of the Corporation remaining after providing for the payment of its debts and obligations shall be conveyed, transferred, distributed, and set over outright to one or more educational, charitable, religious or literary institutions or organizations, created and organized for nonprofit purposes similar to those of the Corporation, contributions to which nonprofit institutions or organizations are deductible under Section 170(c) of the Code and which qualify as exempt from income tax under Section 501(c)(3) of the Code, as a majority of the total number of the directors of the Corporation may by vote designate and in such proportions and in such manner as may be determined in such vote.

For such period of time as the Corporation shall maintain its exemption from the Federal income tax, the provisions of this Clause (u) shall not be amended or repealed by the Corporation or by vote of its directors.

(v) In the event that the Corporation is a private foundation as that term is defined in Section 509 of the Code, then notwithstanding any other provisions of the articles of organization or the By-laws of the Corporation, the following provision shall apply:

The directors shall distribute the income for each taxable year as such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.

The directors shall not engage in any act of self dealing as defined in Section 4941(d) of the Code; nor retain any excess business holdings as defined in Section 4943(c) of the Code; nor make any investments in such manner as to incur tax liability under Section 4944 of the Code; nor make any taxable expenditures as defined in Section 4945(d) of the Code.

(w) The Corporation shall have and may exercise all powers necessary or convenient to effect any or all of the purposes for which the Corporation is formed; provided, however, that the Corporation shall not engage in any activity or exercise any power which would deprive it of any exemption from Federal income tax which the Corporation may receive under Section 501(c)(3) of the Code.

All references herein: (i) to the Code shall be deemed to refer to the Internal Revenue Code of 1986, as now in force or hereafter amended; (ii) to the General Laws of the Commonwealth of Massachusetts, or any chapter thereof, shall be deemed to refer to said General Laws or chapter as now in force or hereafter amended; and (iii) to particular sections of the Internal Revenue Code or the General Laws of The Commonwealth of Massachusetts shall be deemed to refer to similar or successor provisions hereafter adopted.

~~(For a consolidation)~~
~~(b) The purpose of the *resulting* corporation is to engage in the following activities:~~

**(c) The resulting corporation may have one or more classes of members. If it does, the designation of such class or classes, the manner of election or appointment, the duration of membership and the qualification and rights, including voting rights, of the members of each class, may be set forth in the bylaws of the corporation or may be set forth below:

**(d) Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the resulting corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:

6. The information contained in Item 6 is *not* a *permanent* part of the Articles of Organization of the ~~*resulting /~~ *surviving corporation.

(a) The street address of the ~~*resulting /~~ *surviving corporation in Massachusetts is: *(post office boxes are not acceptable)*

c/o Nutter McClennen & Fish LLP
155 Seaport Boulevard, Boston, MA 02210

**Delete the inapplicable word.*   ****If there are no provisions state "None".*

(b) The name, residential address and post office address of each director and officer of the ~~*resulting /~~ *surviving corporation is:

	NAME	RESIDENTIAL ADDRESS	POST OFFICE ADDRESS
President:	See Continuation Sheet B.		
Treasurer:			
Clerk:			
Directors			

(c) The fiscal year (i.e. tax year) of the ~~*resulting /~~ *surviving corporation shall end on the last day of the month of: December

(d) The name and business address of the resident agent, if any, of the ~~*resulting /~~ *surviving corporation is:

N/A

The undersigned officers of the several constituent corporations listed herein further state under the penalties of perjury as to their respective corporations that the agreement of ~~*consolidation /~~ *merger has been duly executed on behalf of such corporations and duly approved by the ~~members / stockholders /~~ directors of such corporations in the manner required by General Laws, Chapter 180, Section 10.

TO BE EXECUTED ON BEHALF OF EACH CONSTITUENT CORPORATION

______________________________, *President ~~/ *Vice President~~

______________________________, *Clerk ~~/ *Assistant Clerk~~

of Lucia H. Shipley Foundation, Inc.

(Name of constituent corporation)

______________________________, *President ~~/ *Vice President~~

______________________________, *Clerk ~~/ *Assistant Clerk~~

of Charles R. Shipley, Jr. Foundation, Inc.

(Name of constituent corporation)

**Delete the inapplicable words.*

Continuation Sheet B
to
Articles of Merger
of
SHIPLEY FOUNDATION, INC.

Office	Name	Residential Address	Post Office Address
President/ Director	Richard C. Shipley	3507 West Gulf Drive Sanibel, FL 33957	Same
Treasurer/ Director	Thomas P. Jalkut	142 Baker Street Walpole, MA 02081	Same
Clerk/ Director	Julia Satti Cosentino	254 Great Plain Avenue Needham, MA 02492	Same
Director	Karen L. Shipley	6 Marlborough Street, No. 904 Boston, MA 02115	Same

2133561 2

C#39993

THE COMMONWEALTH OF MASSACHUSETTS

ARTICLES OF ~~*CONSOLIDATION /~~ *MERGER

(General Laws, Chapter 180, Section 10)
Domestic and Domestic Corporations

I hereby approve the within Articles of ~~*Consolidation /~~ *Merger and, the filing fee in the amount of $ 35.00, having been paid, said articles are deemed to have been filed with me this 30th day of November, 2012.

Effective date: ____________________

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

2012 NOV 30 PM 1:06

11858441

TO BE FILLED IN BY CORPORATION
Contact information:

Megan Fein

Nutter McClennen & Fish LLP

155 Seaport Boulevard, Boston, MA 02210

Telephone: 617-439-2000

Email: ____________________

A copy this filing will be available on-line at www state.ma.us/sec/cor once the document is filed.

SCHEDULE B

SHIPLEY FOUNDATION, INC.

BY-LAWS AS OF NOVEMBER 30, 2012

BY-LAWS
of
SHIPLEY FOUNDATION, INC.

ARTICLE I
Members

Section 1. Membership. The corporation shall not have any members. Any action or vote required or permitted by law to be taken by members shall be taken by action or vote of the same percentage of the Directors of the corporation (the "Foundation").

ARTICLE II
Directors

Section 1. Powers. The Board of Directors shall have the entire charge, control and management of the Foundation and its property and may exercise all or any of its powers, including the power to delegate authority to one or more committees, officers and agents.

Section 2. Number and Election. The Board of Directors shall consist of not less than two nor more than nine Directors. The number of Directors that shall constitute the whole Board of Directors shall be fixed, and the Directors elected, by the Board of Directors, by majority vote of the entire number of Directors then in office, at the annual meeting or at the special meeting held in lieu thereof.

Section 3. Vacancies. Any vacancy at any time existing in the Board of Directors shall be filled by the remaining Directors by majority vote.

Section 4. Tenure. Except as otherwise provided for by law, by the Articles of Organization or these By-Laws, Directors shall hold office until the next annual meeting, or the special meeting held in lieu thereof, and thereafter until their successors are chosen and qualified. Directors may be reappointed after their initial terms expire.

Section 5. Resignation. Any Director may resign by delivering his or her written resignation to the corporation at its principal office or to the Board of Directors or the Clerk. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

Section 6. Removal. A Director may be removed from office with or without cause by vote of a majority of the Directors then in office. A Director may be removed for cause only after reasonable notice and opportunity to be heard before the Board of Directors.

Section 7. Annual Meetings. Annual meetings of the Directors shall be held at least annually at such times and places as shall from time to time be fixed by resolution of the Board or in the notice of the meeting and no notice need be given to Directors of annual meetings held at times and places so fixed.

Section 8. Special Meetings. Special meetings of the Directors may be called by President pursuant to two days written notice thereof signed by the Clerk or Assistant Clerk and shall be held at the place designated in the notice or call thereof. No notice of the time, place and purpose of any meeting need be required if every Director, or his or her attorney, waives notice by a writing that is filed with the records of the meeting. Any Director who attends any meeting and fails to object that due notice thereof was not given shall be deemed to have waived such notice.

Section 9. Quorum. At any meeting of the Directors a majority of the Directors then in office shall constitute a quorum for the transaction of business; provided always that any number of Directors (whether one or more and whether or not constituting a quorum) constituting a majority of Directors present at any meeting or at any adjourned meeting may make any reasonable adjournment thereof.

Section 10. Action at Meeting. At any meeting of the Directors at which a quorum is present, the action of the Directors on any matter brought before the meeting shall be decided by vote of a majority of those present, unless a different vote is required by law, the Articles of Organization, or these By-Laws.

Section 11. Action by Written Consent. Any action by the Directors may be taken without a meeting if a written consent, including by electronic means, thereto is signed by all the Directors and filed with the records of the Directors' meetings. Such consent shall be treated as a vote of the Directors for all purposes.

Section 12. Telephone Conference Meetings. The Directors or the members of any committee may participate in a meeting of the Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

Section 13. Attendance. Directors are expected to attend all regular and all properly-noticed special meetings of the Board of Directors, and all regularly scheduled meetings of the committees appointed hereunder. Failure to attend at least one-half of such Board and Committee meetings may result in removal from the Board.

ARTICLE III
Officers

Section 1. Enumeration. The officers of the corporation shall be a President, the Investigators, a Treasurer, a Clerk, an Assistant Clerk and other officers as may from time to time be determined by the Directors.

Section 2. Election and Vacancies. The President, Treasurer and Clerk shall be elected annually by the Directors at their annual meeting or the special meeting held in lieu thereof. Other officers may be chosen by the Directors at such meeting or at any other meeting. Any vacancy at any time existing in any office may be filled by the Directors at any meeting and such successor in office shall hold office for the unexpired term of his or hers predecessor.

Section 3. Qualification. Any two or more offices may be held by the same person. The Clerk shall be a resident of Massachusetts unless the corporation has a resident agent appointed for the purpose of service of process.

Section 4. Tenure. Except as otherwise provided by law, by the Articles of Organization or by these By-Laws, the President, Treasurer, Clerk and Assistant Clerk shall hold office until the next annual meeting of Directors, or the special meeting held in lieu thereof, and thereafter until his or her successor is chosen and qualified. Other officers shall hold office until the next annual meeting of Directors, or the special meeting held in lieu thereof, unless a shorter term is specified in the vote choosing or appointing them. Officers may be reappointed following the expiration of their terms.

Section 5. Resignation. Any officer may resign by delivering his or her written resignation to the corporation at its principal office or to the Board of Directors or Clerk, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

Section 6. Removal. The Directors may remove any officer appointed by the Directors with or without cause by a vote of a majority of the entire number of Directors then in office; provided, that an officer may be removed for cause only after reasonable notice and opportunity to be heard by the Board of Directors prior to action thereon.

Section 7 President. The President shall be the chief executive officer of the Foundation, shall be responsible for carrying out the purposes of the Foundation, and shall have general charge of the assets and properties of the Foundation and of its activities. In the case of the illness, incapacity or absence of the President, an officer selected by the Board of Directors shall serve in his or her stead.

The President may, unless otherwise ordered by the Board of Directors, sign and execute all contracts and other obligations in the name and on behalf of the Foundation, and perform such other duties as may be prescribed by law or these Bylaws, or as may from time to time be assigned to him or her by the Board of Directors.

Section 8. Treasurer. The Treasurer shall, subject to the direction of the Directors, have general charge of the financial affairs of the corporation and shall cause to be kept accurate books of accounts. He or she shall have custody of all funds, securities, and valuable documents of the corporation, except as the Directors may otherwise provide. He or she shall promptly render to the President and to the Directors such statements of his or her transactions and accounts as the President and Directors respectively may from time to time require. The Treasurer shall perform such duties and have such powers additional to the foregoing as the Directors may designate.

Section 9. Clerk. The Clerk shall record in books kept for the purpose all votes and proceedings of the Directors at their meetings. The Clerk shall be the custodian of the corporate seal, and of the corporate records. The Clerk shall perform such duties and have such powers additional to the foregoing as the Directors shall designate.

Section 10. Assistant Clerks. In the absence of the Clerk from any meeting of the Directors or the Assistant Clerk, if one be elected or if there be more than one designated for the purpose by the Directors, otherwise a Temporary Clerk designated by the person presiding at the meeting, shall perform the duties of the Clerk. Each Assistant Clerk shall have such other powers and perform such other duties as the Directors may from time to time designate.

Section 11. Vice Presidents. If one be elected, in the absence or disability of the President, his or her powers and duties shall be performed by the Vice President, if only one, or if more than one, by the one designated for such purpose by the Directors. Each Vice President shall perform such duties and have such powers additional to the foregoing as the Directors may designate. The Directors may assign to any Vice President the title of Executive Vice President, Senior Vice President and any other title selected by the Directors.

ARTICLE IV
Inspection of Records

Books, accounts, documents and records of the corporation shall be open to inspection by any Director at all times during the usual hours of business. The original, or attested copies, of the Articles of Organization, By-Laws and records of all meetings of the incorporators and Directors, and records which shall contain the names of all Directors and their record addresses, shall be kept in Massachusetts at the principal office of the corporation, or at an office of the Clerk or the resident agent, if any, of the corporation. Said copies and records need not all be kept in the same office.

ARTICLE V
Checks, Notes, Drafts and Other Instruments

Checks, notes, drafts and other instruments for the payment of money drawn or endorsed in the name of the corporation may be signed by any officer or officers or person or persons authorized by the Directors to sign the same. No officer or person shall sign any such instrument as aforesaid unless authorized by the Directors to do so.

ARTICLE VI
Fiscal Year

The fiscal year of the corporation shall be the year ending with November 30 in each calendar year.

ARTICLE VII
Indemnification

Each person who has served, serves or shall serve at any time as a Director, officer, employee or agent of the Foundation or at its request as a member of a committee authorized by these Bylaws and without prejudice to any other rights he or she may have, shall, to the extent permitted by law and only to the extent that the status of the Foundation as an organization exempt under Â501(c) (3) of the Internal Revenue Code of 1986 is not affected thereby, be entitled to be reimbursed by the Foundation for, and indemnified by the Foundation against, all costs and expenses incurred in connection with or arising out of any claims made, or any action, suit or proceeding threatened or brought against him, or in which he or she may be involved as a party or otherwise (other than claims by the Foundation itself), by reason of any action alleged to have been taken or omitted as such Director, officer, employee, agent, or committee member, whether or not he or she continues to be such Director, officer, employee, agent or committee member at the time of incurring by him or her in connection with reasonable settlements (other than amounts paid to the Foundation itself), of any claim, action, suit or proceeding; provided that no personal shall be so indemnified in relation to any matter that has been made the subject of a settlement, except with the approval of a court of competent jurisdiction or of a majority of the Board of Directors then in office. Any rights to reimbursement or indemnification granted under this Article to any such Director, officer, employee, agent or committee member shall extend to his or her heirs, executors and administrators. No such reimbursement or indemnification shall be provided for any person with respect to any matter as to which he or she shall have been adjudicated in any proceeding not to have action in good faith in the reasonable belief that his action was in the best interests of the Foundation. Reimbursement or indemnification hereunder may in the discretion of the Board of Directors include payment by the Foundation of costs and expenses incurred in defending a civil or criminal action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated not to be entitled to indemnification under Massachusetts General Laws, Chapter 180, Section 3. Nothing herein contained is intended to or shall prevent a settlement by the Foundation prior to final adjudication of any claim, including claims for reimbursement or indemnification under this Article, against the Foundation shall be liable to anyone for making any determination as to the existence or absence of liability of the Foundation hereunder or for making or refusing to may any payment hereunder in reliance upon advice of counsel.

ARTICLE VIII
Contributions

Upon the request of any individual making an inter vivos contribution to the Foundation (but not a testamentary bequest nor a contribution form a private foundation) that the Foundation commit to spend such contribution before January 1 of the fifth calendar year that begins after the date such contribution is made, the Foundation shall hereby, by the fact of receipt of such contribution and such request and without further action, be so committed, and the Foundation shall affirm such commitment in writing to the contributor upon request.

ARTICLE IX
Amendments

The Directors may make, amend, or repeal these By-Laws, in whole or in part by a majority vote at any meeting at which a quorum is present.

Adopted: November 30, 2012

Clerk

2135537.1

SCHEDULE C

SHIPLEY FOUNDATION, INC.

OFFICERS AND DIRECTORS AS OF NOVEMBER 30, 2012

Officers

President:	Richard C. Shipley
Clerk:	Julia Satti Cosentino
Treasurer:	Thomas P. Jalkut

Directors

Richard C. Shipley

Karen L. Shipley

Julia Satti Cosentino

Thomas P. Jalkut

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