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
BEST PORTION FOUNDATION
C/O WILLIAM THOMAS

A Employer identification number
26-0894840

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
111 SOUTH WACKER DRIVE

B Telephone number
312-486-1000

City or town, state, and ZIP code
CHICAGO, IL 60606

C If exemption application is pending, check here ▶ [ ]

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 17,758,449.

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

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

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

	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	7,500.		N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	764,600.	764,600.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	283,000.			
	b Gross sales price for all assets on line 6a 7,339,667.				
	7 Capital gain net income (from Part IV, line 2)		283,000.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	1,055,100.	1,047,600.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	7,500.	0.		7,500.
	c Other professional fees				
	17 Interest	225.	0.		225.
	18 Taxes STMT 3	9,000.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 4	131,200.	131,175.		25.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	147,925.	131,175.		7,750.
	25 Contributions, gifts, grants paid	1,791,875.			1,791,875.
	26 **Total expenses and disbursements.** Add lines 24 and 25	1,939,800.	131,175.		1,799,625.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<884,700.>			
	b **Net investment income** (if negative, enter -0-)		916,425.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets (Attached schedules and amounts in the description column should be for end-of-year amounts only)		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	<50,226.>	533,416.	533,416.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 5	10,082,685.	9,610,344.	11,607,607.
	c Investments - corporate bonds STMT 6	6,390,801.	5,394,800.	5,612,420.
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other STMT 7	0.	0.	5,006.
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers)	16,423,260.	15,538,560.	17,758,449.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 Total liabilities (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	16,423,260.	15,538,560.	
	30 Total net assets or fund balances	16,423,260.	15,538,560.	
	31 Total liabilities and net assets/fund balances	16,423,260.	15,538,560.	

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	16,423,260.
2 Enter amount from Part I, line 27a	2	<884,700.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	15,538,560.
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	15,538,560.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	PUBLICLY TRADED SECURITIES			
b				
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	7,339,667.		7,056,667.	283,000.
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				283,000.
b				
c				
d				
e				

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 } — 2 — 283,000.

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	1,415,145.	18,031,670.	.078481
2010	1,593,805.	17,247,233.	.092409
2009	1,532,095.	17,165,411.	.089255
2008	769,439.	18,394,329.	.041830
2007	0.	16,149,815.	.000000

2	Total of line 1, column (d)	2	.301975
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	.060395
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	17,750,615.
5	Multiply line 4 by line 3	5	1,072,048.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	9,164.
7	Add lines 5 and 6	7	1,081,212.
8	Enter qualifying distributions from Part XII, line 4	8	1,799,625.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter: ____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b		1	9,164.
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	9,164.
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	9,164.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a 15,157.		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	15,157.
8 Enter any **penalty** for underpayment of estimated tax. Check here [X] if Form 2220 is attached		8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶		9	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	5,993.
11 Enter the amount of line 10 to be: **Credited to 2013 estimated tax** ▶	5,993. **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? *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) ▶ IL			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

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

Website address ▶ NONE

14 The books are in care of ▶ TIMOTHY SCHWERTFEGER Telephone no. ▶ (312) 486-1000
Located at ▶ 111 S. WACKER DR, C/O WILLIAM THOMAS, CHICAGO, IL ZIP+4 ▶ 60606

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15 N/A

			Yes	No
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes [X] No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes [X] No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes [X] No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes [X] No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes [X] No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes [X] No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? 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 [X] 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 [X] 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)*

			Yes	No
5a During the year did the foundation pay or incur any amount to:				
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No			
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No			
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No			
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?	☐ 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? *If "Yes," attach the statement required by Regulations section 53 4945-5(d).*	N/A ☐ Yes ☐ No			
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? *If "Yes" to 6b, file Form 8870.*		6b		X
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
M. GAIL WALLER C/O WILLIAM THOMAS, 111 S. WACKER DR. CHICAGO, IL 60606	PRESIDENT 5.00	0.	0.	0.
TIMOTHY SCHWERTFEGER C/O WILLIAM THOMAS, 111 S. WACKER DR. CHICAGO, IL 60606	VICE PRESIDENT, SECRETARY, 5.00	0.	0.	0.
ANDREW SCHWERFEGER C/O WILLIAM THOMAS, 111 S. WACKER DR. CHICAGO, IL 60606	DIRECTOR 0.00	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

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

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

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

Part IX-A **Summary of Direct Charitable Activities**

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

Part IX-B **Summary of Program-Related Investments**

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

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	17,581,755.
b	Average of monthly cash balances	1b	439,174.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	18,020,929.
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	18,020,929.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	270,314.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	17,750,615.
6	**Minimum investment return.** Enter 5% of line 5	6	887,531.

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	887,531.
2a	Tax on investment income for 2012 from Part VI, line 5 — 2a: 9,164.		
b	Income tax for 2012. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	9,164.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	878,367.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	878,367.
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	878,367.

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	1,799,625.
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	1,799,625.
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	9,164.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,790,461.

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				878,367.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009 541,349.				
d From 2010 753,159.				
e From 2011 535,121.				
f **Total** of lines 3a through e	1,829,629.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ $ 1,799,625.				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				878,367.
e Remaining amount distributed out of corpus	921,258.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	2,750,887.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	2,750,887.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009 541,349.				
c Excess from 2010 753,159.				
d Excess from 2011 535,121.				
e Excess from 2012 921,258.				

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).)

SEE STATEMENT 8

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*				
SEE ATTACHED				1,791,875.
Total			▶ 3a	1,791,875.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	764,600.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	283,000.	
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.		1,047,600.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	1,047,600.

(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).
	N/A

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

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

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

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

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

b If "Yes," complete the following schedule.

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

Sign Here

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

Signature of officer or trustee | Date: 8.27.13 | Title: PRESIDENT

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
STEVEN HUEFFNER		8/22/13		P01087725

Firm's name ▶ DELOITTE TAX LLP — Firm's EIN ▶ 86-1065772

Firm's address ▶ 111 SOUTH WACKER DRIVE CHICAGO, IL 60606 — Phone no. (312) 486-1000

223622
12-05-12

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME	672,880.	0.	672,880.
INTEREST INCOME	91,720.	0.	91,720.
TOTAL TO FM 990-PF, PART I, LN 4	764,600.	0.	764,600.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX RETURN FEES	7,500.	0.		7,500.
TO FORM 990-PF, PG 1, LN 16B	7,500.	0.		7,500.

FORM 990-PF TAXES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	9,000.	0.		0.
TO FORM 990-PF, PG 1, LN 18	9,000.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FILING FEES	25.	0.		25.
BANK FEES	175.	175.		0.
INVESTMENT ADVISORY FEES	131,000.	131,000.		0.
TO FORM 990-PF, PG 1, LN 23	131,200.	131,175.		25.

FORM 990-PF CORPORATE STOCK STATEMENT 5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHMENT	9,610,344.	11,607,607.
TOTAL TO FORM 990-PF, PART II, LINE 10B	9,610,344.	11,607,607.

FORM 990-PF CORPORATE BONDS STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHMENT	5,394,800.	5,612,420.
TOTAL TO FORM 990-PF, PART II, LINE 10C	5,394,800.	5,612,420.

FORM 990-PF OTHER INVESTMENTS STATEMENT 7

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
ACCRUED INTEREST	COST	0.	5,006.
TOTAL TO FORM 990-PF, PART II, LINE 13		0.	5,006.

FORM 990-PF PART XV - LINE 1A LIST OF FOUNDATION MANAGERS STATEMENT 8

NAME OF MANAGER

M. GAIL WALLER
TIMOTHY SCHWERTFEGER

UBS Portfolio Management Program
December 2012

Account name BEST PORTION FOUNDATION
Friendly account name: Best Portion
Account number: Y4 02002 K3

Your Financial Advisor:
GIGNILLIAT/BAILEY/MCCANNON/PFA
312-525-7400/888-827-8469

Your assets

Some prices income and current values shown may be approximate As a result gains and losses may not be accurately reflected See *Important information about your statement* at the end of this document for more information

Equities

Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
ABBOTT LABS Symbol ABT Exchange NYSE EAI $5,600 Current yield 0 85%	Nov 17, 10	10,000 000	48 000	480,000 00	65 500	655,000 00	175,000.00	LT
ALTRIA GROUP INC Symbol MO Exchange NYSE EAI $35,200 Current yield 5 60%	Dec 31, 08	13,000 000	15 410	200,332 91	31 440	408,720 00	208,387.09	LT
	Dec 10, 09	7,000 000	19 624	137,373 05	31 440	220,080 00	82,706 95	LT
Security total		20,000 000	16 885	337,705 96		628,800 00	291,094 04	
APPLE INC Symbol AAPL Exchange OTC EAI $10,600 Current yield 1 99%	Dec 22, 11	1,000 000	398 600	398,600 00	532 172	532,172 00	133,572 00	LT
AT&T INC Symbol T Exchange NYSE EAI $18,000 Current yield 5 34%	Dec 10, 09	5,000 000	28 013	140,068 28	33 710	168,550 00	28,481 72	LT
	Apr 15, 10	5,000 000	26 088	130,444 00	33 710	168,550 00	38,106 00	LT
Security total		10,000.000	27 051	270 512 28		337,100 00	66 587 72	

continued next page

Your assets • Equities • Common stock (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CENTURYLINK INC								
Symbol CTL Exchange NYSE								
EAI $29,000 Current yield 7 41%	Jul 8, 11	10,000.000	40 342	403,420 77	39 120	391,200 00	-12,220 77	LT
CHESAPEAKE ENERGY CORP OKLA								
Symbol CHK Exchange NYSE								
EAI $6,300 Current yield 2 11%	Oct 2, 12	18,000.000	19 309	347,579 91	16 620	299,160 00	-48,419 91	ST
CINEMARK HOLDINGS INC								
Symbol CNK Exchange NYSE								
EAI $8,400 Current yield 3 23%	Jun 20, 12	5,000.000	21 801	109,006 74	25 980	129,900 00	20,893 26	ST
	Jun 20, 12	5,000 000	21 813	109,066 31	25 980	129,900 00	20,833 69	ST
Security total		10,000.000	21 807	218,073 05		259,800 00	41,726 95	
CME GROUP INC								
Symbol CME Exchange OTC								
EAI $13,500 Current yield 3 55%	Aug 22, 12	3,499 000	53 514	187,246 51	50 670	177,294 33	-9,952 18	ST
	Aug 22, 12	2,867 000	53 621	153,731 97	50 670	145,270 89	-8,461 08	ST
	Aug 22, 12	1,134 000	53.339	60,486 55	50 670	57,459 78	-3,026 77	ST
Security total		7,500 000	53 529	401,465 03		380,025 00	-21,440 03	
DUNKIN BRANDS GROUP INC								
Symbol DNKN Exchange OTC								
EAI $10,200 Current yield 1 81%	Nov 16, 11	10,000.000	25 692	256,928 31	33 180	331,800 00	74,871 69	LT
	Aug 10, 12	6,000 000	30 299	181,799 32	33 180	199,080 00	17,280 68	ST
	Nov 28, 12	1,000 000	31 250	31,250 73	33 180	33,180 00	1,929 27	ST
Security total		17,000 000	27 646	469,978 36		564,060 00	94,081 64	
FACEBOOK INC CL A								
Symbol FB Exchange OTC	Nov 27, 12	8,000 000	26 215	209,725 99	26 619	212,952 00	3,226 01	ST
FORD MOTOR CO COM NEW								
Symbol F Exchange NYSE								
EAI $6,000 Current yield 1 54%	Apr 1, 10	10,000.000	12 890	128,900 00	12 950	129,500 00	600 00	LT
	Apr 15, 10	10,000.000	13 619	136,196 00	12 950	129,500 00	-6,696 00	LT
	Apr 19, 10	5,000 000	13 559	67,797 40	12 950	64,750 00	-3,047 40	LT
	Jan 5, 12	5,000 000	11 328	56,644 00	12 950	64,750 00	8,106 00	ST
Security total		30,000.000	12 985	389,537 40		388,500 00	-1,037 40	

continued next page

Your assets ▸ **Equities** ▸ **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
GENL ELECTRIC CO Symbol GE Exchange NYSE EAI $19,000 Current yield 3 62%	Dec 21, 11	25,000 000	17 720	443,000 00	20 990	524,750 00	81,750 00	LT
LIONS GATE ENTERTAINMENT CORP NEW Symbol LGF Exchange NYSE	Apr 16, 12	10,000 000	12 236	122,363 00	16 400	164,000 00	41,637.00	ST
	Apr 16, 12	5,000 000	12 227	61,136 00	16 400	82,000 00	20,864 00	ST
Security total		15,000.000	12 233	183,499 00		246,000 00	62,501 00	
MATTEL INC Symbol MAT Exchange OTC EAI $18,414 Current yield 3 39%	May 3, 10	14,850 000	23 736	352,492 25	36 620	543,807 00	191,314 75	LT
METLIFE INC Symbol MET Exchange NYSE EAI $6,290 Current yield 2 25%	Apr 11, 11	8,500 000	44 882	381,505 25	32 940	279,990 00	-101,515 25	LT
MICROSOFT CORP Symbol MSFT Exchange OTC EAI $23,000 Current yield 3 44%	Feb 8, 10	12,000 000	28 010	336,120 00	26 709	320,508 00	-15,612 00	LT
	Apr 13, 10	6,000 000	30 327	181,962 93	26 709	160,254 00	-21,708 93	LT
	Apr 19, 10	6,000 000	30 870	185,220 00	26 709	160,254 00	-24,966 00	LT
	Jul 6, 10	1,000 000	23 821	23,821 15	26 709	26,709 00	2,887 85	LT
Security total		25,000.000	29.085	727,124 08		667,725 00	-59,399 08	
MOTOROLA SOLUTIONS INC Symbol MSI Exchange NYSE EAI $10,400 Current yield 1 87%	Jul 26, 11	10,000 000	45 131	451,313 32	55 680	556,800 00	105,486.68	LT
PAYCHEX INC Symbol PAYX Exchange OTC EAI $13,200 Current yield 4 24%	Mar 22, 12	6,000 000	31 847	191,085 82	31.100	186,600 00	-4,485 82	ST
	Mar 22, 12	4,000 000	31 889	127,558 90	31 100	124,400 00	-3,158 90	ST
Security total		10,000 000	31 864	318,644 72		311,000 00	-7,644 72	
PHILIP MORRIS INTL INC Symbol PM Exchange NYSE EAI $27,200 Current yield 4.07%	Dec 31, 08	3,600 000	43.841	157,830 53	83 640	301,104 00	143,273 47	LT
	Dec 10, 09	4,400 000	49 582	218,162 55	83 640	368,016 00	149,853 45	LT

continued next page

Your assets ▸ **Equities** ▸ **Common stock** (continued)

Holding	Trade date	Number of shares	Purchase price/ Average price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
Security total		8,000 000	46 999	375,993 08		669,120 00	293,126 92	
QUALCOMM INC								
Symbol QCOM Exchange OTC								
EAI $14,000 Current yield 1 62%	Apr 15, 10	1,500 000	42 943	64,414.97	61 859	92,788 50	28,373 53	LT
	Jul 6, 10	12,500.000	32 826	410,329 48	61 859	773,237 50	362,908 02	LT
Security total		14,000.000	33 910	474,744 45		866,026 00	391,281 55	
SEAGATE TECHNOLOGY PLC SHS								
Symbol STX Exchange OTC								
EAI $21,280 Current yield 5 00%	May 23, 12	14,000 000	25 735	360,298 71	30 420	425,880 00	65,581 29	ST
UGI CORP NEW								
Symbol UGI Exchange NYSE								
EAI $16,200 Current yield 3 30%	Aug 16, 11	15,000 000	28 450	426,750 00	32 710	490,650 00	63,900 00	LT
VERIZON COMMUNICATIONS INC								
Symbol VZ Exchange NYSE								
EAI $24,720 Current yield 4 76%	Dec 31, 08	3,000 000	31 431	94,295 98	43 270	129,810 00	35,514 02	LT
	Dec 10, 09	6,000 000	31 463	188,782 15	43 270	259,620 00	70,837 85	LT
	Apr 15, 10	3,000 000	27 849	83,547 81	43 270	129,810 00	46,262 19	LT
Security total		12,000 000	30 552	366,625 94		519,240 00	152,614 06	
Total				**$8,788,589.55**		**$10,749,757.00**	**$1,961,167.45**	

Total estimated annual income: $336,504

Closed end funds & Exchange traded products

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
WISDOMTREE EMERGING MARKETS									
EQUITY INCOM									
Symbol DEM									
Trade date Dec 15, 10	7,000 000	58 130	406,910 00	406,910.00	57 190	400,330 00	-6,580 00		LT

continued next page

UBS Portfolio Management Program
December 2012

Account name: BEST PORTION FOUNDATION
Friendly account name: Best Portion
Account number: Y4 02002 K3

Your Financial Advisor:
GIGNILLIAT/BAILEY/MCCANNON/PFA
312-525-7400/888-827-8469

Your assets › Equities › Closed end funds & Exchange traded products (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
Trade date Jan 5, 12	8,000 000	51 855	414,843 88	414,843 88	57 190	457,520 00	42,676 12		ST
EAI $28,260 Current yield 3 29%									
Security total	15,000 000	54 784	821,753 88	821,753.88		857,850 00	36,096 12	36,096 12	

Fixed income

Corporate bonds and notes

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values Actual market values may vary and thus gains/losses may not be accurately reflected Cost basis has been adjusted for accreted original issue discount (OID) If you have made a tax election to deduct the premium amortization on taxable debt securities you may request that UBS adjust cost basis for the bond premium amortization

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Cost basis ($)	Price on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
CHESAPEAKE ENERGY CORP								
OBP B/E								
RATE 06 625% MATURES 08/15/20								
ACCRUED INTEREST $5,005 56								
CUSIP 165167CF2								
Moody Ba3 S&P BB-								
EAI $13,250 Current yield 6 18%	Jul 11, 12	200,000 000	99 240	198,480 00	107 250	214,500 00	16,020 00	ST

Mutual funds

Total reinvested is the total of all reinvested dividends It does not include any cash dividends It is not a tax lot for the purposes of determining holding periods or cost basis The shares you receive each time you reinvest dividends become a separate tax lot

Cost basis is the total purchase cost of the security, including reinvested dividends The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes

Unrealized (tax) gain or loss is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

Investment return is the current value minus the amount you invested It does not include shares that are not reflected on your statement including shares that have been realized as either a gain or a loss It also does not include cash dividends that were not reinvested

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
ARTIO GLOBAL HIGH INCOME									
FUND CLASS A									
Symbol BJBHX									
Trade date Feb 8, 10	50,000 000	10 560	528,000 00	528,000 00	10 440	522,000 00	-6,000 00		LT
Trade date Nov 16, 11	25,000 000	9 980	249,500 00	249,500.00	10 440	261,000 00	11,500 00		LT
EAI $54,750 Current yield 6 99%									

continued next page

UBS Portfolio Management Program
December 2012

Account name BEST PORTION FOUNDATION
Friendly account name: Best Portion
Account number: Y4 02002 K3

Your Financial Advisor:
GIGNILLIAT/BAILEY/MCCANNON/PFA
312-525-7400/888-827-8469

Your assets › Fixed income › Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share ($)	Client investment ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized (tax) gain or loss ($)	Investment return ($)	Holding period
Security total	75,000 000	10 367	777,500 00	777,500 00		783,000 00	5,500 00	5,500 00	
DOUBLE LINE TOTAL RETURN FUND N									
Symbol DLTNX									
Trade date Mar 5, 12	74,000 000	11 180	827,320.00	827,320.00	11 330	838,420 00	11,100 00		ST
Trade date Apr 20, 12	16,000 000	11 240	179,840 00	179,840.00	11 330	181,280 00	1,440 00		ST
EAI $59,310 Current yield 5 82%									
Security total	90,000 000	11 191	1,007,160 00	1,007 160 00		1,019 700 00	12,540 00	12,540 00	
TCW EMERGING MARKETS INCOME FUND CLASS N									
Symbol TGINX									
Trade date Nov 4, 10	80,000 000	11 490	919,220 00	919,220 00	12 020	961,600 00	42,380 00		LT
Trade date Jan 5, 12	30,000 000	10 630	318,900 00	318,900 00	12 020	360,600 00	41,700 00		ST
EAI $67,760 Current yield 5.12%									
Security total	110,000 000	11 256	1,238,120 00	1,238,120 00		1,322,200 00	84,080 00	84,080 00	
VIRTUS MULTI-SECTOR SHORT TERM BOND FUND - CLASS A									
Symbol NARAX									
Trade date Mar 5, 12	175,000 000	4 860	850,500 00	850,500 00	4 960	868,000 00	17,500 00	17,500 00	ST
EAI $36,925 Current yield 4 25%									
Total			**$3,873,280.00**	**$3,873,280.00**		**$3,992,900.00**	**$119,620.00**	**$119,620.00**	

Total estimated annual income: $218,745

UBS Portfolio Management Program
December 2012

Account name: BEST PORTION FOUNDATION
Friendly account name: Best Portion
Account number: Y4 02002 K3

Your Financial Advisor:
GIGNILLIAT/BAILEY/MCCANNON/PFA
312-525-7400/888-827-8469

Your assets › Fixed income (continued)

Preferred securities

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
BANK OF AMER CORP CLBL 11/15/11@$25 00 SER E PREFERRED CLBL Symbol BAC PRE Exchange NYSE EAI $12,264 Current yield 4 71%	Sep 15, 10	4,000 000	19 069	76,279 80	21 700	86,800 00	10,520 20	LT
	Oct 15, 10	4,000 000	18 064	72,256 43	21 700	86,800 00	14,543 57	LT
	Jan 5, 12	4,000 000	16 691	66,767 25	21 700	86,800 00	20,032 75	ST
Security total		12,000 000		215,303 48		260,400 00	45,096 52	
GENERAL MTRS CO 4 750% DUE 12/01/13 SER B Symbol GM PRB Exchange NYSE EAI $28,500 Current yield 5 38%	May 23, 11	5,000 000	48 744	243,723 00	44 130	220,650 00	-23,073 00	LT
	Jan 5, 12	4,000 000	36 868	147,472 00	44 130	176,520 00	29,048 00	ST
	Jan 5, 12	3,000 000	35 646	106,940 00	44 130	132,390 00	25,450 00	ST
Security total		12,000 000		498,135 00		529,560 00	31,425 00	
GOLDMAN SACHS GROUP INC SER D PREFERRED CLBL PAR VALUE - 25 00 USD Symbol GS PRD Exchange NYSE EAI $10,560 Current yield 5.07%	Sep 14, 10	1,000 000	21.424	21,424 41	20 842	20,842 00	-582 41	LT
	Nov 24, 10	4,000 000	22 249	88,999 60	20.842	83,368 00	-5,631 60	LT
	Jan 5, 12	5,000 000	18 498	92,492 86	20.842	104,210 00	11,717 14	ST
Security total		10,000.000		202,916 87		208,420 00	5,503 13	
JPM CHASE CAP XVI 6 3500% DUE 06/01/35 CALLABLE Symbol JPM PRP Exchange NYSE EAI $12,704 Current yield 6.28%	Sep 14, 10	3,347 000	25 219	84,410 33	25 280	84,612 16	201 83	LT
	Sep 15, 10	2,653.000	25 310	67,149 05	25 280	67,067 84	-81 21	LT
	Nov 24, 10	2,000 000	25 420	50,840 00	25 280	50,560 00	-280 00	LT
Security total		8,000 000		202,399 38		202,240 00	-159 38	

continued next page

Your assets › **Fixed income** › **Preferred securities** (continued)

Holding	Trade date	Number of shares	Purchase price per share ($)	Cost basis ($)	Price per share on Dec 31 ($)	Value on Dec 31 ($)	Unrealized gain or loss ($)	Holding period
JPMORGAN CHASE CAP XXIX 6 700% DUE 04/02/40 Symbol JPM PRC Exchange NYSE EAI $13,400 Current yield 6 56%	Sep 14, 10	6,000 000	25 570	153,425 65	25 550	153,300 00	-125 65	LT
	Oct 15, 10	2,000 000	25 429	50,859 50	25 550	51,100 00	240 50	LT
Security total		8,000 000		204,285 15		204,400 00	114 85	
Total				**$1,323,039.88**		**$1,405,020.00**	**$81,980.12**	

Total estimated annual income: $77,428

BEST PORTION FOUNDATION
FEIN: 26-0894840
2012 FORM 990-PF
PART XV LINE 3A - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Recipient Name	Address	Recipient Status	Purpose of Grant	Recipient Relationship	Amount
Urban Gateways	205 W Randolph St Ste 1700 Chicago, IL 60606	Public	All Contributions Made For	None	$ 5,000
Hubbard Street Dance Chicago	1147 W Jackson Blvd Chicago, IL 60607	Public	Unrestricted Use	None	$ 50,000
The Chicago Scholars Foundation AKA SC (Scholarship Chicago)	55 E Jackson Blvd, Suite 1010 Chicago, IL 60604	Public		None	$ 505,000
Roger Baldwin Foundation	180 N Michigan Ave Ste 2300 Chicago, IL 60601	Public		None	$ 125,000
ACLU Foundation	125 Broad St , 18th Floor New York, NY 1004	Public		None	$ 125,000
New Schools for Chicago	21 S Clark Street Suite 4301 Chicago, IL 60603	Public		None	$ 100,000
Invest for Kids	875 N Michigan Ave , Ste 3400 Chicago, IL 60611	Public		None	$ 25,000
Stand for Children Leadership Center	516 SE Morrison Street, Suite 420 Portland, OR 97214	Public		None	$ 150,000
The HistoryMakers	1900 S Michigan Ave Chicago, IL 60616	Public		None	$ 10,000
Chicago High School for the Arts	521 East 35th Street Chicago, IL 60616	Public		None	$ 20,000
Randolph College	2500 Rivermont Ave Lynchburg, VA 24503	Public		None	$ 665,875
Christ Community Health Services	2595 Central Avenue Memphis, TN 38104	Public		None	$ 1,000
School Year Abroad	439 S Union St Lawrence, MA 10843	Public		None	$ 10,000
				Total	**$ 1,791,875**

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

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No. 1545-1709

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

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

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

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

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

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

Type or print		
File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions. BEST PORTION FOUNDATION C/O WILLIAM THOMAS	Employer identification number (EIN) or 26-0894840
	Number, street, and room or suite no. If a P.O. box, see instructions. 111 SOUTH WACKER DRIVE	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60606	

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

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

- The books are in the care of ▶ TIMOTHY SCHWERTFEGER 111 S. WACKER DR, C/O WILLIAM THOMAS - CHICAGO, IL 60606
  Telephone No. ▶ (312) 486-1000 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box ▶ [ ] If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15, 2013 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ [X] calendar year 2012 or
▶ [ ] tax year beginning ______ , and ending ______ .

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

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$ 9,166.
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$ 15,157.
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 0.

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

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

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

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

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

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions	Name of exempt organization or other filer, see instructions BEST PORTION FOUNDATION C/O WILLIAM THOMAS	Employer identification number (EIN) or 26-0894840
	Number, street, and room or suite no. If a P.O. box, see instructions 111 SOUTH WACKER DRIVE	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60606	

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 ▶ TIMOTHY SCHWERTFEGER 111 S. WACKER DR, C/O WILLIAM THOMAS - CHICAGO, IL 60606
  Telephone No. ▶ (312) 486-1000 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
AN ATTEMPT TO OBTAIN INFORMATION NECESSARY FOR FILING A RETURN WAS REQUESTED IN A TIMELY FASHION, BUT THE INFORMATION WAS NOT FURNISHED IN SUFFICIENT TIME TO PERMIT THE TIMELY FILING OF THE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$ 10,780.
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	$ 17,000.
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 ▶ [signature] Title ▶ Tax Manager - Deloitte Tax LLP Date ▶ 8/13/13

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01-21-13