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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.

2012

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation THE HERBERT H. & GRACE A. DOW FOUNDATION		A Employer identification number 38-1437485
Number and street (or P O box number if mail is not delivered to street address) 1018 WEST MAIN STREET	Room/suite	B Telephone number 989-631-3699
City or town, state, and ZIP code MIDLAND, MI 48640		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <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"/>
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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 406,635,798.	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	5,130.			
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	77,929.	77,929.		STATEMENT1
	4 Dividends and interest from securities	8,959,161.	8,959,161.		STATEMENT2
	5a Gross rents	51,249.	43,770.	7,479.	STATEMENT3
	b Net rental income or (loss)	51,249.			
	6a Net gain or (loss) from sale of assets not on line 10	8,732,084.			
	b Gross sales price for all assets on line 6a	142,138,097.			
	7 Capital gain net income (from Part IV, line 2)		7,657,795.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances	153,475.			STATEMENT4
b Less Cost of goods sold	66,856.			STATEMENT5	
c Gross profit or (loss)	86,619.		50,840.		
11 Other income	228,068.	-784,628.	321,937.	STATEMENT6	
12 Total. Add lines 1 through 11	18,140,240.	15,954,027.	380,256.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	189,981.	47,495.	0.	142,486.
	14 Other employee salaries and wages	1,106,950.	41,057.	192,714.	789,681.
	15 Pension plans, employee benefits	365,411.	24,950.	0.	316,120.
	16a Legal fees	15,015.	0.	0.	14,963.
	b Accounting fees	146,095.	73,048.	0.	41,594.
	c Other professional fees	1,440,644.	1,440,644.	0.	0.
	17 Interest	99.	99.	0.	0.
	18 Taxes	120,438.	120,438.	0.	0.
	19 Depreciation and depletion	375,084.	0.	187,542.	
	20 Occupancy	132,559.	0.	0.	111,409.
	21 Travel, conferences, and meetings	43,287.	0.	0.	43,393.
	22 Printing and publications	9,386.	0.	0.	9,386.
	23 Other expenses	928,138.	27,748.	0.	751,192.
	24 Total operating and administrative expenses. Add lines 13 through 23	4,873,087.	1,775,479.	380,256.	2,220,224.
	25 Contributions, gifts, grants paid	18,265,984.			17,728,638.
26 Total expenses and disbursements. Add lines 24 and 25	23,139,071.	1,775,479.	380,256.	19,948,862.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	-4,998,831.				
b Net investment income (if negative, enter -0-)		14,178,548.			
c Adjusted net income (if negative, enter -0-)			0.		

G14

Part II Balance Sheets		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash - non-interest-bearing	170,269.	338,571.	338,571.	
	2 Savings and temporary cash investments	6,041,209.	12,252,421.	12,252,421.	
	3 Accounts receivable ▶ 1,200.				
	Less: allowance for doubtful accounts ▶	1,640,533.	1,200.	1,200.	
	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	42,596.	26,569.	26,569.	
	10a Investments - U.S. and state government obligations				
	b Investments - corporate stock STMT 13	191,621,447.	214,272,552.	214,272,552.	
	c Investments - corporate bonds STMT 14	1,838,422.	116,885.	116,885.	
Liabilities	11 Investments - land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation ▶	2,649,530.			
	12 Investments - mortgage loans				
	13 Investments - other STMT 15	159,160,399.	164,088,632.	164,088,686.	
	14 Land, buildings, and equipment basis ▶ 23,742,930.				
	Less: accumulated depreciation ▶ 8,204,016.	15,885,944.	15,538,914.	15,538,914.	
	15 Other assets (describe ▶ DEFERRED TAX ASSET)	92,813.	0.	0.	
	16 Total assets (to be completed by all filers)	379,143,162.	406,635,744.	406,635,798.	
	17 Accounts payable and accrued expenses	59,854.	345,641.		
	18 Grants payable	8,754,075.	9,281,742.		
Net Assets or Fund Balances	19 Deferred revenue				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable				
	22 Other liabilities (describe ▶ DEFERRED TAX LIABILITY)	2,300,000.	2,190,000.		
	23 Total liabilities (add lines 17 through 22)	11,113,929.	11,817,383.		
Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.	24 Unrestricted	368,029,233.	394,818,361.		
	25 Temporarily restricted				
	26 Permanently restricted				
	Foundations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.				
	27 Capital stock, trust principal, or current funds				
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds				
	30 Total net assets or fund balances	368,029,233.	394,818,361.		
31 Total liabilities and net assets/fund balances	379,143,162.	406,635,744.			

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	368,029,233.
2 Enter amount from Part I, line 27a	2	-4,998,831.
3 Other increases not included in line 2 (itemize) ▶ UNREALIZED GAIN ON INVESTMENTS	3	34,437,155.
4 Add lines 1, 2, and 3	4	397,467,557.
5 Decreases not included in line 2 (itemize) ▶ PRIOR PERIOD ADJUSTMENT	5	2,649,196.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	394,818,361.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SALE OF PUBLICLY TRADED SECURITIES	P	VARIOUS	VARIOUS
b SCHEDULE K-1 - PASSTHROUGH GAIN	P	VARIOUS	VARIOUS
c DOW CHEMICAL	P	VARIOUS	VARIOUS
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 140,488,097.		134,735,893.	5,752,204.
b			321,381.
c 1,650,000.		32,895.	1,617,105.
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			5,752,204.
b			321,381.
c 127,083.	94,188.	32,895.	1,584,210.
d			
e			

2 Capital gain net income or (net capital loss)	<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div> <div style="margin-left: 10px;"> <div style="border: 1px solid black; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center;">2</div> </div> </div>	7,657,795.
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	<div style="border-left: 1px solid black; padding-left: 5px;"> If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8 </div> <div style="margin-left: 10px;"> <div style="border: 1px solid black; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center;">3</div> </div>	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	20,135,222.	382,780,201.	.052603
2010	19,155,730.	352,406,647.	.054357
2009	11,897,461.	300,905,330.	.039539
2008	22,927,699.	418,991,636.	.054721
2007	26,183,932.	512,886,671.	.051052

2 Total of line 1, column (d)	2	.252272
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	.050454
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	387,502,545.
5 Multiply line 4 by line 3	5	19,551,053.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	141,785.
7 Add lines 5 and 6	7	19,692,838.
8 Enter qualifying distributions from Part XII, line 4	8	19,948,862.

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 <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		1	141,785.
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		2	0.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		3	141,785.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
3 Add lines 1 and 2		5	141,785.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-			
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a 74,633.	7	224,633.
b Exempt foreign organizations - tax withheld at source	6b	8	1,069.
c Tax paid with application for extension of time to file (Form 8868)	6c 150,000.	9	
d Backup withholding erroneously withheld	6d	10	81,779.
7 Total credits and payments. Add lines 6a through 6d		11	0.
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached			
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed			
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid			
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input checked="" type="checkbox"/> 81,779. Refunded <input type="checkbox"/>			

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?		<input checked="" type="checkbox"/>
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		<input checked="" type="checkbox"/>
c Did the foundation file Form 1120-POL for this year?		<input checked="" type="checkbox"/>
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 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.		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?	<input checked="" type="checkbox"/>	
b If "Yes," has it filed a tax return on Form 990-T for this year?	<input checked="" type="checkbox"/>	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		<input checked="" type="checkbox"/>
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?	<input checked="" type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> MI		
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	<input checked="" type="checkbox"/>	
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		<input checked="" type="checkbox"/>
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		<input checked="" type="checkbox"/>

Form 990-PF (2012)

Part VII-A Statements Regarding Activities (continued)

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? Website address WWW.HHDOWFOUNDATION.ORG	13	x	
14	The books are in care of MRS. MARGARET A. RIECKER Telephone no. 989-631-3699 Located at 1018 W. MAIN ST., MIDLAND, MI ZIP+4 48640			
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	
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country	16	Yes	No x

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?	<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 type="checkbox"/> Yes <input checked="" 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 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)? Organizations relying on a current notice regarding disaster assistance check here		1b x
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? If "Yes," list the years	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012)		3b x
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a x
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		4b x

Form 990-PF (2012)

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

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

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☒ Yes ☐ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

5b

x

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

☐ Yes ☒ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

x

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

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

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 16		189,981.	11,399.	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
MARTIN MCGUIRE - 1018 WEST MAIN STREET, MIDLAND, MI 48640	MANAGING DIRECTOR -	DOW GARDENS		
	40.00	122,835.	7,370.	0.
CHARLES MARTIN - 1018 WEST MAIN STREET, MIDLAND, MI 48640	EMPLOYEE			
	40.00	65,554.	3,993.	0.
DANIEL VERESH - 1018 WEST MAIN STREET, MIDLAND, MI 48640	EMPLOYEE			
	40.00	65,454.	3,927.	0.
ELIZABETH LUMBERT - 1018 WEST MAIN STREET, MIDLAND, MI 48640	EMPLOYEE			
	40.00	60,923.	3,655.	0.
ROY LEFEVRE - 1018 WEST MAIN STREET, MIDLAND, MI 48640	EMPLOYEE			
	40.00	57,842.	3,471.	0.
Total number of other employees paid over \$50,000				1

Form 990-PF (2012)

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
MERRILL LYNCH - 4805 TOWNE CENTRE ROAD, SUITE 200, SAGINAW, MI 48604	INVESTMENT ADVISORS	500,349.
SYM FINACIAL ADVISORS - 210 SOUTH MICHIGAN STREET SUITE 300, MIDLAND, MI 48640	INVESTMENT ADVISORS	112,317.
DELOITTE & TOUCHE LLP - 3320 RIDGECREST DR., STE. 400, MIDLAND, MI 48642	AUDIT SERVICES	77,800.
DELOITTE TAX LLP - 3320 RIDGECREST DR., STE. 400, MIDLAND, MI 48642	TAX SERVICES	64,822.

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	
SEE STATEMENT 17	2,689,240.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

Form 990-PF (2012)

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	207,990,004.
b Average of monthly cash balances	1b	4,830,393.
c Fair market value of all other assets	1c	180,583,202.
d Total (add lines 1a, b, and c)	1d	393,403,599.
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	393,403,599.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	5,901,054.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	387,502,545.
6 Minimum investment return. Enter 5% of line 5	6	19,375,127.

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	19,375,127.
2a Tax on investment income for 2012 from Part VI, line 5	2a	141,785.
b Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	141,785.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	19,233,342.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	19,233,342.
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	19,233,342.

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	19,948,862.
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	19,948,862.
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	141,785.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	19,807,077.

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.

Form 990-PF (2012)

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				19,233,342.
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				
d From 2010				
e From 2011	791,306.			
f Total of lines 3a through e	791,306.			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 19,948,862.				
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				19,233,342.
e Remaining amount distributed out of corpus	715,520.			
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	1,506,826.			
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	1,506,826.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011	791,306.			
e Excess from 2012	715,520.			

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income**

[illegible]Form **990-PF** (2012)

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

SOURCE	AMOUNT
INTEREST	77,929.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	77,929.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDENDS	8,959,161.	0.	8,959,161.
TOTAL TO FM 990-PF, PART I, LN 4	8,959,161.	0.	8,959,161.

FORM 990-PF RENTAL INCOME STATEMENT 3

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
DOW GARDENS	1	51,249.
TOTAL TO FORM 990-PF, PART I, LINE 5A		51,249.

FORM 990-PF

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 4

INCOME

1. GROSS RECEIPTS	153,475	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		153,475
4. COST OF GOODS SOLD (LINE 15)	66,856	
5. GROSS PROFIT (LINE 3 LESS LINE 4).		86,619
6. OTHER INCOME		
7. GROSS INCOME (ADD LINES 5 AND 6)		86,619

COST OF GOODS SOLD

8. INVENTORY AT BEGINNING OF YEAR		
9. MERCHANDISE PURCHASED.		
10. COST OF LABOR.		
11. MATERIALS AND SUPPLIES		
12. OTHER COSTS.	66,856	
13. ADD LINES 8 THROUGH 12		66,856
14. INVENTORY AT END OF YEAR		
15. COST OF GOODS SOLD (LINE 13 LESS LINE 14).		66,856

FORM 990-PF	COST OF GOODS SOLD - OTHER COSTS	STATEMENT	5
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DESCRIPTION	AMOUNT
OTHER COST OF GOODS SOLD	66,856.
TOTAL OTHER COSTS	66,856.

FORM 990-PF	OTHER INCOME	STATEMENT	6
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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
FLOWTHROUGH INCOME OTHER THAN CAPITAL GAINS - ATTACHMENT 6A	-93,869.	-784,628.	0.
(A) DOW GARDEN ADMISSIONS	235,476.	0.	235,476.
(B) HORTICULTURAL CLASSES	63,407.	0.	63,407.
(C) OTHER RECEIPTS/INCOME	1,548.	0.	1,548.
(D) SALES OF HORTICULTURE SUPPLIES & EQUIPMENT	21,506.	0.	21,506.
TOTAL TO FORM 990-PF, PART I, LINE 11	228,068.	-784,628.	321,937.

FORM 990-PF	LEGAL FEES	STATEMENT	7
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	15,015.	0.	0.	14,963.
TO FM 990-PF, PG 1, LN 16A	15,015.	0.	0.	14,963.

Page 1, Part 4, Line 11 Column (b)
Income from Partnerships for Section 4940 Net Investment Income Purposes

STATEMENT 6 A

[illegible]

FORM 990-PF	ACCOUNTING FEES	STATEMENT	8
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	146,095.	73,048.	0.	41,594.
TO FORM 990-PF, PG 1, LN 16B	146,095.	73,048.	0.	41,594.

FORM 990-PF	OTHER PROFESSIONAL FEES	STATEMENT	9
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	1,440,644.	1,440,644.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	1,440,644.	1,440,644.	0.	0.

FORM 990-PF	TAXES	STATEMENT	10
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX WITHHELD	121,218.	121,218.	0.	0.
REFUND OF SALES TAX (MI)	-780.	-780.	0.	0.
TO FORM 990-PF, PG 1, LN 18	120,438.	120,438.	0.	0.

FORM 990-PF	OTHER EXPENSES	STATEMENT	11
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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MEMBERSHIP DUES	15,750.	0.	0.	15,750.
GARDEN SUPPLIES & MATERIALS	156,180.	0.	0.	152,419.
CONSULTANTS	26,710.	0.	0.	26,710.
BANK FEES	27,748.	27,748.	0.	0.
SECURITY	1,619.	0.	0.	1,619.
MAINTENANCE & REPAIR	499,542.	0.	0.	342,788.

INSURANCE	43,632.	0.	0.	57,687.
LIBRARY BOOKS	18.	0.	0.	18.
EDUCATION	66,091.	0.	0.	66,091.
ADVERTISING	66,771.	0.	0.	66,360.
PAYROLL PREPARATION FEES	1,981.	0.	0.	1,981.
MISCELLANEOUS	22,096.	0.	0.	19,769.
TO FORM 990-PF, PG 1, LN 23	928,138.	27,748.	0.	751,192.

FOOTNOTES

STATEMENT 12

THE DOW GARDENS, A DIVISION OF THE HERBERT H. & GRACE A. DOW FOUNDATION, IS A BOTANICAL GARDEN THAT DISPLAYS NATIVE AND INTERNATIONALLY SELECTED TREES, SHRUBS, AND HERBACEOUS PLANTS IN LANDSCAPES SETTINGS. FURTHER, 15,000 BEDDING PLANT, 23,000 SPRING BULBS, AND HUNDREDS OF PERENNIALS ARE PLANTED AND TESTED THROUGHOUT THE GARDENS.

THE MISSION ON DOW GARDENS STATES THAT "DOW GARDENS EXIST TO PRESERVE THE HISTORY, ENHANCE THE HORTICULTURAL BEAUTY, AND SHARE THE EDUCATIONAL AND LEISURE TIME VALUE OF THE HERBERT H. AND GRACE A. DOW ESTATE."

IN 2012, THE GARDENS HOSTED 129,959 VISITORS. ITS PROFESSIONAL STAFF REFINED THE WEBSITE, WORKED WITH MASS MEDIA, INTERACTED WITH CVB AND CHAMBER OF COMMERCE, AND DEVELOPED A SERIES OF PROGRAMS TO ATTRACT U.S. VISITORS. HIGHLIGHTS INCLUDED TWO "ART IN THE GARDEN" EXHIBITIONS FEATURING CRAIG MITCHELL SMITH, A LANSING GLASS ARTIST AND LOCAL FLORIST DEMONSTRATING HOLIDAY CONTAINER GARDENS. IN ADDITION, A SERIES OF MUSICAL PROGRAMS IN THE GARDENS AND SEMINARS FEATURING A NATIONALLY ACCLAIMED HORTICULTURIST.

2012 ADMISSION FEES: AGES 5 AND UNDER- FREE; AGES 6-17 AND AND STUDENTS- \$1.00; AGE 18 AND OLDER-\$5.00. THESE FEES ARE PER VISIT. AN ANNUAL ADMISSION CARD IS AVAILABLE FOR \$10.00

The H. H. & G. A. Dow Foundation
Depreciation Expense Report

As of December 31, 2012

In Svc Date	Cost	F T	Depr Meth	Est Life	Salv/168 Allow Sec 179	Prior Accum Depreciation	Depreciation This Run	Current YTD Depreciation	Book Value
06/30/46	101.					101,776.00		101,776.00	0.00
06/30/46	2,091.		NoDep			0.00		0.00	2,091,971.40
06/30/46	2.		p			0.00		0.00	2,500.00
06/30/53	5,000.00	BAM	Z SLMM	40	0.00	5,000.00		5,000.00	0.00
06/30/53	555,380.00	Build-Homestead	Z SLMM	40	0.00	555,380.00		555,380.00	0.00
06/30/53	8.		p			0.00		0.00	8,497.00
06/30/53	3.		p			0.00		0.00	3,263.00
06/30/53	434.		p			0.00		0.00	434,141.85
06/30/53	34,581.00	Land-Homestead	R NoDep			0.00		0.00	34,581.00
06/30/53	42.	p				42,881.20		42,881.20	0.00
06/30/71		pho	Z SLMM	40	0.00	100.00	0.00	100.00	0.00
06/30/74	151.		p			0.00		0.00	151,500.00
06/30/76	358.	pl	Z SLMM	40	0.00	317,822.63	8,952.75	326,775.38	31,334.62
06/30/77	309.					267,304.61	7,747.96	275,052.57	34,865.68
06/30/84	40.		p			0.00		0.00	40,000.00
06/30/88	609.		p			0.00		0.00	609,550.00
06/30/88	30.		p			0.00		0.00	30,000.00
06/30/88	533.		p			0.00		0.00	533,000.00
06/30/88				5	0.00	895.00		895.00	0.00
06/30/88						650.00		650.00	0.00
06/30/88	520.00	W				520.00		520.00	0.00
06/30/88			Z SLMM	12	0.00	551.99		551.99	0.00
06/30/89	2,137.		R MF100	31	0.00	1,531,870.83	68,954.71	1,600,825.54	536,770.46
06/30/89				5	0.00	895.00		895.00	0.00
06/30/89	1,500.00	Broy	Z SLMM	10	0.00	1,500.00		1,500.00	0.00
06/30/90	1.	prayer	Z SLMM	6	0.00	1,595.00		1,595.00	0.00
06/30/90	3.		Z SLMM	6	0.00	3,598.40		3,598.40	0.00
06/30/91	167.					109,281.49	5,397.32	114,678.81	52,638.06
06/30/91	1.					1,633.00		1,633.00	0.00
06/30/91	2.		Z SLMM	10	0.00	2,360.00		2,360.00	0.00
06/30/91	850.		p			0.00		0.00	850,000.00
06/30/91	2.					2,551.74		2,551.74	0.00
06/30/91		p y	Z SLMM	5	0.00	515.00		515.00	0.00
06/30/91						555.86	0.00	555.86	0.00
06/30/92						646.00	0.00	646.00	0.00
06/30/92						766.00	0.00	766.00	0.00
06/30/92	1.					1,415.00	0.00	1,415.00	0.00
06/30/92	2,044.80	Chairs/Wedding				2,044.80	0.00	2,044.80	0.00
06/30/92	110.					110,000.00	0.00	110,000.00	0.00
06/30/92	1,290.	p				1,290,457.00	0.00	1,290,457.00	0.00
06/30/92	1,015.00	Pump	Z SLMM	10	0.00	1,015.00	0.00	1,015.00	0.00
06/30/92			Z SLMM	5	0.00	750.00	0.00	750.00	0.00
06/30/93	142.	pture	Z SLMM	10	0.00	142,773.00		142,773.00	0.00
06/30/93	311.					0.00		0.00	311,400.00
06/30/93	3.	pin	R NoDep			0.00		0.00	3,800.00
06/30/93	2.	p				2,480.00		2,480.00	0.00
06/30/93	31.	p g	Z SLMM	15	0.00	31,879.86		31,879.86	0.00
06/30/93	58.	p				58,199.29		58,199.29	0.00
06/30/93	174.	p				174,938.00		174,938.00	0.00
06/30/93	11,147.00	V p				11,147.00		11,147.00	0.00
06/30/93			Z SLMM	12	0.00	950.04		950.04	0.00
06/30/93						673.55		673.55	0.00
06/30/94	2.					1,123.19	64.03	1,187.22	1,309.78
06/30/94	415,950.00	Greenhouse	R MF100	39	0.00	187,088.70	10,665.38	197,754.08	218,195.92
06/30/94	940.					422,886.09	24,107.52	446,993.61	493,199.79
06/30/94	11.	ystem	Z SLMM	10	0.00	11,362.00		11,362.00	0.00
06/30/94						677.65		677.65	0.00
06/30/94						678.65		678.65	0.00
06/30/94						679.65		679.65	0.00
06/30/94	1.					1,044.50		1,044.50	0.00
06/30/94	1.		Z SLMM	10	0.00	1,465.00		1,465.00	0.00
06/30/94	2.	g				2,033.00		2,033.00	0.00
06/30/94	7.					7,802.39		7,802.39	0.00
06/30/94	51.	g	p			0.00		0.00	51,127.00
06/30/94	66.		p			0.00		0.00	66,059.00
06/30/94	21.	p				21,019.00		21,019.00	0.00
06/30/94	995.00	Timeclock	Z SLMM	10	0.00	995.00		995.00	0.00
06/30/94	3,850.00	Mataway				3,850.00		3,850.00	0.00
06/30/94				3	0.00	500.00		500.00	0.00
06/30/94	595.00	2-Cy				595.00		595.00	0.00
06/30/94	1,392.00	Pap	Z SLMM	10	0.00	1,392.00		1,392.00	0.00
01/01/95	1,676.00	Shelving/Wiring	Z SLMM	10	0.00	1,676.00		1,676.00	0.00
01/01/95	2.			5	0.00	2,689.00		2,689.00	0.00
01/10/95	6,218.00	V play				6,218.00		6,218.00	0.00
03/02/95	4,689.00	V g				4,689.00		4,689.00	0.00
04/25/95	36.	g	Z SLMM	15	0.00	35,762.18		35,762.18	812.82
06/01/96	1.			5	0.00	1,325.00		1,325.00	0.00
06/01/96	1.			5	0.00	1,325.00		1,325.00	0.00
06/01/96	1.			5	0.00	1,325.00		1,325.00	0.00
08/02/96	350,000.00	Sag				137,980.79	8,974.36	146,955.15	203,044.85
08/02/96	1,165,000.00	Sag	p			0.00		0.00	1,165,000.00
02/25/97	20.					7,697.83	517.50	8,215.33	11,967.29
03/07/97	8.		Z SLMM	5	0.00	8,891.14		8,891.14	0.00
04/21/97	794.00	Printer	Z SLMM	5	0.00	794.00		794.00	0.00
04/30/97	26.					9,860.61	670.41	10,531.02	15,614.98
05/31/97	221.		R MF100	39	0.00	83,176.90	5,687.31	88,864.21	132,940.72
07/01/97	70.	p	R NoDep			0.00		0.00	70,000.00
09/30/97	1,200.	perty-pro	R NoDep			0.00		0.00	1,200,000.00
10/08/97	11.		R MF100	39	0.00	4,236.78	298.19	4,534.97	7,094.44
10/08/97	50.					18,476.38	1,300.39	19,776.77	30,938.39
10/15/97	600.00	Typewriter	Z SLMM	5	0.00	600.00		600.00	0.00
12/30/97	33.					12,078.92	860.22	12,939.14	20,609.47
12/30/97	1.					1,412.07		1,412.07	0.00
12/31/97	15.					15,226.00		15,226.00	0.00
01/01/98	11.					11,987.60		11,987.60	0.00
01/28/98	29,481.00	Conservatory				10,551.40	755.92	11,307.32	18,173.68
02/23/98						229.22	16.52	245.74	398.48
02/23/98	1.	pro	R MF100	39	0.00	371.99	26.81	398.79	646.73
02/27/98	2,368.31	V gn	Z SLMM	10	0.00	2,368.31		2,368.31	0.00

The H. H. & G. A. Dow Foundation
Depreciation Expense Report

As of December 31, 2012

In Svc Date	Cost		F Depr T Meth	Est Life	Salv/168 Allow Sec 179	Prior Accum Depreciation	Depreciation This Run	Current YTD Depreciation	Book Value
04/22/98	42,					15,022.28	1,095.85	16,118.12	26,619.96
05/17/98	1,					1,363.48	100.38	1,463.86	41.78
06/01/98	1,850,000.00	Arbury	p			0.00		0.00	1,850,000.00
06/01/98				5	0.00	775.00		775.00	0.00
06/01/98						510.00		510.00	0.00
06/26/98	165,	perty	R NoDep			0.00		0.00	165,000.00
07/01/98	724.00	SoundStationSpea	Z SLMM	10	0.00	724.00		724.00	0.00
07/01/98	3,					3,569.00		3,569.00	0.00
07/14/98	15,	perty	Z SLMM	15	0.00	13,881.23	1,028.23	14,909.46	514.06
07/16/98	4,			5	0.00	4,208.94		4,208.94	0.00
07/29/98	1,000.00	Pump	Q	Z SLMM	12	0.00	0.00	1,000.00	0.00
08/01/98	300,					103,137.82	7,711.24	110,849.06	189,889.19
09/25/98		pter	Z SLMM	5	0.00	264.00		264.00	0.00
10/08/98	2,					2,447.44		2,447.44	0.00
11/01/98	1,000.00	Snapp		5	0.00	1,000.00		1,000.00	0.00
11/06/98	10,					10,228.00		10,228.00	0.00
12/03/98	2,418.14	V				2,418.14		2,418.14	0.00
01/31/99	2,374.67	Painting				789.04	60.89	849.93	1,524.74
01/31/99	1,921.00	GantryCrns2AW10	Z SLMM	10	0.00	1,921.00		1,921.00	0.00
06/30/99	2,997.00	Lap p pute	Z SLMM	5	0.00	2,997.00		2,997.00	0.00
06/30/99	9,490.00	UndergrndCond/W	R MF100	39	0.00	3,051.78	243.33	3,295.11	6,194.89
06/30/99	54,					45,478.51	3,638.28	49,116.79	5,457.45
07/01/99	289,661.00	LandImp				241,384.14	19,310.73	260,694.87	28,966.13
07/31/99	2,499.00	Comp		5	0.00	2,499.00		2,499.00	0.00
07/31/99	5,			5	0.00	5,078.32		5,078.32	0.00
07/31/99	6,150.00	Somp prstk,		5	0.00	6,150.00		6,150.00	0.00
08/31/99	9,					2,989.94	241.61	3,231.55	6,191.38
09/30/99	1,782.00	Comp		5	0.00	1,782.00		1,782.00	0.00
09/30/99						699.99		699.99	0.00
09/30/99						699.99		699.99	0.00
09/30/99	2,					2,250.00		2,250.00	0.00
09/30/99	10,					10,795.50		10,795.50	0.00
10/31/99	1,864.00	Comp		5	0.00	1,864.00		1,864.00	0.00
11/30/99	1,749.00	Comp		5	0.00	1,749.00		1,749.00	0.00
12/31/99	14,806.36	Rep				4,571.62	379.65	4,951.27	9,855.09
12/31/99	1,762.00	Comp		5	0.00	1,762.00		1,762.00	0.00
12/31/99	3,412.00	Comp	piro	Z SLMM	5	0.00		3,412.00	0.00
02/28/00	23,					23,674.00	0.00	23,674.00	0.00
03/31/00	1,					1,498.00	0.00	1,498.00	0.00
05/31/00	29,					8,684.22	747.03	9,431.25	19,702.75
05/31/00	144,					43,141.89	3,711.13	46,853.01	97,880.99
07/31/00	4,471.53	W				4,254.19	217.35	4,471.53	(0.00)
09/30/00	1,					1,370.80	0.00	1,370.80	0.00
09/30/00	1,					1,029.25	0.00	1,029.25	0.00
09/30/00	1,					1,029.25	0.00	1,029.25	0.00
09/30/00	1,					1,029.25	0.00	1,029.25	0.00
09/30/00	1,	play				1,112.00	0.00	1,112.00	0.00
09/30/00	1,	play				1,112.00	0.00	1,112.00	0.00
09/30/00	1,	play				1,112.00	0.00	1,112.00	0.00
09/30/00	1,					1,121.25	0.00	1,121.25	0.00
09/30/00	1,					1,121.25	0.00	1,121.25	0.00
09/30/00	1,					1,262.70	0.00	1,262.70	0.00
09/30/00	1,					1,262.70	0.00	1,262.70	0.00
09/30/00	1,	g				1,305.00	0.00	1,305.00	0.00
09/30/00	1,	g				1,305.00	0.00	1,305.00	0.00
09/30/00	1,					1,323.65	0.00	1,323.65	0.00
09/30/00	1,					1,323.65	0.00	1,323.65	0.00
09/30/00	1,					1,323.65	0.00	1,323.65	0.00
09/30/00	1,					1,668.55	0.00	1,668.55	0.00
09/30/00	14,					14,482.33	0.00	14,482.33	0.00
09/30/00	18,			3	0.00	18,952.00		18,952.00	0.00
10/31/00	1,	gin	Z SLMM	10	0.00	1,400.00	0.00	1,400.00	0.00
10/31/00	1,	gin	Z SLMM	10	0.00	1,400.00	0.00	1,400.00	0.00
11/30/00	6,800.00	Re discovery		3	0.00	6,800.00	0.00	6,800.00	0.00
12/31/00	225,					63,780.64	5,776.36	69,557.01	155,721.12
12/31/00	529,040.15	V				149,781.64	13,565.13	163,346.78	365,693.37
12/31/00	18,		p	Z SLMM	10	0.00		18,000.00	0.00
12/31/00	1,			3	0.00	1,600.00		1,600.00	0.00
12/31/00	2,					2,275.00		2,275.00	0.00
01/31/01	1,201.00	Comp		5	0.00	1,201.00		1,201.00	0.00
01/31/01	1,418.00	Computer.Dell866	Z SLMM	5	0.00	1,418.00		1,418.00	0.00
02/28/01	1,					1,295.00	0.00	1,295.00	0.00
02/28/01	1,					1,375.00	0.00	1,375.00	0.00
02/28/01	1,					1,375.00	0.00	1,375.00	0.00
02/28/01	1,					1,510.00	0.00	1,510.00	0.00
02/28/01	1,					1,575.00	0.00	1,575.00	0.00
02/28/01	1,					1,595.00	0.00	1,595.00	0.00
02/28/01	1,					1,595.00	0.00	1,595.00	0.00
02/28/01	1,					1,595.00	0.00	1,595.00	0.00
02/28/01	2,					2,150.00	0.00	2,150.00	0.00
02/28/01	2,					2,150.00	0.00	2,150.00	0.00
03/31/01	1,			3	0.00	1,200.00		1,200.00	0.00
03/31/01	1,			3	0.00	1,800.00		1,800.00	0.00
03/31/01	5,			3	0.00	5,000.00		5,000.00	0.00
03/31/01	12,					12,559.00	0.00	12,559.00	0.00
04/30/01	3,180.00	Ap				873.16	81.54	954.70	2,225.30
04/30/01	1,099.00	Ap		5	0.00	1,099.00		1,099.00	0.00
04/30/01	1,357.57	Ap		5	0.00	1,357.57		1,357.57	0.00
06/30/01	4,					1,210.61	114.84	1,325.45	3,153.35
09/30/01	1,367.00	Sep		5	0.00	1,367.00		1,367.00	0.00
09/30/01	2,552.00	Sep		5	0.00	2,552.00		2,552.00	0.00
11/30/01	221,		g			57,472.34	5,676.28	63,148.63	158,226.37
11/30/01	163,		p			0.00		0.00	163,625.00
11/30/01	1,					1,800.00	0.00	1,800.00	0.00
12/31/01	4,					4,620.00	0.00	4,620.00	0.00
12/31/01	179,		p			0.00		0.00	179,054.02
01/31/02	52,		g			13,495.95	1,355.24	14,851.19	38,003.31
01/31/02	35,869.70	Whiting	perty			23,713.84	2,391.31	26,105.15	9,764.55
01/31/02	14,					14,577.50	122.50	14,700.00	0.00

The H. H. & G. A. Dow Foundation Depreciation Expense Report

As of December 31, 2012

In Svc Date	Cost		P T	Depr Meth	Est Life	Salv/168 Allow Sec 179	Prior Accum Depreciation	Depreciation This Run	Current YTD Depreciation	Book Value
03/31/02	1,115.00	Mar2002-Express	Z	SLMM	5	0.00	1,115.00		1,115.00	0.00
04/30/02	1,111.25	Ap					1,074.24	37.02	1,111.26	(0.01)
04/30/02	1,111.25	Ap					1,074.24	37.02	1,111.26	(0.01)
06/30/02	9,930.00	Jun2002-Whiting					2,429.49	254.62	2,684.11	7,245.89
08/31/02	1,047.00	Aug\			5	0.00	1,047.00		1,047.00	0.00
11/30/02	87,264.81	Nov2002-Whiting					20,417.74	2,237.56	22,655.30	64,609.51
11/30/02	1,						1,498.58	151.22	1,649.80	0.00
11/30/02	1,						1,048.00		1,048.00	0.00
12/31/02	57,717.50	Dec2002-Whiting	Z	SLMM	5	0.00	13,381.11	1,479.94	14,861.05	42,856.45
01/31/03	2,370.00	Jan03-3.06GHz/5	Z	SLMM	5	0.00	2,370.00		2,370.00	0.00
02/28/03	1,031.00	Feb03-OptiPlexGX	Z	SLMM	5	0.00	1,031.00		1,031.00	0.00
02/28/03	1,113.00	Feb03-OptiPlexGX	Z	SLMM	5	0.00	1,113.00		1,113.00	0.00
03/31/03	1,003.00	Mar03-OptiPlexGX	Z	SLMM	5	0.00	1,003.00		1,003.00	0.00
04/30/03	1,						889.20	102.60	991.80	34.20
04/30/03	18,219.00	Ap			3	0.00	18,219.00		18,219.00	0.00
04/30/03	3,759.00	Ap					3,257.80	375.90	3,633.70	125.30
06/30/03	7,						6,204.15	729.90	6,934.05	364.95
07/31/03	1,588.00	Jul03-DellPentium	Z	SLMM	5	0.00	1,588.00		1,588.00	0.00
08/31/03	7,680.00	Aug					6,400.00	768.00	7,168.00	512.00
09/30/03	30,380.00	Sept03-1,					16,708.98	2,025.33	18,734.31	11,645.69
10/31/03	1,				5	0.00	1,432.00		1,432.00	0.00
03/31/04	2,				6	0.00	2,791.00	0.00	2,791.00	0.00
04/30/04	16,000.00	Ap					12,266.67	1,600.00	13,866.67	2,133.33
05/31/04	3,059.16	May			5	0.00	3,059.16		3,059.16	0.00
06/30/04	2,				5	0.00	2,499.00		2,499.00	0.00
07/31/04	1,				3	0.00	1,074.99		1,074.99	0.00
09/30/04	16,959.00	Sep			5	0.00	16,959.00		16,959.00	0.00
12/31/04	3,						2,186.10	312.30	2,498.40	624.60
12/31/04	88,						2,186.10	312.30	2,498.40	624.60
12/31/04	87,		R	NoDep						88,158.02
12/31/04	5,		R	NoDep						87,299.24
12/31/04	310,		R	NoDep						5,142.21
12/31/04	213,									310,985.42
12/31/04	89,									213,781.37
12/31/04	195,									89,887.00
12/31/04	220,									195,485.63
12/31/04	72,		R	NoDep						220,076.51
12/31/04	5,		R	NoDep						72,189.69
12/31/04	73,		R	NoDep						5,416.47
02/28/05	3,						1,626.33	238.00	1,864.33	1,705.67
04/30/05	10,144.00	Ap					6,762.67	1,014.40	7,777.07	2,366.93
04/30/05	2,609.00	Ap					1,739.33	260.90	2,000.23	608.77
04/30/05	3,123.00	Ap					2,082.00	312.30	2,394.30	728.70
06/30/05	1,						1,109.55	170.70	1,280.25	426.75
06/30/05	33,						14,488.50	2,229.00	16,717.50	16,717.50
07/31/05	1,847.00	Comp			3	0.00	1,847.00		1,847.00	0.00
07/31/05	20,						8,944.40	1,393.93	10,338.33	10,570.67
08/31/05	5,314.00	Aug			0	0.00	0.00		0.00	5,314.00
08/31/05	14,165.00	Aug			15	0.00	5,980.77	944.33	6,925.10	7,239.90
08/31/05	101,190.00	Aug	Z	SLMM			42,724.67	6,746.00	49,470.67	51,719.33
09/30/05	3,740.00	Sep			5	0.00	3,740.00	0.00	3,740.00	0.00
09/30/05	5,845.00	Sep			5	0.00	5,845.00	0.00	5,845.00	0.00
09/30/05	4,077.00	Sep			5	0.00	4,077.00	0.00	4,077.00	0.00
09/30/05	8,288.00	Sep			5	0.00	8,288.00	0.00	8,288.00	0.00
10/31/05	20,				5	0.00	20,605.00	0.00	20,605.00	0.00
11/30/05	3,				5	0.00	3,949.00	0.00	3,949.00	0.00
12/31/05	2,				5	0.00	2,556.00	0.00	2,556.00	0.00
12/31/05	197,						30,541.54	5,055.15	35,596.69	161,554.31
12/31/05	1,				5	0.00	1,249.00	0.00	1,249.00	0.00
12/31/05	2,				5	0.00	2,968.00	0.00	2,968.00	0.00
03/23/06	15,513.00	Boiler-gas;					6,837.88	1,034.20	7,872.08	7,640.92
04/10/06	19,262.44	Irrig					14,238.80	1,926.24	16,165.04	3,097.40
04/11/06	9,				7	0.00	9,721.76	1,426.86	11,148.62	(1,160.63)
05/08/06	1,167.00	Comp	R	SLMM	3	0.00	1,167.00		1,167.00	0.00
05/08/06	1,552.00	Laptop	P	SLMM	3	0.00	1,552.00		1,552.00	0.00
05/26/06	6,800.19	Playhouse-Childre	P	SLMM	10	0.00	5,026.70	680.02	5,706.72	1,093.47
06/09/06	10,		R	SLMM	15	0.00	4,672.31	706.67	5,378.98	5,221.02
06/29/06	2,				3	0.00	2,972.23		2,972.23	0.00
06/29/06	15,193.30	W	R	SLMM	10		11,230.89	1,519.33	12,750.22	2,443.08
07/01/06	1,						1,028.00		1,028.00	0.00
07/01/06	1,						1,028.00		1,028.00	0.00
07/01/06	1,						1,028.00		1,028.00	0.00
07/20/06	167,						0.00		0.00	167,184.61
07/28/06	32,386.28	Repaving					23,939.94	3,238.63	27,178.56	5,207.72
07/28/06	1,118.13	Chair-steelcase-d	P	MF200	3	0.00	1,118.13		1,118.13	0.00
07/28/06	1,118.13	Chair-steelcase-b	P	MF200	3	0.00	1,118.13		1,118.13	0.00
08/01/06	1,						1,028.00		1,028.00	0.00
08/01/06	1,						1,207.09	0.00	1,207.09	0.00
08/08/06	35,000.00	W					4,823.73	897.44	5,721.17	29,278.83
08/31/06	3,						2,947.19	398.70	3,345.89	641.11
08/31/06	9,849.55	Generator-greenh	R	MF200	10	0.00	7,280.79	984.96	8,265.75	1,583.81
09/08/06	93,						41,172.89	6,227.23	47,400.12	46,008.35
09/08/06	23,428.00	Painting					17,317.98	2,342.80	19,660.78	3,767.22
09/18/06	4,		R	MF200	10	0.00	2,957.10	400.04	3,357.14	643.26
10/02/06	20,361.70	Paving					15,051.37	2,036.17	17,087.54	3,274.16
10/09/06	13,500.00	Creativity					9,979.20	1,350.00	11,329.20	2,170.80
10/09/06	21,784.11	Paving parkin	R	MF200	10	0.00	16,102.82	2,178.41	18,281.23	3,502.88
10/31/06	5,243.01	Creativity					3,875.63	524.30	4,399.93	843.08
11/03/06	177,		R	MT150	15	0.00	78,288.80	11,839.51	90,128.31	87,464.41
11/03/06	17,		R	MF200	10	0.00	13,028.40	1,762.50	14,790.90	2,834.09
11/21/06	1,						1,293.97	175.05	1,469.02	281.48
11/21/06	1,						948.02	128.25	1,076.27	206.23
01/26/07	23,						2,888.54	587.50	3,476.04	20,023.96
04/04/07	45,						28,368.25	4,546.19	32,914.44	12,547.50
04/04/07	3,008.53	Carpeting-Journey	P	MF200	7	0.00	2,552.42	429.79	2,982.21	26.32
05/02/07	1,						984.02	165.69	1,149.71	10.14
05/02/07	3,						2,891.63	486.91	3,378.54	29.80
05/02/07	2,						1,785.08	300.58	2,085.66	18.41

The H. H. & G. A. Dow Foundation
Depreciation Expense Report

As of December 31, 2012

In Svc Date	Cost	P T	Depr Meth	Est Life	Salv/168 Allow Sec 179	Prior Accum Depreciation	Depreciation This Run	Current YTD Depreciation	Book Value
05/09/07	74,					63,458.05	10,685.38	74,143.43	654.20
05/18/07	28,629.10		Sculp			17,864.56	2,862.91	20,727.47	7,901.63
05/24/07	12,					7,749.81	1,241.96	8,991.77	3,427.79
05/24/07	46,		g			28,860.00	4,625.00	33,485.00	12,765.00
06/07/07	96,					26,707.43	4,830.25	31,537.68	65,067.32
06/21/07	10,		p			8,895.44	1,497.86	10,393.30	91.70
06/29/07	2,		ptop	pu	P MF200	2,128.86	0.00	2,128.86	0.00
06/29/07	8,		g			7,269.07	1,224.00	8,493.07	74.93
07/06/07	2,					2,290.68	385.71	2,676.39	23.61
07/06/07	2,					2,290.68	385.71	2,676.39	23.61
07/06/07	2,					2,290.68	385.71	2,676.39	23.61
07/11/07	1,					1,519.88	133.74	1,653.62	(133.74)
07/12/07	22,367.00		Pergola		R MF200	13,957.01	2,236.70	16,193.71	6,173.29
08/05/07	4,					3,803.37	640.43	4,443.80	39.20
08/16/07	3,					2,799.71	471.43	3,271.14	28.86
09/11/07	15,		g			9,750.00	1,562.50	11,312.50	4,312.50
10/09/07	31,					26,911.14	4,531.43	31,442.57	277.43
12/31/07	8,		p			5,572.32	893.00	6,465.32	2,464.68
03/06/08	18,					3,486.42	909.50	4,395.92	13,794.08
03/18/08	87,431.76		W			21,857.94	5,828.78	27,686.72	59,745.04
03/20/08	3,599.00		Samsung	py	P SLMM	3,599.00	299.91	3,898.91	(299.91)
03/26/08	16,				7	9,074.61	2,419.89	11,494.50	5,444.76
03/26/08	16,				7	9,074.61	2,419.89	11,494.50	5,444.76
04/09/08	1,		ptip		2	1,147.00	0.00	1,147.00	0.00
04/09/08	1,		ptip		2	1,147.00	0.00	1,147.00	0.00
04/30/08	7,		pp			3,628.12	1,080.71	4,708.83	2,856.17
05/09/08	12,					3,085.38	841.47	3,926.85	8,695.15
05/30/08	4,118.00		W		5	2,951.23	823.60	3,774.83	343.17
05/30/08	6,975.00		W	p		1,666.25	465.00	2,131.25	4,843.75
06/05/08	8,		ps-J'		R SLMM	2,878.85	803.40	3,682.25	4,351.75
06/18/08	1,				5	979.97	279.99	1,259.96	139.99
06/18/08	3,515.00		MB-Parking			1,230.25	351.50	1,581.75	1,933.25
06/18/08	1,835.00		Sp	y		917.50	367.00	1,284.50	550.50
06/26/08	9,		g-P		P SLMM	4,623.70	1,321.05	5,944.75	3,302.63
07/02/08	2,444.00		Comp	grave	P SLMM	1,710.80	488.80	2,199.60	244.40
07/11/08	2,960.00		Wedding	y	S SLMM	1,036.00	296.00	1,332.00	1,628.00
07/28/08	46,				R SLMM	3,984.44	1,166.18	5,150.62	41,496.39
09/22/08	16,460.00		W	g		2,674.75	823.00	3,497.75	12,962.25
10/23/08	10,		g-B		P SLMM	4,817.86	1,521.43	6,339.29	4,310.71
11/25/08	8,		p		7	3,596.01	1,166.27	4,762.28	3,401.61
12/04/08	1,113.90		Amig	y		858.64	278.48	1,137.12	(23.21)
12/04/08	22,					7,014.58	2,275.00	9,289.58	13,460.42
01/30/09	2,				7	943.34	323.43	1,266.77	997.23
01/30/09	2,				7	943.34	323.43	1,266.77	997.23
01/30/09	2,				7	943.34	323.43	1,266.77	997.23
04/03/09	17,				7	7,053.02	2,564.74	9,617.76	8,335.40
10/26/09	2,				3	1,497.89	691.33	2,189.22	(115.22)
12/31/2009	1,511.00		W		5	604.40	302.20	906.60	604.40
12/31/2009	2,800.00					1,120.00		680.00	1,120.00
3/16/2010	11,159.00					3,905.65	2,231.80	6,137.45	5,021.55
3/19/2010	16,402.45				5	5,740.86	280.49	9,021.35	7,381.10
4/30/2010	10,225.00				15	1,136.11		817.77	8,407.23
6/23/2010	1,400.00				5	420.00	280.00	700.00	700.00
6/23/2010	1,400.00				5	420.00	280.00	700.00	700.00
6/30/2010	20,234.00					3,035.10	2,023.40	5,058.50	15,175.50
12/16/2010	2,959.80		W			458.06	422.83	880.89	2,078.91
3/16/2011	2,200.00				5	330	440.00	770.00	1,430.00
5/2/2011	20,271.42				5	2365	4,054.28	6,419.28	13,852.14
9/30/2011	3,750.00		parking			93.75	93.75	187.50	3,562.50
10/28/2011	7,626.79				5	254.23	254.23	508.46	7,118.33
2/8/2012	11,745.05		p				1,174.51	1,174.51	10,570.55
5/21/2012	19,373.00						282.52	282.52	19,090.48
11/28/2012	3,250.00		Simply	pture	slmm		27.08	27.08	3,222.92
	23,781,046				3,783	,895,379	,084	,270,463	,510,583

FORM 990-PF	CORPORATE STOCK	STATEMENT 13
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
DOW CHEMICAL STOCK	182,616,700.	182,616,700.
DODGE & COX PORTFOLIO	8,209,971.	8,209,971.
TEMPLETON INSTITUTIONAL FUNDS	8,469,618.	8,469,618.
SANDS CAPITAL	10,899,041.	10,899,041.
WILLIAM BLAIR	4,077,222.	4,077,222.
TOTAL TO FORM 990-PF, PART II, LINE 10B	214,272,552.	214,272,552.

FORM 990-PF	CORPORATE BONDS	STATEMENT 14
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
PIMCO LOW DURATION BOND FUND	116,002.	116,002.
PIMCO - SYM	883.	883.
TOTAL TO FORM 990-PF, PART II, LINE 10C	116,885.	116,885.

FORM 990-PF	OTHER INVESTMENTS	STATEMENT 15
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
36-4119709	FMV	44,074.	44,074.
36-4142431	FMV	236,485.	236,485.
51-0381892	FMV	819,093.	819,093.
38-3431245	FMV	889,787.	889,787.
36-4276935	FMV	108,125.	108,125.
06-1582470	FMV	862,035.	862,035.
38-3557229	FMV	120,430.	120,430.
OCM EMERGING MARKETS I (OAKTREE)	FMV	0.	0.
35-2107069	FMV	1,131,909.	1,131,909.
36-4443622	FMV	1,218,408.	1,218,408.
47-0859230	FMV	30,529.	30,529.
01-0709496	FMV	421,321.	421,321.
03-0469267	FMV	1,113,627.	1,113,627.
16-1625273	FMV	452,952.	452,952.
16-1625273	FMV	709,816.	709,816.
GLOBAL UNDERVALUED SECURITIES FUND, LTD	FMV	1,960,829.	1,960,829.
75-3131501	FMV	1,159,429.	1,159,429.

43-1963373	FMV	952,333.	952,333.
20-3879026	FMV	543,631.	543,631.
M. KINGDON OFFSHORE N.V.	FMV	0.	0.
MOON CAPITAL GLOBAL EQUITY FUND	FMV	4,138,276.	4,138,276.
38-3479570	FMV	1,264,790.	1,264,790.
ABSOLUTE RETURN CAYMAN LTD (BAIN)	FMV	7,397,423.	7,397,423.
FINANCIAL STOCKS OFFSHORE FUND, LTD	FMV	7,637,868.	7,637,868.
20-8495541	FMV	645,486.	645,486.
26-3599490	FMV	155,771.	155,771.
26-3599516	FMV	483.	483.
26-3599427	FMV	0.	0.
27-3114657	FMV	390,868.	390,868.
ARCHIPELAGO HOLDINGS	FMV	8,781,714.	8,781,714.
NORTH COAST TECH INVESTORS III	FMV	0.	0.
27-3204697	FMV	244,763.	244,763.
JANUS	FMV	7,973,071.	7,973,071.
NEUBERGER BERMAN	FMV	0.	0.
BLACKROCK EQUITY	FMV	8,990,428.	8,990,428.
JENNISON ASSOCIATES	FMV	0.	0.
SCHRODER INTERNATIONAL	FMV	10,243,111.	10,243,111.
RENAISSANCE INTERNATIONAL	FMV	5,591,832.	5,591,832.
ATLANTA SM MID CORE	FMV	2,935,082.	2,935,082.
OZOFII ACCESS LTD	FMV	5,475,744.	5,475,744.
CAMBIAR SCV	FMV	493,192.	493,192.
EAGLE SCG	FMV	2,544,128.	2,544,128.
GSO MEZZANINE FINANCE	FMV	1,387,680.	1,387,680.
DFA EMERGING MARKET CORE EQUITY	FMV	0.	0.
DFA US SMALL XM VALUE PORTFOLIO	FMV	4,770,137.	4,770,137.
DRIEHAUS EMERGING MARKET GROWTH	FMV	2,067,957.	2,067,957.
HODGES SMALL CAP FUND INSTITUTIONAL	FMV	2,931,067.	2,931,067.
THORNBURG INTERNATIONAL GROWTH	FMV	3,642,414.	3,642,414.
NICHOLAS LIMITED EDITION INC.	FMV	5,176,427.	5,176,427.
VANGUARD SMALL-CAP	FMV	3,300,073.	3,300,073.
HUSSMAN STRATEGIC GROWTH	FMV	965,681.	965,681.
ISHARES TRUST	FMV	0.	0.
MARKETFIELD FD	FMV	4,205,868.	4,205,868.
20-0751682	FMV	4,145,154.	4,145,154.
JP MORGAN LCG	FMV	15,166,107.	15,166,107.
HERNDON LCV	FMV	4,911,869.	4,911,869.
CHARTWELL SCV	FMV	478,324.	478,324.
CHILTON SMALL CAP ACCEE	FMV	999,686.	999,686.
WINTON FUTURE ACCESS	FMV	1,478,472.	1,478,472.
VESEY STREET FUND	FMV	200,000.	200,000.
TEMPLETON INSTITUTIONAL - CS	FMV	647,853.	647,853.
THORNBURG INVT TR - CS	FMV	1,164,797.	1,164,797.
GUGGENHEIM	FMV	8,014,406.	8,014,406.
VANGUARD EQUITY	FMV	7,235,535.	7,235,535.
OAKTREE CAPITAL MGMT	FMV	1,660,015.	1,660,015.
13-4359956	FMV	1,710,267.	1,710,267.
RENAISSANCE VENTURE CAPITAL	FMV	150,000.	150,000.

TOTAL TO FORM 990-PF, PART II, LINE 13

164,088,632.

164,088,686.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 16

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MARGARET ANN RIECKER 1018 W. MAIN ST. MIDLAND, MI 48640	PRESIDENT/TRUSTEE 35.00	0.	0.	0.
MICHAEL LLOYD DOW 1018 W. MAIN ST. MIDLAND, MI 48640	VICE PRESIDENT/TRUSTEE 3.00	0.	0.	0.
MACAULEY WHITING, JR. 1018 W. MAIN ST. MIDLAND, MI 48640	TREASURER/TRUSTEE 3.00	0.	0.	0.
MARGARET E. THOMPSON 1018 W. MAIN ST. MIDLAND, MI 48640	SECRETARY/TRUSTEE 1.00	0.	0.	0.
RUTH A. DOAN 1018 W. MAIN ST. MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
DIANE DOW HULLET 1018 W. MAIN ST. MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
BONNIE BUCHANAN MATHESON 1018 W. MAIN ST. MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
WILLARD MOTT 1018 W. MAIN ST. MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
ALDEN LEE HANSON 1018 W. MAIN ST. MIDLAND, MI 48640	TRUSTEE 1.00	0.	0.	0.
JENEE VELASQUEZ 1018 W. MAIN ST. MIDLAND, MI 48640	EXECUTIVE DIRECTOR 40.00	189,981.	11,399.	0.
DAVID RAMAKER 1018 W. MAIN ST. MIDLAND, MI 48640	PART-YEAR TRUSTEE 1.00	0.	0.	0.

LAURA DUROCHER	ASSOCIATE TRUSTEE			
1018 W. MAIN ST.	1.00	0.	0.	0.
MIDLAND, MI 48640				

LYNN WHITE	ASSOCIATE TRUSTEE			
1018 W. MAIN ST.	1.00	0.	0.	0.
MIDLAND, MI 48640				

TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII	189,981.	11,399.	0.
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FORM 990-PF	SUMMARY OF DIRECT CHARITABLE ACTIVITIES	STATEMENT	17
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ACTIVITY ONE

THE DOW GARDENS: A BOTANICAL GARDEN THAT DISPLAYS NATIVE AND INTERNATIONALLY SELECTED TREES, SHRUBS, AND HERBACEOUS PLANTS IN LANDSCAPE SETTINGS. SEE STATEMENT 11 FOR ADDITIONAL INFORMATION.

EXPENSES

TO FORM 990-PF, PART IX-A, LINE 1

2,689,240.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 18

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

MARGARET A. RIECKER, PRESIDENT, THE HERBERT H. AND GRACE A. DOW FOUNDATION
1018 W. MAIN ST.
MIDLAND, MI 48640-4292

NAME OF GRANT PROGRAM

HHDOWFDN.ORG/GUIDELINES

FORM AND CONTENT OF APPLICATIONS

THERE IS NO FORMAL APPLICATION FORM. APPLICANTS SHOULD SUBMIT A LETTER SETTING FORTH THE NATURE AND POTENTIAL RESULTS OF A PROGRAM FOR WHICH FUNDING IS SOUGHT; THE TOTAL COST OF THE PROJECT INCLUDING ANY ENDOWMENT FOR OPERATIONS; THE AMOUNT OF THE GRANT SOUGHT, AND HOW AND OVER WHAT PERIOD OF TIME THE GRANT MAY BE DISBURSED, AS WELL AS ANY OTHER FUNDING SOURCES BEING SOUGHT FOR THE PROJECT.

THE LETTER SHOULD BE ACCOMPANIED BY EVIDENCE OF TAX-EXEMPT STATUS; A DETAILED ORGANIZATIONAL BUDGET, AND THE LATEST AUDITED FINANCIAL STATEMENT; THE NAMES OF MANAGEMENT, AND THE TRUSTEES OR DIRECTORS OF THE ORGANIZATION.

PROPOSALS SHOULD INCLUDE PROVISIONS AND PROCEDURES FOR CONTINUING EVALUATION OF PROGRAMS FOR WHICH SUPPORT IS REQUESTED.

ANY SUBMISSION DEADLINES

THE BOARD MEETS DURING THE YEAR TO MAKE FINAL DECISIONS WITH GRANTS TYPICALLY DISBURSED IN DECEMBER.

RESTRICTIONS AND LIMITATIONS ON AWARDS

THE FOUNDATION DOES NOT MAKE GRANTS DIRECTLY TO INDIVIDUALS. THE FOUNDATION'S CHARTER LIMITS ITS GRANTS TO MICHIGAN ORGANIZATIONS. THE FOUNDATION CANNOT LEGALLY SUPPORT: ORGANIZATIONS THAT ARE NOT ELIGIBLE TO RECEIVE TAX DEDUCTIBLE CONTRIBUTIONS PER THE INTERNAL REVENUE SERVICE; POLITICAL ORGANIZATIONS; SECTARIAN RELIGIOUS ORGANIZATIONS (EXCEPT THOSE THAT ARE LOCATED IN THE MIDLAND COMMUNITY); OR ORGANIZATIONS THAT PRACTICE DISCRIMINATION BY RACE, SEX, CREED, AGE, OR NATIONAL ORIGIN.

THE FOUNDATION DOES NOT ACCEPT PRESET "FORMULAS FOR GIVING" PREPARED BY NONPROFIT AGENCIES.

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Charlevoix Area Hospital Foundation	to fund the School Nurse Project for five school districts in Charlevoix and Antrim counties over three years	\$ 33,333
City of Coleman	to complete phase three of the Coleman Veteran's Memorial project	\$ 30,000
New Urban Learning	three-year support for two engineering instructors' compensation for the University Prep Science & Math High School's Science & Engineering Program beginning with the 2010-2011 school year	\$ 125,000
Glad Tidings Church of Oil City	to complete construction of a multi-purpose building	\$ 10,000
Legacy Center for Community Success (The)	to fund a Search Institute Assets and Behaviors survey to adolescents in Clare and Gladwin counties	\$ 19,800
Council of Michigan Foundations	to support 2012 operations as an organization member	\$ 12,900
Midland Area Chamber Foundation	support for 2012 Midland Blooms Project	\$ 10,000
Reaching Our Community Kids (R.O.C.K.)	operating support for three years beginning in 2011	\$ 50,000
United Way of Midland County	Base Grant for the campaign beginning in 2010	\$ 120,000
United Way of Midland County	Challenge Grant for Leadership Circle gifts and gifts increased by at least \$500.00 beginning in 2010	\$ 120,000
Frankenmuth (City of)	to fund the Frankenmuth Fish Passage Project at the Cass River Dam	\$ 20,000
Interlochen Center for the Arts	in support of the touring program and Symposium speaker fees for the 50th Anniversary celebration at the Interlochen Arts Academy	\$ 700,000
Michigan Nonprofit Association	to fund eight fellowships allowing staff members and board members of local non-profit organizations to attend the MNA SuperConference in Dearborn, Michigan, on October 7-9, 2012	\$ 5,000
Michigan Nonprofit Association	to support the two stages of the development of a Nonprofit Center	\$ 100,000
Midland City	to resurface the Grace A. Dow Memorial Library parking lot and adjacent west parking lot	\$ 50,000
RE / MAX of Midland Balloon Fest	to support operations for the RE/MAX of Midland Balloon event for 2012 to 2016	\$ 10,000
Shepherd Public Schools	to purchase Lenovo ThinkPad notebook computers for Shepherd High School	\$ 25,000
Special Olympics Michigan	to provide operating expenses for the Family Health Forum at the State Summer Games on May 31-June 2, 2012, at Central Michigan University (\$1 for \$1 match)	\$ 5,000
Detroit Area Pre-College Engineering Program, Inc.	6/10/2011: request for operations over three years beginning in 2012	\$ 300,000
First United Methodist Church	to replace the two-story window wall in the Herbert H. and Grace A. Dow Memorial Chapel	\$ 10,000
Lee Township	to build an ADA restroom facility for Lee Township Park	\$ 30,000
Meridian Public Schools	New Tech Network high school model	\$ 145,000
Midland Kids First	to fund Recovering Youth Futures - a substance abuse treatment system for adolescents	\$ 1,600

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
United Way of Midland County	for area agencies participation in MITCON, Midland non-profit information technology consortium	\$ 45,210
Council of Michigan Foundations	to fund operating expenses for the Michigan Council for Educator Effectiveness to June 13, 2013	\$ 100,000
Cranbrook Educational Community	to launch and support the 'Cranbrook Art & Science on the Go' program for an initial four-year period	\$ 250,000
Midland Center for the Arts	for 2011-2012 operations and education outreach	\$ 750,000
Midland County 4-H Council	operations over two years beginning in 2012	\$ 10,000
Reaching Our Community Kids (R.O.C.K.)	operating support for three years beginning in 2011	\$ 50,000
Greater Midland Community Centers, Inc.	to support pre-school operations of the Railway Family Center in Coleman, Michigan	\$ 100,000
Northwood University	to create a Main Street entryway to its campus, a portion of which would traverse over property owned by Midland Investment Properties, LLC, a Michigan limited liability company, of which the Foundation is the sole member	\$ 250,000
Young Life	to support the expenses related to starting the YoungLives program	\$ 15,000
Northwood University	to create a Main Street entryway to its campus, a portion of which would traverse over property owned by Midland Investment Properties, LLC, a Michigan limited liability company, of which the Foundation is the sole member	\$ 250,000
Northwood University	to create a Main Street entryway to its campus, a portion of which would traverse over property owned by Midland Investment Properties, LLC, a Michigan limited liability company, of which the Foundation is the sole member	\$ 250,000
Abundant Life Apostolic Church	Annual gift	\$ 1,000
Aldersgate United Methodist Church	Annual gift	\$ 1,000
Assumption of the Blessed Virgin Mary Catholic Church	Annual gift	\$ 1,000
Bethel Brethren in Christ Church	Annual gift	\$ 1,000
Blessed Sacrament Parish Community	Annual gift	\$ 1,000
Calvary Baptist Church	Annual gift	\$ 1,000
Chapel Lane Presbyterian Church	Annual gift	\$ 1,000
Christian Celebration Center	Annual gift	\$ 1,000
Church of Daniel's Band	Annual Gift	\$ 1,000
Cleft of the Rock Family Church	Annual Gift	\$ 1,000
Coleman Assembly of God Church	Annual Gift	\$ 1,000
Coleman Wesleyan Church	Annual Gift	\$ 1,000
Community of Christ-Coleman	Annual Gift	\$ 1,000
Community of Christ - Midland	Annual Gift	\$ 1,000
Community of Christ-Sanford	Annual Gift	\$ 1,000
Countryside Church of the United Brethren in Christ	Annual Gift	\$ 1,000

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Cross of Christ Lutheran Church	Annual Gift	\$ 1,000
Eagle Ridge Church of God	Annual Gift	\$ 1,000
Edenville Seventh-Day Adventist Church	Annual Gift	\$ 1,000
Edenville United Methodist Church	Annual Gift	\$ 1,000
Emmanuel Baptist Church	Annual Gift	\$ 1,000
Faith Christian Assembly	Annual Gift	\$ 1,000
Faith Ministries Baptist Church	Annual Gift	\$ 1,000
Faith United Methodist Church of Coleman	Annual Gift	\$ 1,000
Faith Wesleyan Church	Annual Gift	\$ 1,000
First Baptist Church	Annual Gift	\$ 1,000
First Church of Christ, Scientist	Annual Gift	\$ 1,000
First United Methodist Church	Annual Gift	\$ 1,000
Floyd Church of God	Annual Gift	\$ 1,000
Glad Tidings Church of Oil City	Annual Gift	\$ 1,000
Good Shepherd Evangelical Lutheran Church	Annual Gift	\$ 1,000
Gordonville United Methodist Church	Annual Gift	\$ 1,000
Grace Baptist Church	Annual Gift	\$ 1,000
Grace Bible Church	Annual Gift	\$ 1,000
Holy Family Episcopal Church	Annual Gift	\$ 1,000
Holy Redeemer Lutheran Church	Annual Gift	\$ 1,000
Holy Scripture Lutheran Church	Annual Gift	\$ 1,000
Homer United Methodist Church	Annual Gift	\$ 1,000
Hope Baptist Church	Annual Gift	\$ 1,000
Hope United Methodist Church	Annual Gift	\$ 1,000
LaPorte United Methodist Church	Annual Gift	\$ 1,000
Lighthouse Body of Christ	Annual Gift	\$ 1,000
Lord of New Life Lutheran Church	Annual Gift	\$ 1,000
Mapleton United Methodist Church	Annual Gift	\$ 1,000
Memorial Presbyterian Church of Midland	Annual Gift	\$ 1,000
Meridian Church of God	Annual Gift	\$ 1,000
Messiah Lutheran Church	Annual Gift	\$ 1,000
Midland Baptist Church	Annual Gift	\$ 1,000
Midland Bethel Church of the Nazarene	Annual Gift	\$ 1,000
Midland Christian Church	Annual Gift	\$ 1,000
Midland Church of the Brethren	Annual Gift	\$ 1,000
Midland Community Church of the Nazarene	Annual Gift	\$ 1,000
Midland Evangelical Free Church	Annual Gift	\$ 1,000

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Midland Free Methodist Church	Annual Gift	\$ 1,000
Midland Missionary Church	Annual Gift	\$ 1,000
Midland Reformed Church	Annual Gift	\$ 1,000
Midland Seventh-Day Adventist Church	Annual Gift	\$ 1,000
Mount Hope Fellowship Church	Annual Gift	\$ 1,000
Mt. Haley Church of God	Annual Gift	\$ 1,000
Nease Memorial Church of the Nazarene	Annual Gift	\$ 1,000
New Hope Community Church of God	Annual Gift	\$ 1,000
New Hope Community Church of Midland	Annual Gift	\$ 1,000
New Life Vineyard Church	Annual Gift	\$ 1,000
North Bradley Church of God	Annual Gift	\$ 1,000
North Point Ministries	Annual Gift	\$ 1,000
Oil City Assembly of God	Annual Gift	\$ 1,000
Open Door Baptist Church	Annual Gift	\$ 1,000
Our Redeemer Church	Annual Gift	\$ 1,000
Our Savior Lutheran Church	Annual Gift	\$ 1,000
Pentecostal Temple	Annual Gift	\$ 1,000
Porter Free Methodist Church	Annual Gift	\$ 1,000
Poseyville United Methodist Church	Annual Gift	\$ 1,000
South Midland Congregation of Jehovah's Witness	Annual Gift	\$ 1,000
Salt River Church of Christ	Annual Gift	\$ 1,000
Sanford First Baptist Church	Annual Gift	\$ 1,000
Sanford United Methodist Church	Annual Gift	\$ 1,000
St. Agnes Catholic Church	Annual Gift	\$ 1,000
St. Anne Parish Community	Annual Gift	\$ 1,000
St. Brigid Catholic Church	Annual Gift	\$ 1,000
St. John's Episcopal Church	Annual Gift	\$ 1,000
St. John's Lutheran Church	Annual Gift	\$ 1,000
St. Patrick Church	Annual Gift	\$ 1,000
St. Paul Lutheran Church	Annual Gift	\$ 1,000
St. Philip Neri Parish Community	Annual Gift	\$ 1,000
St. Timothy Lutheran Church	Annual Gift	\$ 1,000
Sunrise Baptist Church	Annual Gift	\$ 1,000
Temple Beth El	Annual Gift	\$ 1,000
Church of Christ Restored (The)	Annual gift	\$ 1,000
Church of Jesus Christ of Latter-Day Saints (The)	Annual Gift	\$ 1,000
Salvation Army (The)	Annual Gift	\$ 1,000
Trinity Lutheran Church	Annual Gift	\$ 1,000
Trinity Wesleyan Church	Annual Gift	\$ 1,000
Unitarian Universalist Fellowship of Midland	Annual Gift	\$ 1,000
United Church of Christ	Annual Gift	\$ 1,000
Wesley Chapel, Wesleyan Church	Annual Gift	\$ 1,000
Wheeler Road Church of Christ	Annual Gift	\$ 1,000

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Center for Michigan (The)	for operations over five years beginning in 2011 [6/15/2011 awarded for 2 years with option to re-submit request]	\$ 100,000
Charlevoix County Community Foundation	to fund the renovation and new construction associated with using the former Quilt Cottage in East Jordan, Michigan, as the new office location	\$ 30,000
Chippewa Nature Center, Inc.	operations for three years beginning with 2012 budget	\$ 60,000
Chippewa Watershed Conservancy	to support operating expenses over three years	\$ 40,000
Council of Michigan Foundations	to fund operating expenses for the Michigan Council for Educator Effectiveness to June 13, 2013	\$ 110,000
Council on Domestic Violence & Sexual Assault	to help build the endowment by funding a four-year, 4 to 1 match	\$ 250,000
Delta College	support for Michigan Small Business & Technology Development Center (MI-SBTDC)	\$ 60,000
Faith United Methodist Church of Coleman	to fund the installation of a sprinkler system and a back-up generator system	\$ 10,000
Family and Children's Service of Midland, Inc.	three-year support for operations [FYI -- annual fundraiser event held Feb. 26, 2011]	\$ 70,000
Girl Scouts Heart of Michigan	to fund Outreach Programming over three years	\$ 100,000
Grace A. Dow Memorial Library	to fund infrastructure and interior improvements to the Grace A. Dow Memorial Library	\$ 3,000,000
Grand Traverse Regional Community Foundation	to help fund the capital campaign to preserve the historic Cathedral Barn and establish a permanent botanic garden	\$ 100,000
Great Lakes Bay Foundation	operating funds for Leadership Institute	\$ 15,000
Greater Midland Community Centers, Inc.	to fund operations for North Midland Family Center over three years beginning in 2011	\$ 125,000
Inland Seas Education Associations	to support Schoolship Program funding for 2011 through 2013	\$ 140,000
Leelanau Conservancy	to help acquire and protect a 104-acre, Lake Michigan shoreline property known as the 'Clay Cliffs'	\$ 250,000
Michigan Nonprofit Association	operating support for the Michigan Nonprofit Council for Charitable Trusts through the Michigan Nonprofit Association	\$ 5,000
Michigan State University	three-year operational support for the Michigan Political Leadership Program beginning in 2011	\$ 25,000
Mid Michigan Big Brothers Big Sisters, Inc.	to match locally raised funds for operations	\$ 10,000
Midland County Courthouse	renovation of the Courthouse	\$ 350,000
Midland County Educational Service Agency	for the continuation of Instructional Consultation Team project	\$ 600,000
Midland Reformed Church	to support various, planned capital projects	\$ 10,000
Midland Volunteers for Recycling, Inc.	operating expenses over three years	\$ 25,000
MidMichigan Health	to increase capacity for MidMichigan Medical Center-Midland as a regional campus of Michigan State University	\$ 1,000,000
MidMichigan Innovation Center	operations	\$ 100,000
Nature Conservancy, Inc. (The)	Great Lakes Project	\$ 1,000,000

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Reaching Our Community Kids (R.O.C.K.)	operating support for three years beginning in 2011	\$ 40,000
Reece Community Living Endeavor	to assist in the construction of two duplexes for persons with special needs	\$ 132,000
Saginaw Basin Land Conservancy	continued support for stewardship of conservation easements secured through the Conservation Reserve Enhancement Program (CREP)	\$ 40,000
Saginaw Valley State University	Student Research and Creativity Institute endowment	\$ 500,000
Society of Plastics Engineers, Inc.	for continued support of the Education Outreach Program	\$ 5,000
United Way of Saginaw County	Phase 3 of the initial pilot implementation of the Imagination Library Program	\$ 10,000
Western Michigan University	to extend the Michigan Mathematics Rural Area Project for Grades 4-6 (M2RAP) for a third year	\$ 278,295
Charlevoix Area Community Pool	to fund the 'Refresh the Pool - Capital Improvement Project'	\$ 10,000
Crooked Tree Arts Council, Inc.	to match funds received by local donors for operations over three years	\$ 50,000
Grace A. Dow Memorial Library	2012 Annual grant for operations	\$ 2,000
Greater Midland Community Centers, Inc.	2012 annual support for Midland Community Center operations	\$ 50,000
Little Forks Conservancy	for operations to expand outreach to targeted constituencies and community partners	\$ 50,000
Little Traverse Conservancy	to purchase the Warner Farm as a conservation easement	\$ 125,000
Michigan State University	to create two endowments at MSU that will support one Junior Research Fellow and one Graduate Scholar for each of five years at the MSU Midland Research Institute for Value Chain Creation	\$ 1,000,000
Midland Amateur Sports Capital Committee	to move the Hall of Fame from the Civic Arena to Dow Diamond	\$ 10,000
Midland City	to replace a picnic pavilion at Emerson Park	\$ 45,000
Midland County Habitat for Humanity	to create a Condominium Association with the Disability Network of Mid-Michigan as part of a debt retirement plan	\$ 200,000
Midland Kids First	to increase funding for the Recovering Youth Futures program to offset administrative costs	\$ 15,000
Midland King's Daughters Home	2012 Annual Community Christmas Closet Project	\$ 1,000
MidMichigan Community College	to support the Campaign for Excellence	\$ 500,000
Munson Healthcare Foundation	for the capital campaign for a new Cancer Center to help fund a Splash Park to be located at the Jaycee Park	\$ 250,000
Village of Breckenridge		\$ 20,000
Adrian College	science complex addition and renovation project	\$ 500,000
Legacy Center for Community Success (The)	August 1, 2012: Midland Area Partnership for Drug-Free Youth merged w/The Legacy Center for Community Success. TLC is 'surviving' organization. 2/7/2012 grant to MAP: to support 2012 operating expenses	\$ 60,000
Inland Seas Education Associations	to support Schoolship Program funding for 2011 through 2013	\$ 140,000
Junior Achievement of Central Michigan, Inc.	\$1 for \$1 challenge grant for operating funds	\$ 15,000

THE HERBERT H. & GRACE A. DOW
FOUNDATION

38-1437485

GRANTS AND CONTRIBUTION PAID DURING THE YEAR
FORM 990 PF

STATEMENT 19

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Midland Kids First	to fund Recovering Youth Futures - a substance abuse treatment system for adolescents	\$ 181,500
MidMichigan Community College	to support the Campaign for Excellence	\$ 500,000
MidMichigan Health	to increase capacity for MidMichigan Medical Center-Midland as a regional campus of Michigan State University	\$ 1,000,000
Northwood University	to create a Main Street entryway to its campus, a portion of which would traverse over property owned by Midland Investment Properties, LLC, a Michigan limited liability company, of which the Foundation is the sole member	\$ 250,000
United Way of Midland County	additional Challenge Grant promoting the Alexis de Tocqueville giving level beginning in 2010	\$ 15,000
Temple Theatre Foundation	Three-year grant to support the Arts Take the Stage capital campaign by matching \$1 for every \$1 received, up to \$1,000, from each individual donor	\$ 50,000
Total to Form 990-PF, Part XV, Line 3a		\$ 17,728,638

GRANTS AND CONTRIBUTIONS APPROVED FOR FUTURE PAYMENTS

FOI STATEMENT 20

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Adrian College	Science complex add'n & renovation project	\$ 500,000.00
Bay Area Community Foundation	Sag Bay WIN (opr 13, 14, 15)	\$ 300,000.00
Caregiving Network, Inc.	Matching gift to renovate church bldg	\$ 20,000.00
Charlevoix Area Hospital Foundation	Operation 2013	\$ 33,333.00
Chippewa Nature Center	Operations 2012-2014	\$ 60,000.00
Chippewa Watershed Conservancy	Operations 2012-2014	\$ 80,000.00
Council on Domestic Violence & Sexual Assault (Shelterhouse)	\$4:\$1 endowment match	\$ 500,000.00
Crookbrook Educational Community	Art & Science on the Go	\$ 450,000.00
Crooked Tree Arts Council, Inc.	3-yr. matching grant 2011-2013	\$ 50,000.00
Delta College	Small Business & Technology Center (SBTC) 2011-2013	\$ 60,000.00
Family & Children's Services	Operations 2011-2013	\$ 70,000.00
Great Lakes Bay Region	Operation for learship institute	\$ 15,000.00
Greater Midland Community Centers, Inc.	NMFC operations 2011, 2012 & 2013	\$ 125,000.00
Junior Achievement of Central Michigan, Inc.	Matching operations	\$ 15,000.00
Meridian Public School	New Tech Network high school	\$ 417,500.00
Michigan State University (Michigan Political Leadership Program)	Operations 2011-2013	\$ 25,000.00
Michigan State University	Create 2 endowments at Midland Research Institute for Value Chain Creation (5 yrs)	\$ 1,000,000.00
Midland Area Chamber Foundation	2013 Midland Blooms	\$ 10,000.00
Midland Center for the Arts	Operations for 2012-2013	\$ 500,000.00
Midland Center for the Art	Matching grant for 2012-2013 operations	\$ 75,000.00
Midland County Educational Service Agency	Convert Longview Elem into Early Childhood & Family Resource Center	\$ 250,000.00
Midland County Educational Service Agency	Continuation of Instructional Consultation Team proj 2011-2013	\$ 600,000.00
Midland County-MSU Extension	Operations 2012-2013	\$ 10,000.00
Midland Kids First	Recovering Youth Futures [\$1,600 pd 7/12; \$181,500 pd 12/12]	\$ 366,300.00
Midland Kids First	Recovering Youth Futures add funding needed to offset admin costs	\$ 30,000.00
Midland Tomorrow	To launch a Smart Zone in Midland	\$ 50,000.00
Midland Volunteers for Recycling, Inc.	Operations over three years (2012-2014)	\$ 35,000.00
MidMichigan Health	Increase capacity for MMC-Midland as a regional campus of MSU	\$ 1,000,000.00
Mid Michigan Big Brothers Big Sisters	Match locally raised funds for operations 2012 & 2013	\$ 10,000.00
New Urban Learning	Instructor compensation Univ Prep Sci & Math H.S. 2011-2013	\$ 125,000.00

GRANTS AND CONTRIBUTIONS APPROVED FOR FUTURE PAYMENTS

FOI STATEMENT 20

RECIPIENT NAME	PURPOSE OF GRANT	AMOUNT
Reaching Our Community Kids (ROCK)	Operations for 3 yrs. Matching & outright pymnts:11, 12, 13 & 1	\$ 260,000.00
RE / MAX of Midland Balloon Fest	Operations 2012-2016	\$ 40,000.00
St. Louis High School	Adobe Web Premium site license and a MacBook lab (match)	\$ 18,869.00
Saginaw Basin Land Conservancy	Operations 2012-2014	\$ 30,000.00
Saginaw Valley State University	Student Research and Creativity Endowment	\$ 500,000.00
Society of Plastics Engineers, Inc.	Continued support of the Education Outreach Program	\$ 15,000.00
Temple Theatre Foundation	Capital campaign/matching	\$ 50,000.00
United Way of Midland County	Alexis de Tocqueville challenge (appr. 2009 for 2010 up to 2014 pymnt)	\$ 55,000.00
United Way of Midland County	Base Grant (appr. 2012 for 2013-2015 pymnt)	\$ 390,000.00
United Way of Midland County	Challenge Grant (appr. 2012 for 2013-2015 pymnt)	\$ 390,000.00
Young Life - Midland	YoungLives program expenses 2012-2014	\$ 30,000.00
Total to Form 990-PF, Part XV, Line 3b		\$ 8,561,002.00

The Herbert H. and Grace A. Dow Foundation

**Financial Statements as of and for the
Years Ended December 31, 2012 and 2011, and
Independent Auditors' Report**



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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
The Herbert H. and Grace A. Dow Foundation
Midland, Michigan

We have audited the accompanying financial statements of The Herbert H. and Grace A. Dow Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Herbert H. and Grace A. Dow Foundation as of December 31, 2012 and 2011, and the results of their activities and changes in net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Deloitte: Take up

October 14, 2013

THE HERBERT H. AND GRACE A. DOW FOUNDATION

STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 11,549,141	\$ 6,151,523
Interest and dividends receivable		1,640,533
Inventory	41,007	34,190
Prepaid expenses	<u>27,568</u>	<u>135,409</u>
Total current assets	11,617,716	7,961,655
INVESTMENTS — At fair value	379,520,120	352,680,224
PROPERTY AND EQUIPMENT — Net	<u>15,497,908</u>	<u>15,851,753</u>
TOTAL	<u>\$406,635,744</u>	<u>\$376,493,632</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 345,641	\$ 59,854
Current portion of grants payable	<u>6,546,210</u>	<u>5,698,543</u>
Total current liabilities	6,891,851	5,758,397
GRANTS PAYABLE — Less current portion	2,735,532	3,055,532
DEFERRED TAX LIABILITY	2,190,000	2,300,000
COMMITMENTS AND CONTINGENCIES		
Total liabilities	11,817,383	11,113,929
UNRESTRICTED NET ASSETS	<u>394,818,361</u>	<u>365,379,703</u>
TOTAL	<u>\$406,635,744</u>	<u>\$376,493,632</u>

See notes to financial statements.

THE HERBERT H. AND GRACE A. DOW FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
REVENUES (LOSSES):		
Investment income	\$ 10,282,506	\$ 7,540,117
Net unrealized and realized gains(losses) on investments	41,923,822	(40,851,870)
Miscellaneous	<u>464,911</u>	<u>430,052</u>
Total revenues (losses)	<u>52,671,239</u>	<u>(32,881,701)</u>
EXPENSES:		
Contributions	18,265,984	18,712,900
Maintenance of land and buildings	2,739,756	2,017,673
Professional services	1,718,190	2,242,795
Depreciation	375,084	374,677
Loss on disposal of fixed asset	13,129	
Federal excise tax expense (benefit)	<u>120,438</u>	<u>(608,966)</u>
Total expenses	<u>23,232,581</u>	<u>22,739,079</u>
CHANGE IN UNRESTRICTED NET ASSETS	29,438,658	(55,620,780)
UNRESTRICTED NET ASSETS — Beginning of year	<u>365,379,703</u>	<u>421,000,483</u>
UNRESTRICTED NET ASSETS — End of year	<u>\$394,818,361</u>	<u>\$365,379,703</u>

See notes to financial statements.

THE HERBERT H. AND GRACE A. DOW FOUNDATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in unrestricted net assets	\$ 29,438,658	\$(55,620,780)
Adjustments to reconcile change in unrestricted net assets to net cash used in operating activities:		
Depreciation	375,084	374,677
Deferred federal excise tax benefit	(110,000)	(695,000)
Net unrealized and realized (gains) losses on investments	(41,923,822)	40,851,870
Changes in assets and liabilities provided by (used in) cash:		
Other receivables, prepaid expenses, and inventory	1,741,557	(771,443)
Accounts payable and accrued expenses	285,787	(45,210)
Grants payable	527,667	483,513
Net cash used in operating activities	<u>(9,665,069)</u>	<u>(15,422,373)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of investments	140,488,097	77,484,360
Purchases of investments	(125,391,042)	(63,687,705)
Purchases of property and equipment	<u>(34,368)</u>	<u>(33,848)</u>
Net cash provided by investing activities	<u>15,062,687</u>	<u>13,762,807</u>
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	5,397,618	(1,659,566)
CASH AND CASH EQUIVALENTS — Beginning of year	<u>6,151,523</u>	<u>7,811,089</u>
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 11,549,141</u>	<u>\$ 6,151,523</u>
SUPPLEMENTAL CASH FLOW DISCLOSURE — Excise and business income taxes paid	<u>\$ -</u>	<u>\$ 8,000</u>

See notes to financial statements.

THE HERBERT H. AND GRACE A. DOW FOUNDATION

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

1. SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS

Organization — The Herbert H. and Grace A. Dow Foundation and its division, the Dow Gardens (collectively, the “Foundation”), are under common management and are organized collectively as a private foundation. The Foundation’s primary source of funding is from investment dividend, interest, and capital gain income. The Foundation awards grants to qualifying organizations within the state of Michigan to improve the educational, religious, economic, and cultural lives of Michigan residents. In addition, funds are used for operations of the Dow Gardens which are included in the accompanying financial statements. The Dow Gardens displays trees, shrubs, flowers, and horticulture exhibits designed for public enjoyment and education. Also, the Dow Gardens staff performs maintenance of the Foundation’s land and buildings.

Basis of Financial Presentation — The accompanying financial statements are prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Asset Classification — Net assets and revenues, gains and losses are classified based on donor imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- *Unrestricted* — Resources over which the trustees have discretionary control.
- *Temporarily Restricted* — Those resources subject to donor imposed restrictions which will be satisfied by actions of the Foundation or passage of time.
- *Permanently Restricted* — Resources subject to donor imposed restrictions that they be maintained permanently by the Foundation.

The Herbert H. and Grace A. Dow Foundation has no temporarily or permanently restricted net assets.

Revenue Recognition — Revenues are recognized when earned and when a benefit has been received. Contributions in kind made and received by the Foundation are recorded at market value as of the date of gift.

Cash and Cash Equivalents — Cash and cash equivalents include time deposits and readily marketable securities with original maturities of three months or less.

Investment Risk — Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in value of investment securities, it is at least reasonably possible that changes in values in the near term could materially affect the amounts reported in the accompanying financial statements.

Fair Value of Financial Instruments — In the normal course of business, the Foundation invests in various financial assets and incurs various financial liabilities.

The carrying amounts reported in the statements of financial position for cash, other receivables, accrued interest and dividends, accounts payable and accrued expenses, and deferred federal excise taxes approximate fair value based on their short-term nature. The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Investments at Fair Value — The carrying amount is stated at fair value, based on quoted market prices, where available. For securities not actively traded, fair values were estimated using values obtained from independent pricing services or quoted market prices of comparable instruments (see Note 2).

Investments in Private Equity Partnerships at Fair Value — The Foundation invests in certain alternative investments, primarily in the form of limited interests in private equity partnerships. Market values represent the Foundation's pro rata interest in the net assets of each limited partnership, based primarily on audited financial information supplied by the general partner. Realized and unrealized gains and losses on investments represent the difference between the original cost of investments and the sales proceeds (realized) or the fair market value at the end of the year (unrealized). Because of the inherent uncertainty of the valuation of private equity partnerships, the market values reflected in the accompanying financial statements may differ significantly from realizable values (see Note 2).

Grants Payable — The carrying amount represents the estimated fair value based on the present value of discounted cash flows (see Note 4).

Property and Equipment — Land, buildings, machinery, and equipment purchased are carried at cost, less accumulated depreciation. Donated property is stated at estimated fair value on the date of donation. Maintenance and repairs are charged to operating expenses as incurred. Depreciation is computed using the straight-line method over the estimated service lives of the respective assets. Fully depreciated assets are retained in property and depreciation accounts until they are removed from service.

Tax Status — The Foundation is an organization exempt from federal income taxation under Section 501(c)(3) and is a private foundation as described in Section 509(c) of the Internal Revenue Code (the "Code"). The Foundation is subject to federal excise taxes. It is also subject to federal and state income taxes on its unrelated business taxable income.

Adoption of Accounting Pronouncements — In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-06, *Improving Disclosures about Fair Value Measures*. It required entities to disclose separately the amounts of significant transfers into and out of Level 1 and Level 2 fair value measurements along with the reasons for those transfers. In addition, it also required entities to present separately information about purchases, sales, issuances, and settlements on a gross basis rather than as one net number in the reconciliation for fair value measurements using significant unobservable inputs (Level 3). The update also clarified that entities should disclose the level of disaggregation for assets and liabilities measured at fair values based on the nature and risk of the investment. The ASU was effective for the Foundation beginning December 30, 2010, for the transfer disclosures and December 31, 2011, for showing purchases and sales, issuances,

and settlements gross in the reconciliation of the fair value measurements. The adoption of this guidance had no effect on the statements of financial position or statements of activities and changes in net assets, but resulted in additional disclosure presented in Note 8.

In May 2011, the FASB issued ASU No. 2011-04. This ASU is the result of joint efforts by the FASB and International Accounting Standards Board to develop a single, converged fair value framework, that is, converged guidance on how (not when) to measure fair value and on what disclosures to provide about fair value measurements. While the ASU is largely consistent with the existing fair value measurement principles in U.S. GAAP, it expands the existing disclosure requirements for fair value measurements and makes other amendments. Many of these amendments are being made to eliminate unnecessary wording difference between U.S. GAAP and International Financial Reporting Standards. The guidance was effective for the Foundation beginning January 1, 2012. The adoption of this guidance did not have any effect on the statements of financial position or statements of activities and changes in net assets, but resulted in additional disclosures presented in Note 8.

2. INVESTMENTS

Investments are used to provide income to fulfill awarded grants and operations of the Foundation. Investments at December 31, 2012 and 2011, include the following:

	2012	2011
The Dow Chemical Company common stock	\$ 182,616,700	\$ 164,096,484
Other equity securities	77,716,563	60,775,722
Bond funds	116,885	1,838,421
Mutual funds	56,852,384	53,880,291
Private equity partnerships	<u>62,217,588</u>	<u>72,089,306</u>
Total investments	<u>\$ 379,520,120</u>	<u>\$ 352,680,224</u>

The Dow Chemical Company Common Stock — Published market quotations do not necessarily represent realizable values, particularly where sizable holdings of a company's stock exist, as in the case of the Foundation's holdings of The Dow Chemical Company common stock.

Mutual Funds, Bond Funds, and Other Equity Securities — Marketable securities are valued on the basis of quoted market prices at year-end. Investment income and expenses are reported on the accrual basis, and investment transactions are reported on a trade-date basis. Net realized gains (losses) and change in net unrealized market appreciation (depreciation) are determined by comparing cost to proceeds and fair market value, respectively. Cost is determined on a first-in, first-out basis.

Private Equity Partnerships (Alternative Investments) — Alternative investments primarily comprise limited interests in private equity partnerships. Management's estimates of fair values of alternative investments are based on information provided by the external investment and fund managers or the general partners. Management also obtains and considers the audited financial statements of these investments when evaluating the overall reasonableness of the recorded value. Alternative investments, which do not have readily determinable market values as of December 31 are valued based on the Foundation's pro rata share of the net assets of each limited partnership based primarily on the audited financial information provided by the investment manager or general partner. Underlying investments in these funds may include equities, fixed-income securities, commodities, currencies, and derivatives. Audited information is only available annually based on the partnership's or fund's year-end. Because of the inherent uncertainty of valuations, recorded amounts in the statements of financial position may

differ from the values that would have been reported, had a ready market existed. Included in the investment balance at December 31, 2012 and 2011, the Foundation had no unsettled trade purchases and no unsettled sales.

At December 31, 2012 and 2011, the Foundation had commitments to contribute approximately \$24,160,888 and \$10,193,884, respectively, in additional capital under the terms of various agreements covering alternative partnership investments over the next 10 years.

Investment Return — Investment return comprises dividends, interest, and realized and unrealized gains and losses. The components at December 31, 2012 and 2011, are as follows:

	2012	2011
Dividends	\$ 8,959,161	\$ 7,116,463
Interest	1,323,345	423,654
Net unrealized and realized gains (losses)	<u>41,923,822</u>	<u>(40,851,870)</u>
Total investment return (loss)	<u>\$52,206,328</u>	<u>\$(33,311,753)</u>

3. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2012 and 2011, is summarized as follows:

	Estimated Useful Lives (Years)	2012	2011
Land and land improvements		\$ 12,329,851	\$ 12,310,478
Buildings	30	10,243,317	10,278,485
Machinery and equipment	3-10	507,969	540,178
Furniture and fixtures	6-12	<u>620,787</u>	<u>617,536</u>
Total property and equipment		23,701,924	23,746,677
Accumulated depreciation		<u>(8,204,016)</u>	<u>(7,894,924)</u>
Property and equipment — net		<u>\$ 15,497,908</u>	<u>\$ 15,851,753</u>

4. GRANTS PAYABLE

Grants that are pledged and to be paid in less than one year are recorded as current liabilities at their stated values. Grants that are pledged and to be paid after one year are recorded as long-term payables at the present value of their estimated future cash flows. The discounts on those amounts are computed using the Foundation's incremental borrowing rates applicable to the years in which the contributions were pledged. The discount rate was 0% and 0.5% for 2012 and 2011, respectively.

Maturities of grants payable at December 31, 2012 and 2011, are as follows:

	2012		2011	
	Gross	Discounted	Gross	Discounted
Less than one year	\$6,546,210	\$6,546,210	\$5,698,543	\$5,698,543
One to four years	<u>2,735,532</u>	<u>2,735,532</u>	<u>3,080,833</u>	<u>3,055,532</u>
Total	<u>\$9,281,742</u>	<u>\$9,281,742</u>	<u>\$8,779,376</u>	<u>\$8,754,075</u>

5. EMPLOYEE BENEFITS

On September 12, 2000, the Board of Trustees approved the establishment of Internal Revenue Code Section 401(k) plan for the Foundation's employees. The 401(k) plan replaced the Simplified Employee Pension Plan (SEP) on October 1, 2000. The 401(k) plan, consistent with the SEP, provides for an employer contribution of 6% of the employee's gross annual pay for all employees employed for more than one year. Contributions totaled approximately \$63,084 and \$62,357 for the 401(k) plan for the years ended December 31, 2012 and 2011, respectively.

6. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist of cash and cash equivalents and investment securities.

The Foundation places its temporary cash and money market accounts with creditworthy, high-quality financial institutions and investment companies. A significant portion of the funds exceed the maximum Federal Deposit Insurance Corporation (FDIC) limit or are not insured by the FDIC or related entity.

7. TAXES

The Foundation is exempt from income tax under the Internal Revenue Code Section 501(c)(3), but is subject to an excise tax of 1% to 2% of its net investment income, including realized gains, as defined by the Code. In addition, the Foundation is subject to unrelated business income taxes for certain rental properties.

The provision for federal excise taxes for the years ended December 31, 2012 and 2011, consists of the following:

	2012	2011
Current	\$ 88,462	\$ -
Deferred	<u>(110,000)</u>	<u>(695,000)</u>
Total	<u>\$ (21,538)</u>	<u>\$ (695,000)</u>

The tax effect of the temporary difference comprising the Foundation's deferred taxes at December 31, 2012 and 2011, is as follows:

	2012	2011
Unrealized gains on investments not recognized for tax purposes	<u>\$2,190,000</u>	<u>\$2,300,000</u>

The Foundation is required to make minimum distributions on an annual basis under Code 4942. The Foundation must distribute \$781,973 and \$501,266 by December 31, 2012 and 2011, to meet the payout requirement for 2012 and 2011, respectively. Failure to distribute the required amount would result in additional excise taxes.

8. FAIR VALUE MEASUREMENT

FASB Accounting Standards Codification (ASC) 820-10 (formerly, FASB Statement No. 157) emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, FASB ASC 820-10 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). The fair value hierarchy is as follows:

Level 1 — Quoted (unadjusted) prices for identical assets in active markets

Level 2 — Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets in active markets
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high-variability over time, etc.)
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.)
- Inputs that are derived principally from or corroborated by other observable market data

Level 3 — Unobservable inputs that cannot be corroborated by observable market data

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Foundation's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset.

Following is a description of the valuation methodologies the Foundation used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy:

Level 1 securities include exchange-traded securities whose fair value is derived using quoted prices in active markets. In instances where quoted market prices are not readily available, the fair value is estimated using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry standard models that consider various assumptions, including time value and yield curve, as well as other relevant economic measures. The Foundation classifies these securities as Level 2 within the fair value hierarchy. In situations where there is little or no market activity for same or similar financial instruments, the Foundation estimates fair value using information provided by the external investment and fund managers or the general partners and classifies these assets as Level 3.

The information about the fair value of the Foundation's financial assets at December 31, 2012 and 2011, according to the valuation techniques the Foundation used to determine their fair values, is as follows:

	2012		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash and cash equivalents	\$ 11,549,141	\$ -	\$ -
Marketable securities:			
Debt securities	116,885		
Equity securities:			
Common stock — Dow Chemical Company	182,616,700		
U. S. equity securities	77,716,563		
Mutual funds	56,852,384		
Total marketable securities	317,302,532	-	-
Private equity partnerships			62,217,588
Total assets	\$328,851,673	\$ -	\$62,217,588

	2011		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash and cash equivalents	\$ 6,151,523	\$ -	\$ -
Marketable securities:			
Debt securities	1,838,421		
Equity securities:			
Common stock — Dow Chemical Company	164,096,484		
U. S. equity securities	60,775,722		
Mutual funds	53,880,291		
Total marketable securities	280,590,918	-	72,089,306
Private equity partnerships			72,089,306
Total assets	\$286,742,441	\$ -	\$72,089,306

The Level 3 activity for the years ended December 31, 2012 and 2011, is summarized below:

	2012	2011
Balance — beginning of year	\$ 72,089,306	\$ 92,816,651
Purchases	7,525,750	1,201,151
Net unrealized gains (losses)	3,919,621	(3,180,356)
Sales	(19,272,004)	(3,601,079)
Maturities	<u>(2,045,085)</u>	<u>(15,147,061)</u>
Balance — end of year	<u>\$ 62,217,588</u>	<u>\$ 72,089,306</u>

9. SUBSEQUENT EVENTS

Management has evaluated all events subsequent to December 31, 2012 through October 14, 2013, the date these financial statements were available to be issued, and has determined that there are no subsequent events that require recording or disclosure in the financial statements.

* * * * *

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- 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	Name of exempt organization or other filer, see instructions. THE HERBERT H. & GRACE A. DOW FOUNDATION	Employer identification number (EIN) or 38-1437485
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions 1018 WEST MAIN STREET	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. MIDLAND, MI 48640	

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

MRS. MARGARET A. RIECKER

- The books are in the care of ► 1018 W. MAIN ST. - MIDLAND, MI 48640
Telephone No. ► 989-631-3699 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.
► ☒ 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	\$ 224,633.
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	\$ 74,633.
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	\$ 150,000.

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

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 1-2013)