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Form **990-PF**

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

OMB No 1545-0052

**2012**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

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

Name of foundation <b>MODESTUS BAUER FOUNDATION</b>		A Employer identification number <b>36-4473692</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>c/o Robert J. Lawrence, 300 S. Wacker Drive</b>	Room/suite <b>500</b>	B Telephone number (see instructions) <b>312-372-1947</b>
City or town, state, and ZIP code <b>Chicago, Illinois 60606</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 14,968,076</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	

Part I		Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)					
	2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
	3	Interest on savings and temporary cash investments	37	37			
	4	Dividends and interest from securities	457,860	457,860			
	5a	Gross rents					
	b	Net rental income or (loss)					
	6a	Net gain or (loss) from sale of assets not on line 10	341,603				
	b	Gross sales price for all assets on line 6a 2,233,951					
	7	Capital gain net income (from Part IV, line 2)		341,603			
	8	Net short-term capital gain					
	9	Income modifications					
	10a	Gross sales less returns and allowances					
Operating and Administrative Expenses	b	Less: Cost of goods sold					
	c	Gross profit or (loss) (attach schedule)					
	11	Other income (attach schedule)					
	12	Total. Add lines 1 through 11	779,500	779,500			
	13	Compensation of officers, directors, trustees, etc.	36,000	0		36,000	
	14	Other employee salaries and wages					
	15	Pension plans, employee benefits					
	16a	Legal fees (attach schedule)					
	b	Accounting fees (attach schedule)					
	c	Other professional fees (attach schedule)	57,811	57,811			
	17	Interest					
	18	Taxes (attach schedule) (see instructions)	8,014	1,901			
	19	Depreciation (attach schedule) and depletion					
	20	Occupancy					
	21	Travel, conferences, and meetings					
	22	Printing and publications					
	23	Other expenses (attach schedule)	318	318		318	
	24	Total operating and administrative expenses. Add lines 13 through 23	102,143	60,030		36,038	
25	Contributions, gifts, grants paid	751,100			751,100		
26	Total expenses and disbursements. Add lines 24 and 25	853,243	60,030		787,418		
27	Subtract line 26 from line 12:						
a	Excess of revenue over expenses and disbursements	(73,743)					
b	Net investment income (if negative, enter -0-)		719,470				
c	Adjusted net income (if negative, enter -0-)						

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 11289X

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SCANNED MAY 21 2013

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<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	<b>5,701</b>	<b>187,569</b>	<b>187,569</b>
	<b>2</b> Savings and temporary cash investments . . . . .			
	<b>3</b> Accounts receivable ▶ . . . . .			
	Less: allowance for doubtful accounts ▶ . . . . .			
	<b>4</b> Pledges receivable ▶ . . . . .			
	Less: allowance for doubtful accounts ▶ . . . . .			
	<b>5</b> Grants receivable . . . . .			
	<b>6</b> Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) . . . . .			
	<b>7</b> Other notes and loans receivable (attach schedule) ▶ . . . . .			
	Less: allowance for doubtful accounts ▶ . . . . .			
	<b>8</b> Inventories for sale or use . . . . .			
	<b>9</b> Prepaid expenses and deferred charges . . . . .			
	<b>10a</b> Investments—U.S. and state government obligations (attach schedule) . . . . .	<b>2,282,449</b>	<b>1,407,425</b>	<b>1,580,123</b>
	<b>b</b> Investments—corporate stock (attach schedule) . . . . .	<b>5,986,026</b>	<b>5,877,229</b>	<b>8,381,164</b>
	<b>c</b> Investments—corporate bonds (attach schedule) . . . . .	<b>1,822,650</b>	<b>2,270,380</b>	<b>2,316,141</b>
	<b>11</b> Investments—land, buildings, and equipment: basis ▶ . . . . .			
<b>Liabilities</b>	Less: accumulated depreciation (attach schedule) ▶ . . . . .			
	<b>12</b> Investments—mortgage loans . . . . .			
	<b>13</b> Investments—other (attach schedule) . . . . .	<b>2,057,888</b>	<b>2,319,330</b>	<b>2,503,079</b>
	<b>14</b> Land, buildings, and equipment: basis ▶ . . . . .			
	Less: accumulated depreciation (attach schedule) ▶ . . . . .			
	<b>15</b> Other assets (describe ▶ . . . . . )			
	<b>16</b> <b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item I) . . . . .	<b>12,154,084</b>	<b>12,061,933</b>	<b>14,968,076</b>
	<b>17</b> Accounts payable and accrued expenses . . . . .			
	<b>18</b> Grants payable . . . . .			
	<b>19</b> Deferred revenue . . . . .			
<b>Net Assets or Fund Balances</b>	<b>20</b> Loans from officers, directors, trustees, and other disqualified persons . . . . .			
	<b>21</b> Mortgages and other notes payable (attach schedule) . . . . .			
	<b>22</b> Other liabilities (describe ▶ . . . . . )			
	<b>23</b> <b>Total liabilities</b> (add lines 17 through 22) . . . . .	<b>0</b>		
	<b>Foundations that follow SFAS 117, check here</b> . . . . . <input type="checkbox"/>			
	<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	<b>24</b> Unrestricted . . . . .			
	<b>25</b> Temporarily restricted . . . . .			
	<b>26</b> Permanently restricted . . . . .			
	<b>Foundations that do not follow SFAS 117, check here</b> . . . . . <input type="checkbox"/>			
	<b>and complete lines 27 through 31.</b>			
	<b>27</b> Capital stock, trust principal, or current funds . . . . .			
	<b>28</b> Paid-in or capital surplus, or land, bldg., and equipment fund . . . . .	<b>12,154,084</b>	<b>12,061,933</b>	
	<b>29</b> Retained earnings, accumulated income, endowment, or other funds . . . . .			
	<b>30</b> <b>Total net assets or fund balances</b> (see instructions) . . . . .	<b>12,154,084</b>	<b>12,061,933</b>	
	<b>31</b> <b>Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	<b>12,154,084</b>	<b>12,061,933</b>	

**Part III Analysis of Changes in Net Assets or Fund Balances**

<b>1</b> 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) . . . . .	<b>1</b>	<b>12,154,084</b>
<b>2</b> Enter amount from Part I, line 27a . . . . .	<b>2</b>	<b>(73,743)</b>
<b>3</b> Other increases not included in line 2 (itemize) ▶ <b>Basis Adjustment</b> . . . . .	<b>3</b>	<b>(18,408)</b>
<b>4</b> Add lines 1, 2, and 3 . . . . .	<b>4</b>	<b>12,061,933</b>
<b>5</b> Decreases not included in line 2 (itemize) ▶ . . . . .	<b>5</b>	
<b>6</b> Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .	<b>6</b>	<b>12,061,933</b>

**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.)
<b>1a</b> See attached schedule			
<b>b</b> Lodestar Investment Counsel	<b>P</b>	<b>various</b>	<b>2012</b>
<b>c</b> Abrams Capital Partners LP	<b>P</b>	<b>2002</b>	<b>2012</b>
<b>d</b>			
<b>e</b>			

  

(a) 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)
<b>a</b>			
<b>b</b> 2,008,576	9637	1,901,985	116,228
<b>c</b> 225,375		0	225,375
<b>d</b>			
<b>e</b>			

  

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))
<b>a</b>			
<b>b</b>			116,228
<b>c</b>			225,375
<b>d</b>			
<b>e</b>			

  

<b>2</b> 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 }	<b>2</b>	<b>341,603</b>
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 . . . . .	<b>3</b>	

**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	753,503	14,523,136	.051883
2010	739,736	14,189,465	.052133
2009	747,086	12,848,517	.058146
2008	767,014	14,601,796	.052529
2007	799,281	16,787,594	.047611

  

<b>2</b> Total of line 1, column (d) . . . . .	<b>2</b>	<b>.262302</b>
<b>3</b> 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 . . . . .	<b>3</b>	<b>.052460</b>
<b>4</b> Enter the net value of noncharitable-use assets for 2012 from Part X, line 5 . . . . .	<b>4</b>	<b>14,850,570</b>
<b>5</b> Multiply line 4 by line 3 . . . . .	<b>5</b>	<b>779,067</b>
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b) . . . . .	<b>6</b>	<b>7,195</b>
<b>7</b> Add lines 5 and 6 . . . . .	<b>7</b>	<b>786,262</b>
<b>8</b> Enter qualifying distributions from Part XII, line 4 . . . . . If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	<b>8</b>	<b>787,418</b>

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

<b>1a</b>	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		
<b>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	7,195
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	
<b>3</b>	Add lines 1 and 2	<b>3</b>	7,195
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	7,195
<b>6</b>	<b>Credits/Payments:</b>		
<b>a</b>	2012 estimated tax payments and 2011 overpayment credited to 2012	<b>6a</b>	6,100
<b>b</b>	Exempt foreign organizations—tax withheld at source	<b>6b</b>	
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	6,100
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	1,095
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>	
<b>11</b>	Enter the amount of line 10 to be: <b>Credited to 2013 estimated tax</b> <b>Refunded</b>	<b>11</b>	

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> 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?		✓
<b>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>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.</i>		✓
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		✓
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: <b>(1)</b> On the foundation. ▶ \$ _____ <b>(2)</b> On foundation managers. ▶ \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		✓
<b>3</b> 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? <i>If "Yes," attach a conformed copy of the changes.</i>		✓
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		N/A
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
<b>6</b> 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?	✓	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <b>Illinois</b>		
<b>b</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? <i>If "No," attach explanation</i>	✓	
<b>9</b> 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)? <i>If "Yes," complete Part XIV</i>		✓
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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

<b>11</b>	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)	<b>11</b>		<input checked="" type="checkbox"/>
<b>12</b>	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)	<b>12</b>		<input checked="" type="checkbox"/>
<b>13</b>	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	<b>13</b>	<input checked="" type="checkbox"/>	
Website address ► <u>N/A</u>				
<b>14</b>	The books are in care of ► <u>Robert J. Lawrence</u>	Telephone no. ►	<u>312-372-1947</u>	
	Located at ► <u>300 S. Wacker Drive, Suite 500, Chicago, IL</u>	ZIP+4 ►	<u>60606</u>	
<b>15</b>	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here. . . . .	► <input type="checkbox"/>		
	and enter the amount of tax-exempt interest received or accrued during the year . . . . .	<b>15</b>		
<b>16</b>	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? . . . . .	<b>16</b>	Yes	No
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►			<input checked="" type="checkbox"/>

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required****File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

	Yes	No
<b>1a</b> During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . .	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . .	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>b</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)? . . . . .	<b>1b</b>	<input checked="" type="checkbox"/>
Organizations relying on a current notice regarding disaster assistance check here . . . . .	► <input type="checkbox"/>	
<b>c</b> 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? . . . . .	<b>1c</b>	<input checked="" type="checkbox"/>
<b>2</b> 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)):		
<b>a</b> At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If "Yes," list the years ► 20____, 20____, 20____, 20____		
<b>b</b> Are there any years listed in 2a for which the foundation is <b>not</b> 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.) . . . . .	<b>2b</b>	<u>N/A</u>
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20____, 20____, 20____, 20____		
<b>3a</b> Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>b</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.) . . . . .	<b>3b</b>	<u>N/A</u>
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4a</b>	<input checked="" type="checkbox"/>
<b>b</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?	<b>4b</b>	<input checked="" type="checkbox"/>

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)****5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐ **N/A****c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No **N/A**If "Yes," attach the statement required by Regulations section 53.4945–5(d). **N/A****6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Robert J. Lawrence 418 Briarwood Place, Highland Park, IL 60035	Dir, Pres, 2 hrs	\$18,000	0	0
Linda N. Lawrence 418 Briarwood Place, Highland Park, IL 60035	Dir, Asst Sec, .25hrs	0	0	0
Lawrence A Reich 609 Crofton Avenue S, Highland Park, IL 60035	Dir, VP, 1 hr	\$18,000	0	0
David Reich 833 Timber Hill, Highland Park, IL 60035	Dir, Sec, 1.5 hr	0	0	0

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

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

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

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

**3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Lodestar Investment Counsel, LLC		
150 S. Wacker Drive, Suite 3050, Chicago, IL 60606	Investment Advisors	57,811
<b>Total</b> number of others receiving over \$50,000 for professional services		

## Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.		Expenses
<b>1</b>	<b>NONE</b>	
<b>2</b>		
<b>3</b>		
<b>4</b>		

**Part IX-B Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
<b>1</b> NONE ----- ----- -----	
<b>2</b> ----- ----- -----	
All other program-related investments. See instructions.	
<b>3</b> ----- ----- -----	
<b>Total.</b> Add lines 1 through 3	



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

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities . . . . .	<b>1a</b>	<b>15,076,721</b>
<b>b</b>	Average of monthly cash balances . . . . .	<b>1b</b>	
<b>c</b>	Fair market value of all other assets (see instructions) . . . . .	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c) . . . . .	<b>1d</b>	<b>15,076,721</b>
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) . . . . .	<b>1e</b>	
<b>2</b>	Acquisition indebtedness applicable to line 1 assets . . . . .	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d . . . . .	<b>3</b>	<b>15,076,721</b>
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions) . . . . .	<b>4</b>	<b>226,151</b>
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4 . . . . .	<b>5</b>	<b>14,850,570</b>
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	<b>742,529</b>

**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.)

<b>1</b>	Minimum investment return from Part X, line 6 . . . . .	<b>1</b>	<b>742,529</b>
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5 . . . . .	<b>2a</b>	<b>7,195</b>
<b>b</b>	Income tax for 2012. (This does not include the tax from Part VI.) . . . . .	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b . . . . .	<b>2c</b>	<b>7,195</b>
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	<b>735,334</b>
<b>4</b>	Recoveries of amounts treated as qualifying distributions . . . . .	<b>4</b>	
<b>5</b>	Add lines 3 and 4 . . . . .	<b>5</b>	<b>735,334</b>
<b>6</b>	Deduction from distributable amount (see instructions) . . . . .	<b>6</b>	
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1 . . . . .	<b>7</b>	<b>735,334</b>

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26 . . . . .	<b>1a</b>	<b>787,418</b>
<b>b</b>	Program-related investments—total from Part IX-B . . . . .	<b>1b</b>	
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes . . . . .	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required) . . . . .	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule) . . . . .	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4 . . . . .	<b>4</b>	<b>787,418</b>
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions) . . . . .	<b>5</b>	<b>7,195</b>
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	<b>780,223</b>

**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
<b>1</b> Distributable amount for 2012 from Part XI, line 7 . . . . .				<b>735,334</b>
<b>2</b> Undistributed income, if any, as of the end of 2012:				
<b>a</b> Enter amount for 2011 only . . . . .			<b>538,560</b>	
<b>b</b> Total for prior years: 20____, 20____, 20____		<b>0</b>		
<b>3</b> Excess distributions carryover, if any, to 2012:				
<b>a</b> From 2007 . . . . .	<b>0</b>			
<b>b</b> From 2008 . . . . .	<b>0</b>			
<b>c</b> From 2009 . . . . .	<b>0</b>			
<b>d</b> From 2010 . . . . .	<b>0</b>			
<b>e</b> From 2011 . . . . .	<b>0</b>			
<b>f</b> <b>Total</b> of lines 3a through e . . . . .	<b>0</b>			
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4: ► \$ <b>787,418</b>				
<b>a</b> Applied to 2011, but not more than line 2a . . . . .			<b>538,560</b>	
<b>b</b> Applied to undistributed income of prior years (Election required—see instructions) . . . . .		<b>0</b>		
<b>c</b> Treated as distributions out of corpus (Election required—see instructions) . . . . .	<b>0</b>			
<b>d</b> Applied to 2012 distributable amount . . . . .				<b>248,858</b>
<b>e</b> Remaining amount distributed out of corpus . . . . .	<b>0</b>			
<b>5</b> Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	<b>0</b>			<b>0</b>
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5 . . . . .	<b>0</b>			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b . . . . .		<b>0</b>		
<b>c</b> 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 . . . . .		<b>0</b>		
<b>d</b> Subtract line 6c from line 6b. Taxable amount—see instructions . . . . .		<b>0</b>		
<b>e</b> Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions . . . . .			<b>0</b>	
<b>f</b> Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013 . . . . .				<b>486,476</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .	<b>0</b>			
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . . . .	<b>0</b>			
<b>9</b> <b>Excess distributions carryover to 2013.</b> Subtract lines 7 and 8 from line 6a . . . . .	<b>0</b>			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2008 . . . . .	<b>0</b>			
<b>b</b> Excess from 2009 . . . . .	<b>0</b>			
<b>c</b> Excess from 2010 . . . . .	<b>0</b>			
<b>d</b> Excess from 2011 . . . . .	<b>0</b>			
<b>e</b> Excess from 2012 . . . . .	<b>0</b>			

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

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling . . . . . **N/A**

**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			(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .					
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test—enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test—enter $\frac{2}{3}$ of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> "Support" alternative test—enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> 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 ☒ 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 XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions.)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue:					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments . . . . .					
3	Interest on savings and temporary cash investments			01	37	
4	Dividends and interest from securities . . . . .			01	437,860	
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			01	341,603	
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) . . . . .				779,500	
13	Total. Add line 12, columns (b), (d), and (e) . . . . .				779,500	

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

[illegible]

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

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

[illegible]

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

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

**Sign  
Here**

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

Signature of officer or trustee

4/23/13  
Date

**President**  
Title

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

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Preparer's signature

Date	
------	--

Check ☐ if self-employed

PTIN

Firm's name ▶

Firm's FIN ►

Firm's address ►

Phone no

FORM 990-PF for Year 2012  
MODESTUS BAUER FOUNDATION  
c/o ROBERT J. LAWRENCE  
300 S. Wacker Drive, Suite 500  
Chicago, Illinois 60606  
36-4473692

SCHEDULE OF OTHER PROFESSIONAL FEES – (PART I, LN 16c)

Investment advisory fees	\$57,811
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SCHEDULE OF TAXES (PART I, LN 18)

Excise taxes	6,113
Foreign investment taxes	<u>1,901</u>
	\$8,014

SCHEDULE OF OTHER EXPENSES (PART I, LN 23)

Misc fees	318
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36-4473692

MODESTUS BAUER FOUNDATION  
 Schedule of Contributions  
 2012- Part XV-Line 3a

<u>Recipient</u>	<u>Amount</u>
Ravinia Festival Association	\$10,000.00
National Council Of Jewish Women/Los Angeles	15,000.00
Maltz Jupiter Theatre Inc.	3,000.00
Forgotten Soldiers Outreach	2,000.00
Writers Theatre Inc.	15,000.00
The Chicago Lighthouse	600.00
Art Encounter	4,000.00
Hadassah Foundation, Inc.	3,500.00
Oasis Institute	5,000.00
Family Service	4,000.00
Dream Associates	2,000.00
The Cleveland Clinic Foundation	20,000.00
The Chicago Horticultural Society	5,000.00
North Shore University Health System Foundation	55,000.00
University Of Illinois At Chicago	20,000.00
The Art Center	4,000.00
Torah Montessori School	4,000.00
Environmental Law & Policy Center	7,500.00
Northwoods Land Trust	4,000.00
Friends Of The Boundary Waters	4,000.00
College Bound Opportunities	3,000.00
The Nature Conservancy	5,000.00
Horizons For Youth	8,000.00
Build, Inc.	1,500.00
Jewish United Fund	80,000.00
Leap Learning Systems	2,000.00
Evans Scholars Foundation	10,000.00
Alzheimer's Association	2,000.00
MD Anderson Cancer Center	8,000.00
National Multiple Sclerosis Society	11,000.00
Chicago Childrens Choir	2,000.00
Leukemia Research Foundation	1,000.00
Children's Hosp. Of Chicago Foundation/Children's Research Fund	8,000.00
Steppenwolf Theatre	3,000.00
Northlight Theatre, Inc.	2,000.00
Rehabilitation Institute Of Chicago	15,000.00
American Committee For The Weizmann Institute Of Science	10,000.00
Urban Education Exchange, Inc.	2,500.00
Camperships For Nebagamon, Inc.	2,500.00
Coghill Foundation, Inc.	2,000.00
Camp Nebagamon Scholarship Fund	2,000.00
LIFT	25,000.00
Michael Rolfe Pancreatic Cancer Fund	9,000.00
First Congregational Church Of Riverside	1,000.00
North Lawndale Prep Charter High School	1,500.00
Unitarian Universalist Church of the Desert	1,000.00
Glenkirk Foundation	4,000.00



MODESTUS BAUER FOUNDATION

Schedule of Contributions

<u>Recipient</u>	<u>Amount</u>
Autism Speaks, Inc.	30,000.00
Mayo Foundation	20,000.00
Northwestern Memorial Foundation	20,000.00
Lake Forest Open Lands Association	1,500.00
The Gabe W. Miller Memorial Foundation	100.00
Meramec Elementary School	2,500.00
Wydown Middle School	2,500.00
Congregation Shaare Emeth	2,000.00
St. Louis Arc	3,000.00
Ready Readers	1,000.00
Planned Parenthood/Chicago Area	30,000.00
Israel Cancer Research Fund	5,000.00
North Shore Youth - Links	5,000.00
Highland Park Community Foundation	5,000.00
Myelin Repair Foundation	10,000.00
Council For Jewish Elderly	10,000.00
Memorial Sloan Kettering Cancer Center	10,000.00
Jupiter Medical Center	5,000.00
Las Madrinas Guild of Childrens Hospital Central California	5,000.00
Fisher House Foundation	3,000.00
Friends Of Health	3,000.00
North Lawndale Prep Charter High School	4,000.00
Carol Gollob Foundation For Breast Cancer Research	4,000.00
American Friends Of Magen David Adom	4,000.00
SEDOL Foundation	3,000.00
Avenues To Independence	3,000.00
Window to The World Communications, Inc.	1,000.00
The WBEZ Alliance, Inc.	1,000.00
Children's Golf Foundation, Inc.	5,000.00
Sunshine Through Golf Foundation	3,000.00
Illinois Self Help Coalition	3,000.00
Community Health	3,000.00
Melanoma Research Foundation	3,000.00
Chicago Police Memorial Foundation	3,000.00
Daniel M. Murphy Scholarship Fund	3,000.00
American Cancer Society	6,000.00
The Network Youth Development Program	2,000.00
Am Yisrael	3,600.00
Hubbard Street Dance Company	500.00
Highland Park Park District	5,500.00
Dysautonomia Foundation	4,000.00
University Of Chicago Cancer Research Foundation	5,000.00
Highland Park Public Library	5,000.00
Midwest Palliative And Hospice Care	5,000.00
Rush University Medical Center	5,000.00
Holocaust Memorial Foundation Of Illinois, Inc.	1,000.00
The Kidney Cancer Association	15,000.00
ASPCA	1,000.00
Anti-Defamation League Of B'nai Brith	7,500.00
Cancer Wellness Center	10,000.00
Disabled American Veterans	2,500.00

**MODESTUS BAUER FOUNDATION****Schedule of Contributions**

<u>Recipient</u>	<u>Amount</u>
Friends Of The IDF	7,500.00
Lungevity Foundation	2,500.00
American Technion Society	5,000.00
Nature Conservancy	2,500.00
University Of Chicago	3,500.00
Naomi Berrie Diabetes Center, Columbia University	3,000.00
Beth Israel Medical Center	2,300.00
UCAN	500.00
American Red Cross	1,000.00
The Brady Center To Prevent Gun Violence	1,000.00
Doctors Without Borders	2,000.00
Partners In Health	2,000.00
Brotherhood For The Fallen	1,000.00
Greater Chicago Food Depository	7,500.00
Environmental Defense Fund	1,500.00
Preservation Foundation Of The Lake County Forest Preserves	1,000.00
Student Conservation Association	2,500.00

**Total****\$751,100.00**

**PORTFOLIO APPRAISAL**  
**Modestus Bauer Foundation**  
**December 31, 2012**

**36-4473692**

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
<b>CASH &amp; EQUIVALENTS</b>									
	Schwab Treasury Fund		296,969		296,969	0.1	0.000	0	0.0
			<u>187,569</u>		<u>187,569</u>	2.0	0.010	30	0.0
						2.0		30	0.0
<b>COMMON STOCK</b>									
<b>ENERGY</b>									
5,000	Exxon Mobil Corp	28.85	144,231	86.55	432,750	2.9	1.880	9,400	2.2
3,000	Kinder Morgan Energy Partners L.P.	48.01	144,030	79.79	239,370	1.6	5.040	15,120	6.3
2,200	Royal Dutch Shell PLC Spons ADR B	63.04	138,678	70.89	155,958	1.0	3.200	7,040	4.5
			<u>426,939</u>		<u>828,078</u>	5.5		<u>31,560</u>	<u>3.8</u>
<b>UTILITIES</b>									
5,000	Exelon Corp.	44.55	222,746	29.74	148,700	1.0	2.100	10,500	7.1
5,000	Southern Company	31.36	156,779	42.81	214,050	1.4	1.890	9,450	4.4
			<u>379,526</u>		<u>362,750</u>	2.4		<u>19,950</u>	<u>5.5</u>
<b>TELECOMMUNICATIONS</b>									
7,400	Vodafone Group PLC	26.43	195,612	25.19	186,406	1.2	1.500	11,101	6.0
			<u>195,612</u>		<u>186,406</u>	1.2		<u>11,101</u>	<u>6.0</u>
<b>DRUGS AND MEDICAL</b>									
3,000	Abbott Laboratories	44.28	132,831	65.50	196,500	1.3	0.560	1,680	0.9
4,000	Johnson & Johnson	55.88	223,540	70.10	280,400	1.9	2.280	9,120	3.3
			<u>356,371</u>		<u>476,900</u>	3.2		<u>10,800</u>	<u>2.3</u>
<b>MANUFACTURING</b>									
1,800	3M Company	77.81	140,055	92.85	167,130	1.1	2.360	4,248	2.5
8,000	General Electric	27.99	223,897	20.99	167,920	1.1	0.760	6,080	3.6
4,000	Illinois Tool Works Inc	32.96	131,827	60.81	243,240	1.6	1.520	6,080	2.5

*SCHEDULE OF INVESTMENTS AS OF 12/31/12*  
**PART II, COLUMNS (b) and (c)**  
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Lodestar Investment Counsel, LLC  
**PORTFOLIO APPRAISAL**  
Modestus Bauer Foundation  
December 31, 2012

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
4,500	Johnson Controls	32.30	145,328	30.67	138,015	0.9	0.760	3,420	2.5
			641,107		716,305	4.8		19,828	2.8
<b>INSURANCE</b>									
3,000	Travelers Companies Com	49.45	148,338	71.82	215,460	1.4	1.640	4,920	2.3
			148,338		215,460	1.4		4,920	2.3
<b>CONSUMER PRODUCTS</b>									
3,000	Philip Morris Intl Inc.	34.15	102,450	83.64	250,920	1.7	3.400	10,200	4.1
4,000	Procter & Gamble	55.64	222,576	67.89	271,560	1.8	2.100	8,400	3.1
			325,026		522,480	3.5		18,600	3.6
<b>BANKING AND FINANCE</b>									
3,000	American Express	32.05	96,157	57.48	172,440	1.2	0.800	2,400	1.4
4,000	Northern Trust Co.	49.97	199,889	50.16	200,640	1.3	1.200	4,800	2.4
			296,046		373,080	2.5		7,200	1.9
<b>DISTRIBUTION AND SERVICES</b>									
6,000	Sysco Corp	23.03	138,198	31.66	189,960	1.3	1.120	6,720	3.5
			138,198		189,960	1.3		6,720	3.5
<b>TRANSPORTATION</b>									
2,100	United Parcel Service	66.32	139,281	73.73	154,833	1.0	2.280	4,788	3.1
			139,281		154,833	1.0		4,788	3.1
<b>REAL ESTATE</b>									
6,000	Starwood Property Trust	22.33	133,988	22.96	137,760	0.9	1.760	10,560	7.7
			133,988		137,760	0.9		10,560	7.7
<b>SERVICES</b>									
3,000	Accenture Ltd Cl A	26.14	78,406	66.50	199,500	1.3	1.620	4,860	2.4
			78,406		199,500	1.3		4,860	2.4

*SCHEDULE OF INVESTMENTS AS OF 12/31/12  
PART II, COLUMNS (b) and (c)  
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**Lodestar Investment Counsel, LLC**  
**PORTFOLIO APPRAISAL**  
**Modestus Bauer Foundation**  
**December 31, 2012**

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
<b>RETAIL</b>									
3,000	Kohl's Corp.	54.49	163,468	42.98	128,940	0.9	1.280	3,840	3.0
9,000	Lowes Companies Inc.	20.35	183,126	35.52	319,680	2.1	0.640	5,760	1.8
4,000	Wal-Mart Stores Inc	49.62	198,467	68.23	272,920	1.8	1.590	6,360	2.3
			545,061		721,540	4.8		15,960	2.2
<b>ENTERTAINMENT</b>									
5,000	Walt Disney Company	22.44	112,216	49.79	248,950	1.7	0.750	3,750	1.5
			112,216		248,950	1.7		3,750	1.5
<b>TECHNOLOGY</b>									
9,000	Intel	22.15	199,359	20.62	185,580	1.2	0.900	8,100	4.4
10,000	Microsoft Corporation	20.09	200,871	26.71	267,097	1.8	0.920	9,200	3.4
6,000	Oracle Corp.	22.75	136,497	33.32	199,920	1.3	0.240	1,440	0.7
			536,727		652,597	4.4		18,740	2.9
<b>FOOD AND BEVERAGE</b>									
7,600	Coca Cola	21.47	163,137	36.25	275,500	1.8	1.020	7,752	2.8
6,000	Nestle S.A. Registered Voting ADR	20.58	123,472	65.11	390,672	2.6	1.772	10,632	2.7
3,000	Pepsico	41.00	123,009	68.43	205,290	1.4	2.150	6,450	3.1
			409,618		871,462	5.8		24,834	2.8
	<b>COMMON STOCK Total</b>		4,862,460		6,858,061	45.8		214,170	3.1
<b>CONVERTIBLE PREFERRED</b>									
3,000	United Technologies Mand. CV Pfd. 8/1/15	53.95	161,836	55.71	167,130	1.1	3.750	11,250	6.7
			161,836		167,130	1.1		11,250	6.7
<b>HEDGE FUNDS (UNSUPERVISED)</b>									
65,000.000	Abrams Capital Partners I, LP	31.66	2,319,390	36.40	2,503,079	15.8			

*2,319,390*  
*2,503,079*  
*15.8*  
*SCHEDULE OF INVESTMENTS AS OF 12/31/12*  
*PART II, COLUMNS (b) and (c)*  
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**Lodestar Investment Counsel, LLC**  
**PORTFOLIO APPRAISAL**  
**Modestus Bauer Foundation**  
**December 31, 2012**

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
<b>UNSUPERVISED MUTUAL FUNDS</b>									
11,812.922	Artisan Funds International	14.40	170,074	24.59	290,480	1.9	0.000	0	0.0
13,472.439	Tweedy Browne Global Value Fund	16.41	221,064	23.24	313,099	2.1	0.420	5,658	1.8
9,573.052	Wasatch Core Growth Fund	26.41	252,793	43.10	412,599	2.8	0.000	0	0.0
			643,931		1,016,178	6.8		5,658	0.6
<b>UNSUPERVISED EQUITIES &amp; ETF'S</b>									
4,500	IShares Tr Russell 2000 Value	46.44	209,002	75.51	339,795	2.3	1.890	8,507	2.5
			209,002		339,795	2.3		8,507	2.5
<b>CORPORATE BONDS</b>									
150,000	General Electric Co. NC 5.000% Due 02-01-13	100.25	150,368	100.38	150,571	1.0	5.000	7,500	5.0
150,000	Principal Life Inc. NC 5.300% Due 04-24-13	100.15	150,224	101.43	152,146	1.0	5.300	7,950	5.2
150,000	Verizon New England Callable 4.750% Due 10-01-13	103.03	154,541	103.10	154,653	1.0	4.750	7,125	4.6
150,000	XTO Energy Inc 4.900% Due 02-01-14	103.74	155,611	104.84	157,266	1.1	4.900	7,350	4.7
200,000	Howard Hughes Medical Institute NC FC 3/1/10 3.450% Due 09-01-14	100.17	200,342	105.04	210,084	1.4	3.450	6,900	3.3
150,000	Yale University NC 2.900% Due 10-15-14	102.31	153,469	104.35	156,519	1.0	2.900	4,350	2.8
125,000	John Hancock Life Ins Corp. NC 5.450% Due 10-15-15	109.04	136,301	109.16	136,449	0.9	5.450	6,812	5.0

*SCHEDULE OF INVESTMENTS AS OF 12/31/12*  
*PART II, COLUMNS (b) and (c)*  
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Lodestar Investment Counsel, LLC  
**PORTFOLIO APPRAISAL**  
Modestus Bauer Foundation  
December 31, 2012

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
150,000	Berkshire Hathaway Inc. 1.900% Due 01-31-17	103.59	155,389	103.37	155,058	1.0	1,900	2,850	1.8
			1,256,245		<i>1,272,747</i>	<i>0.1</i>		<i>50,837</i>	<i>4.0</i>
<b>TAXABLE MUNICIPAL BONDS</b>									
100,000	South St. Paul SD #006 GO NC	101.95	101,946	103.03	103,027	0.7	3,250	3,250	3.2
100,000	3.250% Due 02-01-14 El Paso, TX Pension GO NC	103.78	103,776	104.71	104,711	0.7	3,610	3,610	3.4
150,000	3.610% Due 08-15-14 Du Page County, IL Wheaton SD #200 GO-AGM NC	102.36	153,543	106.05	159,078	1.1	4,400	6,600	4.1
150,000	4.400% Due 10-01-14 State of Mississippi NC	100.72	151,073	102.42	153,637	1.0	1,745	2,617	1.7
100,000	1.745% Due 11-01-14 Moraine Valley Community College NC	100.02	100,015	100.19	100,189	0.7	0,990	990	1.0
100,000	0.990% Due 12-01-14 Rosemont, IL GO NC	100.01	100,011	102.04	102,038	0.7	2,375	2,375	2.3
150,000	2.375% Due 12-01-14 Ohio St Infrastructure Rev BAB NC	100.01	150,010	105.00	157,495	1.1	3,000	4,500	2.9
150,000	3.000% Due 06-15-15 Washington St GO NC	102.51	153,761	108.81	163,218	1.1	3,400	5,100	3.1
	3.400% Due 08-01-16					<i>0.0</i>			
	<b>TOTAL</b>		1,014,135		<i>1,043,394</i>	<i>7.0</i>		<i>29,042</i>	<i>2.8</i>
<b>GOVERNMENT BONDS/GOVERNMENT AGENCY</b>									
100,000	U S Treasury Bond	108.75	108,754	122.75	122,750	0.8	7,250	7,250	5.9
	7.250% Due 05-15-16								

**GOVERNMENT BONDS/GOVERNMENT AGENCY**  
100,000 U S Treasury Bond  
7.250% Due 05-15-16

*Schedule of Investments as of 12/31/12*  
*PART II, Columns (b) and (c)*  
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Lodestar Investment Counsel, LLC  
**PORTFOLIO APPRAISAL**  
Modestus Bauer Foundation  
December 31, 2012

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
<b>TREASURY SECURITIES INDEXED FOR INFLATION</b>									
600,000	US Treasury Inflation Index	105.81	108,754	128.06	122,750	0.8		7,250	5.9
	1.625% Due 01-15-18								
			634,841					9,750	1.3
<b>BOND MUTUAL FUNDS (OPEN END)</b>									
43,991.450	Vanguard High Yield Bond Fund - Admiral	5.68	250,075	6.11	268,788	1.8	0.383	16,827	6.3
61,566.531	Virtus Multi-Sector ST Bond Fund	4.87	300,100	4.96	305,370	2.0	0.223	13,748	4.5
			550,175		574,158	3.8		30,575	5.3
<b>BOND MUTUAL FUNDS (CLOSED END) &amp; ETF's</b>									
1,000	Pimco 0-5 Year High Yield Corp Bond Fund	103.29	103,290	103.43	103,430	0.7	5.565	5,565	5.4
			103,290		103,430	0.7		5,565	5.4
<b>FNMA</b>									
3,225.2077	FNMA 15 Yr P/T Pool #576386	99.84	3,220	106.34	3,430	0.0	6.000	194	5.6
2,288.9450	6.000% Due 05-01-16 FNMA 15 Yr P/T Pool #589180	100.56	2,302	107.18	2,453	0.0	6.500	149	6.1
1,067.6902	6.500% Due 06-01-16 FNMA P/T Pool #53915	101.09	1,079	115.11	1,229	0.0	7.000	75	6.1
651.6391	7.000% Due 04-01-31 FNMA P/T Pool #577462	99.79	650	113.05	737	0.0	6.500	42	5.7
	6.500% Due 04-01-31								

Schedule of Investments as of 12/31/12  
PART II, columns (b) and (c)  
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**Lodestar Investment Counsel, LLC**  
**PORTFOLIO APPRAISAL**  
**Modestus Bauer Foundation**  
**December 31, 2012**

Quantity	Security	Adj Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Unit Income	Annual Income	Cur. Yield
	<i>Corporate</i>								
			7,251		7,849	0.0		459	5.9
<b>FHLMC</b>									
3,158.7500	FHLMC 30 Yr. Gold Pool #C28944	98.59	3,114	113.51	3,586	0.0	7.000	221	6.2
	7.000% Due 07-01-29								
	<i>Corporate</i>								
			3,114		3,586	0.0		221	6.2
<b>TOTAL PORTFOLIO</b>			<b>12,061,933</b>		<b>14,968,076</b>	<b>100.0</b>		<b>373,315</b>	<b>2.5</b>

*Schedule of Investments as of 12/31/12*  
*Part II, Columns (b) and (c)*  
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# REALIZED GAINS AND LOSSES

Modestus Bauer Foundation  
From 01-01-12 Through 12-31-12

36-4473692

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
06-07-07	01-01-12	200,000	Chicago IL GO CFG NC	196,574	3,426	200,000	0	0
06-29-99	01-15-12	31.5100	5.068% Due 01-01-12 FHLMC 30 Yr. Gold Pool #C28944	31	0	32	0	0
02-14-07	01-17-12	5,000	7.000% Due 07-01-29 Hugoton Royalty Trust	124,245		74,169		-50,076
09-25-07	01-17-12	2,000	Hugoton Royalty Trust	48,073		29,667		-18,406
09-07-07	01-17-12	2,000	Hugoton Royalty Trust	46,691		29,667		-17,023
05-12-09	01-17-12	3,000	Hugoton Royalty Trust	41,160		44,501		3,341
06-12-97	01-25-12	134.9900	FNMA P/T Pool #394433	135	0	135	0	0
06-07-01	01-25-12	15.8500	7.000% Due 07-01-12 FNMA P/T Pool #53915	16	0	16	0	0
05-08-01	01-25-12	153.8700	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	154	0	154	0	0
03-20-01	01-25-12	2.1400	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
05-31-01	01-25-12	65.2600	6.500% Due 04-01-31 FNMA 15 Yr P/T Pool #589180	66	0	65	0	0
06-29-99	02-15-12	31.9900	6.500% Due 06-01-16 FHLMC 30 Yr. Gold Pool #C28944	32	0	32	0	0
06-12-97	02-25-12	135.8400	7.000% Due 07-01-29 FNMA P/T Pool #394433	136	0	136	0	0
06-07-01	02-25-12	20.6900	7.000% Due 07-01-12 FNMA P/T Pool #53915	21	0	21	0	0
			7.000% Due 04-01-31					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
05-08-01	02-25-12	152.8600	FNMA 15 Yr P/T Pool #576386	153	0	153	0	0
			6.000% Due 05-01-16					
03-20-01	02-25-12	2.1500	FNMA P/T Pool #577462	2	0	2	0	0
			6.500% Due 04-01-31					
05-31-01	02-25-12	65.6300	FNMA 15 Yr P/T Pool #589180	66	0	66	0	0
			6.500% Due 06-01-16					
03-04-09	03-06-12	150,000	Eli Lilly & Co. NC	151,445	-1,445	150,000	0	0
			3.550% Due 03-06-12					
06-29-99	03-15-12	31.9000	FHLMC 30 Yr. Gold Pool #C28944	31	0	32	0	0
			7.000% Due 07-01-29					
06-12-97	03-25-12	197.2600	FNMA P/T Pool #394433	197	0	197	0	0
			7.000% Due 07-01-12					
06-07-01	03-25-12	8.6800	FNMA P/T Pool #53915	9	0	9	0	0
			7.000% Due 04-01-31					
05-08-01	03-25-12	153.9000	FNMA 15 Yr P/T Pool #576386	154	0	154	0	0
			6.000% Due 05-01-16					
03-20-01	03-25-12	2.1600	FNMA P/T Pool #577462	2	0	2	0	0
			6.500% Due 04-01-31					
05-31-01	03-25-12	66.0000	FNMA 15 Yr P/T Pool #589180	66	0	66	0	0
			6.500% Due 06-01-16					
05-30-08	04-15-12	200,000	Boeing Cap Corp. NC	213,946	-13,946	200,000	0	0
			6.350% Due 04-15-12					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
06-29-99	04-15-12	32.4000	FHLMC 30 Yr. Gold Pool #C28944	32	0	32	0	0
06-12-97	04-25-12	173.2000	7.000% Due 07-01-29 FNMA P/T Pool #394433	173	0	173	0	0
06-07-01	04-25-12	12.5000	7.000% Due 07-01-12 FNMA P/T Pool #53915	13	0	12	0	0
05-08-01	04-25-12	154.7200	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	154	0	155	0	0
03-20-01	04-25-12	2.1700	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
05-31-01	04-25-12	69.4700	6.500% Due 04-01-31 FNMA 15 Yr P/T Pool #589180	70	0	69	0	0
05-12-09	04-27-12	1,000	6.500% Due 06-01-16 Illinois Tool Works Inc	33,764		57,861	24,097	
03-04-08	04-27-12	700	3M Company	54,650		62,564	7,914	
05-31-00	04-27-12	1,000	Wal-Mart Stores Inc	56,370		58,902	2,532	
06-29-99	05-15-12	32.3000	FHLMC 30 Yr. Gold Pool #C28944	32	0	32	0	0
06-12-97	05-25-12	100.6000	7.000% Due 07-01-29 FNMA P/T Pool #394433	101	0	101	0	0
06-07-01	05-25-12	10.8700	7.000% Due 07-01-12 FNMA P/T Pool #53915	11	0	11	0	0
05-08-01	05-25-12	155.5500	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	155	0	156	0	0
			6.000% Due 05-01-16					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
03-20-01	05-25-12	2.1900	FNMA P/T Pool #577462	2	0	2	0	0
			6.500% Due 04-01-31					
05-31-01	05-25-12	66.8500	FNMA 15 Yr P/T Pool #589180	67	0	67	0	0
			6.500% Due 06-01-16					
05-31-00	06-14-12	1,000	Wal-Mart Stores Inc	56,370		67,550	11,180	0
06-29-99	06-15-12	33.0100	FHLMC 30 Yr. Gold Pool #C28944	33	0	33	0	0
			7.000% Due 07-01-29					
06-12-97	06-25-12	88.7493	FNMA P/T Pool #394433	89	0	89	0	0
			7.000% Due 07-01-12					
06-07-01	06-25-12	17.8400	FNMA P/T Pool #53915	18	0	18	0	0
			7.000% Due 04-01-31					
05-08-01	06-25-12	156.3900	FNMA 15 Yr P/T Pool #576386	156	0	156	0	0
			6.000% Due 05-01-16					
03-20-01	06-25-12	2.2000	FNMA P/T Pool #577462	2	0	2	0	0
			6.500% Due 04-01-31					
05-31-01	06-25-12	67.3400	FNMA 15 Yr P/T Pool #589180	68	0	67	0	0
			6.500% Due 06-01-16					
05-11-09	06-29-12	100,000	Bellsouth Corp. NC	104,522	-4,006	101,685	1,169	
			4.750% Due 11-15-12					
06-30-08	06-29-12	150,000	Bellsouth Corp. NC	148,556	1,306	152,527	2,666	
			4.750% Due 11-15-12					
06-29-99	07-15-12	32.8900	FHLMC 30 Yr. Gold Pool #C28944	32	0	33	0	0
			7.000% Due 07-01-29					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
06-07-01	07-25-12	12.2800	FNMA P/T Pool #53915 7.000% Due 04-01-31	12	0	12	0	0
05-08-01	07-25-12	164.9800	FNMA 15 Yr P/T Pool #576386	165	0	165	0	0
03-20-01	07-25-12	2.2100	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
05-31-01	07-25-12	67.6200	6.500% Due 04-01-31 FNMA 15 Yr P/T Pool #589180	68	0	68	0	0
01-18-05	08-01-12	1,000	6.500% Due 06-01-16 Accenture Ltd Cl A	26,135		60,429		34,293
07-29-05	08-01-12	700	Coca Cola	30,997		56,688		25,691
07-28-10	08-13-12	150,000	Federal National Mortgage Association CA 1X 8/13/12 @ 100	155,176	-2,028	150,000		-3,148
06-29-99	08-15-12	33.4300	3.000% Due 08-13-15 FHL MC 30 Yr. Gold Pool #C28944	33	0	33	0	0
06-07-01	08-25-12	11.3600	7.000% Due 07-01-29 FNMA P/T Pool #53915	11	0	11	0	0
05-08-01	08-25-12	1,253.5100	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	1,252	0	1,254	2	2
03-20-01	08-25-12	2.2200	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
05-31-01	08-25-12	68.0100	6.500% Due 04-01-31 FNMA 15 Yr P/T Pool #589180	68	0	68	0	0
			6.500% Due 06-01-16					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
08-06-09	09-01-12	100,000	Seariver Maritime Inc. (Exxon)	92,120	7,880	100,000	0	0
06-29-99	09-15-12	33.3000	0.000% Due 09-01-12 FHLMC 30 Yr. Gold Pool #C28944	33	0	33	0	0
06-07-01	09-25-12	66.7400	7.000% Due 07-01-29 FNMA P/T Pool #53915	67	0	67	-1	-1
05-08-01	09-25-12	151.5800	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	151	0	152	0	0
03-20-01	09-25-12	2.2400	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
05-31-01	09-25-12	68.3900	6.500% Due 04-01-31 FNMA 15 Yr P/T Pool #589180	69	0	68	0	0
12-24-02	10-11-12	2,400	6.500% Due 06-01-16 Dover Corporation	69,888		133,836	63,948	0
06-29-99	10-15-12	33.8600	FHLMC 30 Yr. Gold Pool #C28944	33	0	34	0	0
06-07-01	10-25-12	34.8800	7.000% Due 07-01-29 FNMA P/T Pool #53915	35	0	35	0	0
05-08-01	10-25-12	170.8500	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	171	0	171	0	0
03-20-01	10-25-12	2.2500	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
			6.500% Due 04-01-31					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
05-31-01	10-25-12	68.7900	FNMA 15 Yr P/T Pool #589180	69	0	69	0	0
06-29-99	11-15-12	33.7100	6.500% Due 06-01-16 FHLMC 30 Yr. Gold Pool #C28944	33	0	34	0	0
06-07-01	11-25-12	11.8800	7.000% Due 07-01-29 FNMA P/T Pool #53915	12	0	12	0	0
05-08-01	11-25-12	147.4500	7.000% Due 04-01-31 FNMA 15 Yr P/T Pool #576386	147	0	147	0	0
03-20-01	11-25-12	2.2600	6.000% Due 05-01-16 FNMA P/T Pool #577462	2	0	2	0	0
05-31-01	11-25-12	321.8100	6.500% Due 04-01-31 FNMA 15 Yr P/T Pool #589180	324	0	322	-2	-2
12-15-09	12-01-12	100,000	6.500% Due 06-01-16 Peoria County IL SD#150 GO Assured Gty NC	100,020	-20	100,000	0	0
05-22-07	12-01-12	145,000	2.540% Due 12-01-12 Skokie, IL GO NC	145,803	-803	145,000	0	0
06-29-99	12-15-12	34.2900	5.375% Due 12-01-12 FHLMC 30 Yr. Gold Pool #C28944	34	0	34	0	0
06-07-01	12-25-12	45.9700	7.000% Due 07-01-29 FNMA P/T Pool #53915	46	0	46	-1	-1
			7.000% Due 04-01-31					

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**Lodestar Investment Counsel, LLC**  
**REALIZED GAINS AND LOSSES**  
**Modestus Bauer Foundation**  
**From 01-01-12 Through 12-31-12**

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
05-08-01	12-25-12	87.3600	FNMA 15 Yr P/T Pool #576386	87	0	87	0	0
			6.000% Due 05-01-16					
03-20-01	12-25-12	2.2800	FNMA P/T Pool #577462	2	0	2	0	0
			6.500% Due 04-01-31					
05-31-01	12-25-12	62.5500	FNMA 15 Yr P/T Pool #589180	63	0	63	0	0
			6.500% Due 06-01-16					
TOTAL GAINS								
TOTAL LOSSES								
TOTAL REALIZED GAIN/LOSS				1,901,985	-9,637	1,980,528	0	88,180
CAPITAL GAIN DISTRIBUTIONS								
12-27-12			Tweedy Browne Global Value Fund					27,165
12-27-12			Tweedy Browne Global Value Fund				883	
TOTAL DISTRIBUTIONS							883	27,165
TOTAL GAIN/LOSS							883	115,345

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